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TRFC 2015-1 PLC
(incorporated with limited liability in England and Wales with company number 9693502)
Issue of £29,500,000 Secured RPI-Linked Notes due 2035
Issue Price: 100%

TRFC 2015-1 PLC (the "**Issuer**") has issued £29,500,000 Secured RPI-linked Notes due 4 March 2035 (the "**Notes**") on 16 December 2015 (the "**Closing Date**"). The Notes have been constituted by a trust deed dated the Closing Date ("the **Trust Deed**") between the Issuer and U.S. Bank Trustees Limited (the "**Note Trustee**") and are secured by full fixed and floating charges over the assets of the Issuer which includes the rights of the Issuer in respect of the loan made pursuant to the Borrower Loan Agreement which is secured over the assets of AEI Holdco Limited (the "**Parent Borrower**"), Renewable Energy Generation Limited (the "**Renewable Energy Generation OpCo Borrower**"), UK Green Power Generation Limited (the "**UK Green Power Generation OpCo Borrower**"), Zero Carbon Power Limited (the "**Zero Carbon Power OpCo Borrower**"), Clean Power Generation Limited (the "**Clean Power Generation OpCo Borrower**"), Renewable Energy Trading Limited (the "**Renewable Energy Trading OpCo Borrower**"), Low Carbon Generation and Trading Limited (the "**Low Carbon Generation and Trading OpCo Borrower**"), Creative Solar Solutions Limited (the "**Creative Solar Solutions OpCo Borrower**"), PV Trading Limited (the "**PV Trading OpCo Borrower**"), Renewable Green Power Limited (the "**Renewable Green Power OpCo Borrower**"), Carbon Saving Generation Limited (the "**Carbon Saving Generation OpCo Borrower**"), Natural Energy Generation Limited (the "**Natural Energy Generation OpCo Borrower**"), Distributed Solar Energy Limited (the "**Distributed Solar Energy OpCo Borrower**"), UK Wind Energy Generation Limited (the "**UK Wind Energy Generation OpCo Borrower**"), Future Energy Generation Limited (the "**Future Energy Generation OpCo Borrower**"), Green Electricity Generation Limited (the "**Green Electricity Generation OpCo Borrower**"), PV Generation Limited (the "**PV Generation OpCo Borrower**") and Progressive Energies Limited (the "**Progressive Energies OpCo Borrower**"), (together the "**OpCo Borrowers**").

The obligations of the Issuer under the Notes are secured in favour of the Issuer Security Trustee by the Issuer Security (which includes the Issuer's rights under the Borrower Loan Agreement and the Borrower Security). The assets of the OpCo Borrowers include certain tariff payments payable to such OpCo Borrowers in connection with the generation of electricity by photovoltaic arrays accredited by the Office of the Gas and Electricity Markets ("**Ofgem**") that are owned by such OpCo Borrowers. See "*FIT Payments and Power Purchaser Agreements*" and "*FIT Licensees*" in the "*Transaction Overview*" section.

Interest on the Notes is payable in arrears on 4 March and 4 September respectively, in each year commencing on 4 September 2016 and maturing on the date of redemption (the "**Final Maturity Date**") (each a "**Note Interest Payment Date**") in respect of each period from (and including) the Closing Date to (but excluding) the first Note Interest Payment Date and each successive period from (and including) a Note Interest Payment Date to (but excluding) the next Note Interest Payment Date. If any such day is not a Business Day, the Note Interest Payment Date shall be the next following Business Day (unless such Business Day falls in the next calendar month, in which event, the immediately preceding Business Day).

Unless previously redeemed or purchased and cancelled in accordance with the Conditions of the Notes as summarised below, the Notes shall be redeemed at their Outstanding Principal Amount on 4 March 2035 together with interest accrued to (and including) the Final Maturity Date. The Notes are subject to scheduled principal repayments, as described below, and are expected to be repaid in full on the Note Interest Payment Date falling in 2035.

The Notes constitute secured indebtedness of the Issuer and rank *pari passu* without any preference among themselves. See "*Description of the Notes*" for further details.

An index of the defined terms used in these Listing Particulars appears at the end of the Listing Particulars.

No person is or has been authorised to give any information or to make any representation concerning the listing, issue, subscription and sale of the Notes other than as is contained in these Listing Particulars. If any such information or representation is given or made by any broker, seller or any other person, it must not be relied upon as having been authorised by the Issuer or the Arranger. Neither the delivery of these

Listing Particulars nor any offer, sale, allotment or solicitation made in connection with the offering of any of the Notes shall under any circumstances constitute a representation or create any implication that there has been no change in the affairs of the Issuer or in the information contained herein since the date hereof or that the information contained herein is correct at any time subsequent to the date hereof.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"). The Notes may not be offered, sold or delivered, directly or indirectly, in the United States or to any U.S. persons (as defined in Regulation S under the Securities Act "**Regulation S**") except pursuant to an exemption from the registration requirements of the Securities Act. The Notes are being offered for sale outside the United States in accordance with Regulation S. See "*Subscription and Sale*" below.

See "*Risk Factors*" for a discussion of certain factors that should be considered by prospective investors.

| | |
|--------------------------------|---------------------|
| Arranger | Bookrunner |
| Novatio Capital Limited | IDCM Limited |

The date of these Listing Particulars is 21 January 2016

These listing particulars ("**Listing Particulars**") comprise listing particulars given in compliance with the listing rules (the "**Listing Rules**") made under Section 73A of the Financial Services and Markets Act 2000 (the "**FSMA**") by the UK Listing Authority. Application will be made to the UK Listing Authority, for the Notes to be admitted to the official list maintained by the UK Listing Authority, for the purposes of Part VI of FSMA (the "**Official List**"), and to be admitted to trading on the Professional Securities Market (the "**PSM**") of the London Stock Exchange plc (the "**London Stock Exchange**") which is not a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC. References in these Listing Particulars to the Notes being "**listed**" (and all related references) mean that the Notes will be admitted to trading on the PSM of the London Stock Exchange and will be admitted to the Official List.

These Listing Particulars are not a prospectus for the purposes of the European Union's Prospectus Directive 2003/71/EC (and any amendments thereto, including by Directive 2010/73/EU as implemented in member states of the European Economic Area (the "**EEA**").

The Notes have initially been represented by a Global Note Certificate (the "**Global Note**") deposited with a common depositary for, and registered in the name of, a nominee of Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream Luxembourg**"). The Global Note is exchangeable for Definitive Notes only in certain limited circumstances set forth in the Trust Deed.

These Listing Particulars give information with regard to the Issuer and the Notes in respect of the assets and liabilities, financial position, profit and losses and prospects of the Issuer and the rights attaching to the Notes. The Issuer accepts responsibility for the information contained in these Listing Particulars and declares that, having taken all reasonable care to ensure such is the case, the information in these Listing Particulars, to the best of its knowledge, is in accordance with the facts and contains no omission likely to affect its import. Any information sourced from third parties contained in these Listing Particulars has been accurately reproduced (and is clearly sourced where it appears in these Listing Particulars) and, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Information sourced from a third party has been included in the Risk Factors – see "*Offtake risk*", under "*Risks relating to the PV Sites and their construction, operation and maintenance*" in the "*Risk Factors*" section.

In making an investment decision, investors must rely on their own examination of the Issuer, the Notes and the terms of the offering, including the merits and risks involved. Prospective investors should satisfy themselves that they understand all of the risks associated with making investments in the Notes. If a

prospective investor is in any doubt whatsoever as to the risks involved in investing in the Notes, he or she should consult his or her professional advisers.

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

- (a) have 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 in these Listing Particulars;
- (b) have 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 such investment will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the currency in which such investor's financial activities are principally denominated;
- (d) understand thoroughly the Conditions; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Novatio Capital Limited has been appointed as the arranger (with respect to the Loan (the "**Loans Arranger**") and with respect to the Notes (the "**Arranger**"), Boston & Alexander LLP, acting through its appointed representative IDCM Limited (in its capacity as bookrunner, the "**Bookrunner**") are authorised and regulated by the Financial Conduct Authority. Neither the Arranger nor the Bookrunner nor the Note Trustee, nor the Issuer Security Trustee, nor the Borrower Security Trustee have separately 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 Arranger, the Note Trustee, the Issuer Security Trustee or the Borrower Security Trustee or any of them as to the accuracy or completeness of the information contained in these Listing Particulars or any other information provided by the Issuer in connection with the Notes. Neither the Arranger nor the Bookrunner nor the Note Trustee nor the Issuer Security Trustee nor the Borrower Security Trustee accepts any liability in relation to the information provided by the Issuer in respect of the Notes.

In particular, the Notes are not obligations or responsibilities of, or be guaranteed by, the Borrowers, the Note Trustee, the Issuer Security Trustee, the Borrower Security Trustee, the Paying Agent, the Corporate Services Provider, the Issuer Cash Manager, the Arranger, the Bookrunner or any other person. None of such persons accepts any liability whatsoever in respect of any failure by the Issuer to make any payment of any amount due on the Notes.

These Listing Particulars should not be considered as a recommendation by the Issuer, the Arranger, the Bookrunner, the Note Trustee, the Issuer Security Trustee or the Borrower Security Trustee that any recipient of these Listing Particulars should purchase any of the Notes. Each investor contemplating purchasing Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer.

Any forward-looking statements, including estimates, any other projections and forecasts in these Listing Particulars are necessarily speculative and subjective in nature and some or all of the assumptions underlying such statements, estimates, projections and forecasts may not materialise or may vary significantly from actual results.

Such statements, estimates, projections and forecasts are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by such forward-looking statements, estimates, projections and forecasts. Prospective investors are cautioned not to place undue reliance on

these forward-looking statements, estimates, projections and forecasts which speak only as of the date of these Listing Particulars and are based on assumptions that may prove to be inaccurate. None of the Issuer, the Borrowers, the Arranger, the Bookrunner, the Note Trustee, the Issuer Security Trustee nor the Borrower Security Trustee undertakes any obligation to update or revise any forward-looking statements, estimates, projections and forecasts contained herein to reflect events or circumstances occurring after the date of these Listing Particulars.

The distribution of these Listing Particulars and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession these Listing Particulars come are required by the Issuer, the Bookrunner and the Arranger to inform themselves about and to observe any such restrictions. These Listing Particulars do not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. For a description of certain restrictions on offers, sales and deliveries of Notes, see the section entitled "*Subscription and Sale*".

Neither the delivery of these Listing Particulars nor any offering, sale or delivery made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer since the date hereof.

References in these Listing Particulars to "£" or "**sterling**" are to the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland.

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TRANSACTION OVERVIEW

The information in this section is an overview of the key features of the transaction. This overview should be read in conjunction with the more detailed information appearing elsewhere in these Listing Particulars.

An index of the defined terms used in these Listing Particulars appears at the end of the Listing Particulars.

In these Listing Particulars, references to the "Conditions" are to the terms and conditions of the Notes as set out in these Listing Particulars, and references to a particular numbered "Condition" are to be construed accordingly.

Structure Diagrams

The structure diagrams below are qualified in their entirety by the remainder of these Listing Particulars. Words and expressions defined elsewhere in these Listing Particulars shall have the same meaning in these structure diagrams.

Diagram 1 – Borrower Group Structure at the Closing Date

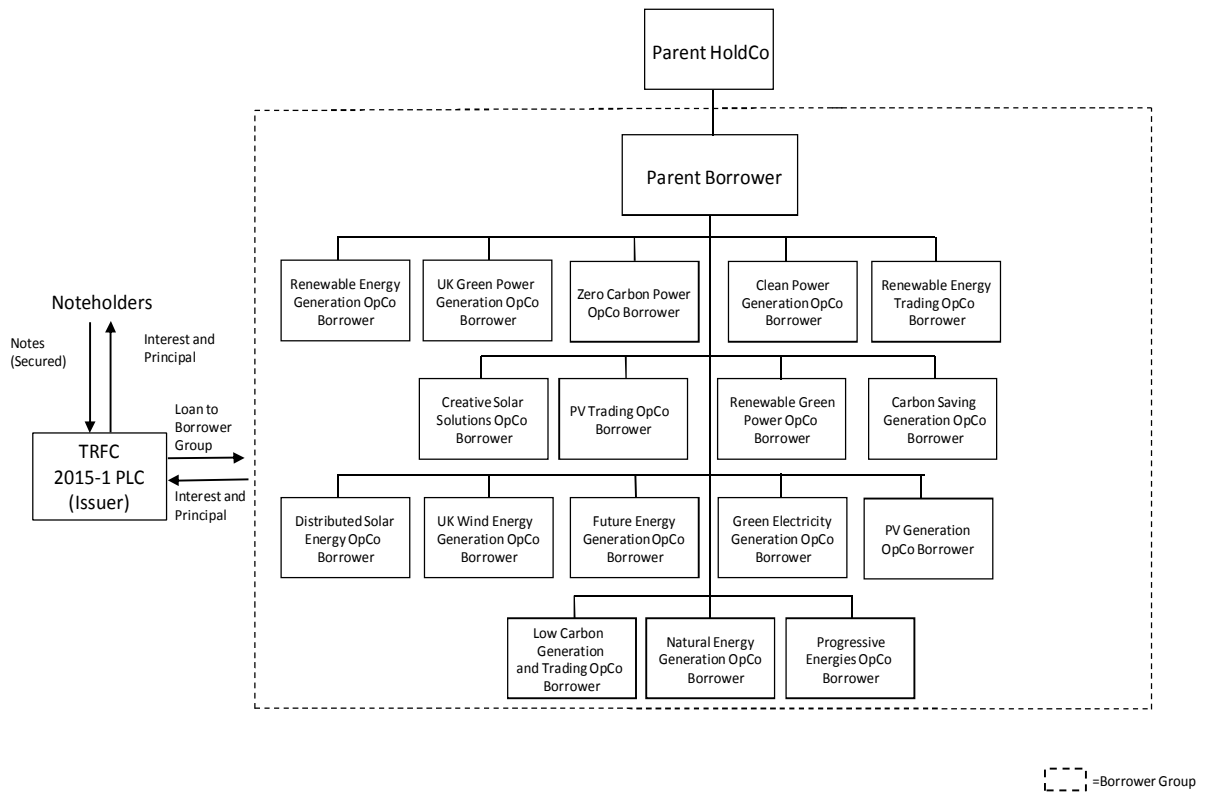
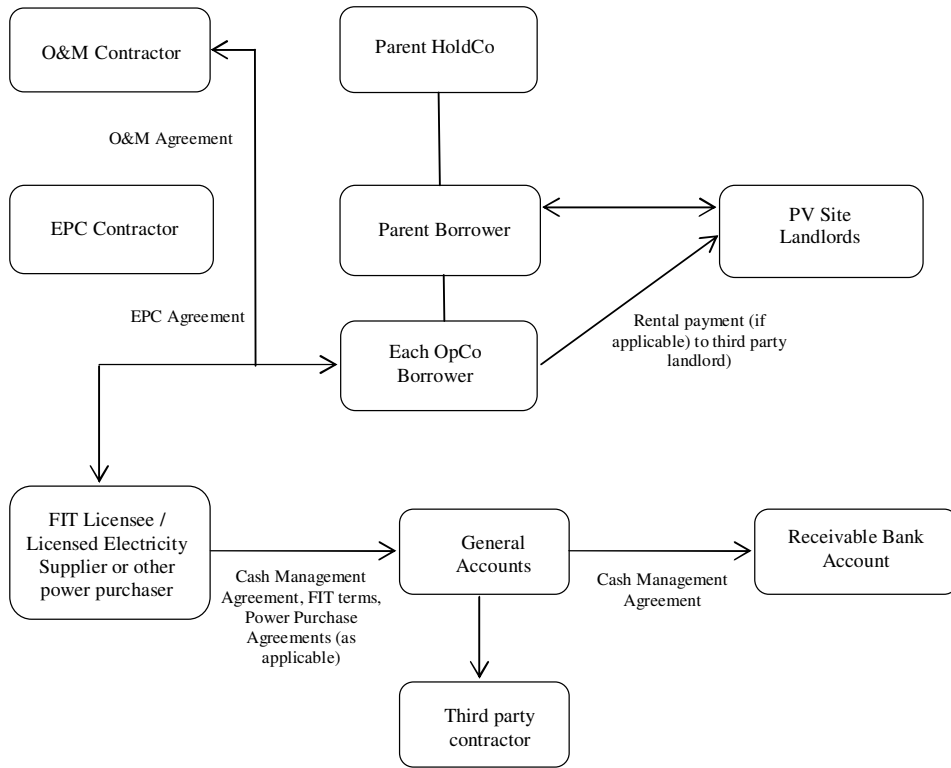


Diagram 2 – Electricity Generation Structure



Borrower Loan Agreement

On 16 December 2015 (the "**Closing Date**"), the Issuer issued the Notes and entered into a loan agreement (the "**Borrower Loan Agreement**") with, among others, the Parent Borrower and the OpCo Borrowers (together the "**Borrowers**") pursuant to which it used the Note issue to advance a loan (the "**Loan**") to the Borrowers on a joint and several liability basis.

The Borrowers pay interest on the amount of the Loan at a rate of 1.198 per cent per annum. Interest and principal payments in respect of the Loan are subject to adjustment by reference to the RPI. See "*Summary of Principal Documents – Borrower Loan Agreement*".

Structure of the Borrower Group

On the Closing Date, AEI Holdco Limited (the "**Parent Borrower**") is the 100 per cent beneficial owner of the following limited liability companies (each an "**OpCo Borrower**" and together, the "**OpCo Borrowers**"):

- (a) Renewable Energy Generation Limited (the "**Renewable Energy Generation OpCo Borrower**");
- (b) UK Green Power Generation Limited (the "**UK Green Power Generation OpCo Borrower**");
- (c) Zero Carbon Power Limited (the "**Zero Carbon Power OpCo Borrower**");
- (d) Clean Power Generation Limited (the "**Clean Power Generation OpCo Borrower**");
- (e) Renewable Energy Trading Limited (the "**Renewable Energy Trading OpCo Borrower**");
- (f) Low Carbon Generation and Trading Limited (the "**Low Carbon Generation and Trading OpCo Borrower**");
- (g) Creative Solar Solutions Limited (the "**Creative Solar Solutions OpCo Borrower**");
- (h) PV Trading Limited (the "**PV Trading OpCo Borrower**");
- (i) Renewable Green Power Limited (the "**Renewable Green Power OpCo Borrower**");
- (j) Carbon Saving Generation Limited (the "**Carbon Saving Generation OpCo Borrower**");
- (k) Natural Energy Generation Limited (the "**Natural Energy Generation OpCo Borrower**");
- (l) Distributed Solar Energy Limited (the "**Distributed Solar Energy OpCo Borrower**");
- (m) UK Wind Energy Generation Limited (the "**UK Wind Energy Generation OpCo Borrower**");
- (n) Future Energy Generation Limited (the "**Future Energy Generation OpCo Borrower**");
- (o) Green Electricity Generation Limited (the "**Green Electricity Generation OpCo Borrower**");
- (p) PV Generation Limited (the "**PV Generation OpCo Borrower**"); and
- (q) Progressive Energies Limited (the "**Progressive Energies OpCo Borrower**").

Share Purchase Agreements

The Parent Borrower has entered into share purchase agreements to acquire each of the OpCo Borrowers (each an "**SPA**"). The SPAs set out the agreement between the parties in respect of the acquisition of each of the OpCo Borrowers as set out below:

- (a) SPA in respect of the entire issued share capital of Creative Solar Solutions OpCo Borrower between TT Nominees Limited (in its capacity as the legal owner of the shares and on behalf of the beneficial owners of the shares pursuant to the authority set out in a memorandum and application form issued by Downing Low Carbon EIS Fund on 30 June 2010) and the Parent Borrower dated 28 August 2015;
- (b) SPA in respect of the entire issued share capital of Low Carbon Generation and Trading OpCo Borrower between TT Nominees Limited (in its capacity as the legal owner of the shares and on behalf of the beneficial owners of the shares pursuant to the authority set out in a memorandum and application form issued by Downing Low Carbon EIS Fund on 30 June 2010) and the Parent Borrower dated 18 September 2015;
- (c) SPA in respect of the entire issued share capital of Clean Power Generation OpCo Borrower between TT Nominees Limited (in its capacity as the legal owner of the shares and on behalf of a number of the beneficial owners of the shares pursuant to the authority set out in a memorandum and application form issued by Downing Low Carbon EIS Fund on 30 June 2010), Alan Yazdabadi, and the Parent Borrower dated 18 September 2015;
- (d) SPA in respect of the entire issued share capital of UK Wind Energy Generation OpCo Borrower between TT Nominees Limited (in its capacity as the legal owner of the shares and on behalf of a number of the beneficial owners of the shares pursuant to the authority set out in a memorandum and application form issued by Downing Low Carbon EIS Fund on 30 June 2010), Alan Yazdabadi, and the Parent Borrower dated 18 September 2015;
- (e) SPA in respect of the entire issued share capital of Renewable Green Power OpCo Borrower between Reyker Nominees Ltd (in its capacity as the legal owner of the shares and on behalf of a number of the beneficial owners of the shares pursuant to the authority set out in a memorandum and application form issued by Downing Low Carbon EIS Fund 2 on 14 December 2010), Michael John Hughes, and the Parent Borrower dated 30 July 2015;
- (f) SPA in respect of the entire issued share capital of UK Green Power Generation OpCo Borrower between Reyker Nominees Ltd (in its capacity as the legal owner of the shares and on behalf of a number of the beneficial owners of the shares pursuant to the authority set out in a memorandum and application form issued by Downing Low Carbon EIS Fund 2 on 14 December 2010), Stephen William Mahon, and the Parent Borrower dated 17 June 2015;
- (g) SPA in respect of the entire issued share capital of Renewable Energy Trading OpCo Borrower between TT Nominees Limited (in its capacity as the legal owner of the shares and on behalf of a number of beneficial owners of the shares pursuant to the authority set out in a memorandum and application form issued by Downing Low Carbon EIS Fund on 30 June 2010), Andrew Newman, and the Parent Borrower dated 28 August 2015;
- (h) SPA in respect of the entire issued share capital of Renewable Energy Generation OpCo Borrower between Reyker Nominees Ltd (in its capacity as the legal owner of the shares and on behalf of a number of beneficial owners of the shares pursuant to the authority set out in a memorandum and application form issued by Downing Low Carbon EIS Fund 2 on 14 December 2010), Stephen Mahon and the Parent Borrower dated 8 May 2015;
- (i) SPA in respect of the entire issued share capital of Zero Carbon Power OpCo Borrower between Reyker Nominees Ltd (in its capacity as the legal owner of the shares and on behalf of a number of beneficial owners of the shares pursuant to the authority set out in a memorandum and application form issued by Downing Low Carbon EIS Fund 2 on 14 December 2010), Alan Yazdabadi, and the Parent Borrower dated 25 June 2015;
- (j) SPA in respect of the entire issued share capital of Future Energy Generation OpCo Borrower between TT Nominees Limited (in its capacity as the legal owner of the shares and on behalf of a number of the beneficial owners of the shares pursuant to the authority set out in a memorandum

and application form issued by Downing Low Carbon EIS Fund 3 on 28 July 2011), Michael Hughes, and the Parent Borrower dated 19 November 2015;

- (k) SPA in respect of the entire issued share capital of Carbon Saving Generation OpCo Borrower between TT Nominees Limited (in its capacity as the legal owner of the shares and on behalf of a number of the beneficial owners of the shares pursuant to the authority set out in a memorandum and application form issued by Downing Low Carbon EIS Fund 3 on 28 July 2011), Michael Hughes, and the Parent Borrower dated 19 November 2015;
- (l) SPA in respect of the entire issued share capital of Natural Energy Generation OpCo Borrower between TT Nominees Limited (in its capacity as the legal owner of the shares and on behalf of a number of the beneficial owners of the shares pursuant to the authority set out in a memorandum and application form issued by Downing Low Carbon EIS Fund 3 on 28 July 2011), Michael Hughes, and the Parent Borrower dated 19 November 2015;
- (m) SPA in respect of the entire issued share capital of Distributed Solar Energy Limited between TT Nominees Limited (in its capacity as the legal owner of the shares and on behalf of a number of the beneficial owners of the shares pursuant to the authority set out in a memorandum and application form issued by Downing Low Carbon EIS Fund 3 on 28 July 2011), Michael Hughes, and AEI Holdco Limited dated 19 November 2015;
- (n) SPA in respect of the entire issued share capital of Green Electricity Generation Limited between Downing Two VCT plc, Downing Three VCT plc, Downing Four VCT plc, Andrew Newman, Angus Fraser, Henry Clemmey, and the Parent Borrower dated the Closing Date;
- (o) SPA in respect of the entire issued share capital of PV Generation Limited between Downing Four VCT plc, Elizabeth Fraser, Henry Clemmey, Alan Aizlewood, and the Parent Borrower dated the Closing Date;
- (p) SPA in respect of the entire issued share capital of Progressive Energies OpCo Borrower between Downing One VCT plc, Downing Two VCT plc, Downing Three VCT plc, Downing Four VCT plc, Bridging Trading LLP and the Parent Borrower dated the Closing Date; and
- (q) SPA in respect of the acquisition of the remainder of the entire issued share capital of PV Trading OpCo Borrower between TT Nominees Limited (in its capacity as the legal owner of the shares and on behalf of a number of the beneficial owners of the shares pursuant to the authority set out in a memorandum and application form issued by Downing Low Carbon EIS Fund 3 on 28 July 2011), Colin Corbally, Paul Beaumont, Jonathan Boss, Nicholas Lewis, Rowan Lewis, Tony McGing and the Parent Borrower dated the Closing Date.

The PV Leases

The OpCo Borrowers have the benefit of 1,885 PV Leases, at the PV Sites, comprising a mixture of commercial sites (including poultry rearing buildings and one ground mounted site) (the "**Commercial PV Leases**"), social housing (the "**Social Housing PV Leases**") and domestic buildings (the "**Domestic PV Leases**").

In this context:

"**PV Site**" means each of the photovoltaic sites in which a Chargor has a proprietary interest from time to time existing now and in the future;

"**PV Lease**" means each lease of the Borrowers in relation to a PV Site from time to time, existing now and in the future and which is, or is intended to be subject to a security interest pursuant to the Borrower Deed of Charge; and

"**PV Site Asset**" means each asset of the Chargers from time to time, existing now and in the future and which is, or is intended to be subject of security including without limitation any equipment.

The PV Leases are registered at the Land Registry.

Rent (where applicable) is paid by each OpCo Borrower to the relevant landlord from amounts standing to the credit of its General Account.

There are no connections between the landlords of the PV Sites and any member of the Borrower Group.

FIT Payments and Power Purchase Agreements

The Feed-in Tariff ("**FIT**") scheme provides financial support to small scale (5MW or less) renewable installations ("**FIT Payments**"), FIT Payments are made by FIT licensees (each a "**FIT Licensee**"). FIT Licensees are certain electricity suppliers licensed by the Gas and Electricity Markets Authority (each a "**Licensed Electricity Supplier**"). FIT Payments are comprised of two distinct elements:

- (a) generation tariff payable for every kilowatt hour ("**kWh**") of electricity generated by an accredited installation (notwithstanding whether such electricity is used locally or exported to the grid). The generation tariff rate varies according to: (i) technology type and size; (ii) the date of accreditation of the installation under the FIT scheme (referred to as the "eligibility date", being the later of the date of commissioning and the date of receipt by Ofgem of an application for full accreditation); and (iii) whether the installation is part of a wider portfolio (more than 25 installations) held by the same company or by a connected person (including affiliates), in which case the generation tariff will be reduced if the installation's eligibility date is on or after 1 April 2012. This scenario therefore applies to those solar PV installations of the OpCo Borrowers that were accredited on or after 1 April 2012; and
- (b) the export tariff – payable for every kWh of electricity generated and subsequently exported by the accredited installation to the local distribution network. The export tariff rate is universal across technology type and size. A FIT generator may elect on an annual basis whether to receive the export tariff for any electricity it exports or whether to negotiate an alternative price under a power purchase agreement (each a "**Power Purchase Agreement**" and together, the "**Power Purchase Agreements**") with a Licensed Electricity Supplier or a power purchaser that is not a Licensed Electricity Supplier. Under a Power Purchase Agreement, a FIT generator will be entitled to receive payments for the electricity generated by the relevant solar PV installation(s) and then exported to the grid (the "**PPA Receivables**") (the FIT Payments and any such PPA Receivables together, the "**Receivables**"). For installations with a total installed capacity of 30kW or less where an export meter (which may be a smart meter) is not in place, the quantity of electricity exported can be "deemed". For solar PV installations, the rate of deeming is set at 50% of the generated amount.

FIT Payments are made at rates set by Ofgem. Subject to the outcome of the Department for Energy and Climate Change's consultation on the FIT regime which ran from 27 August 2015 to 23 October 2015 (the "FIT Regime Consultation") and UK Parliament approval, the level of FIT generation tariffs will be significantly reduced for new installations from January 2016. This proposal will not affect existing installations.

Entitlement to FIT Payments is restricted to a fixed period (currently 20 years from the eligibility date) and both tariffs are adjusted annually on 1 April to reflect any change in RPI during the previous 12 month period (ending on 31 December). Subject to the outcome of the FIT Regime Consultation and UK Parliament approval, both tariffs will shift to CPI escalation. Subject to indexation and any change in law or UK Government policy, the generation tariff allocated to the installation on its eligibility date will remain unchanged for the life of the installation or, if earlier, until expiry of the 20-year FIT period (or 25 years if the eligibility date is before 1 August 2012).

For solar PV installations with a declared net capacity of less than 50kW, eligibility to receive FIT payments is dependent on the technology being certified under the Microgeneration Certification Scheme ("MCS") and, thereafter, the FIT generator may apply to a FIT Licensee for accreditation and inclusion on the central register of FIT installations (the "Central FIT Register").

FIT payments may be reduced, recouped or withheld by a FIT Licensee if: (i) an error has been made by the FIT Licensee, Ofgem or the FIT generator as a result of which the FIT generator or nominated recipient has received a payment to which it is not entitled; or (ii) Ofgem notifies the relevant FIT Licensee that it has good reason to believe that a FIT payment should not have been made. If instructed to withhold payments, the FIT Licensee will continue to do so until notified by Ofgem that the suspension has been rescinded, or if instructed by Ofgem to recover or make a reduced FIT Payment.

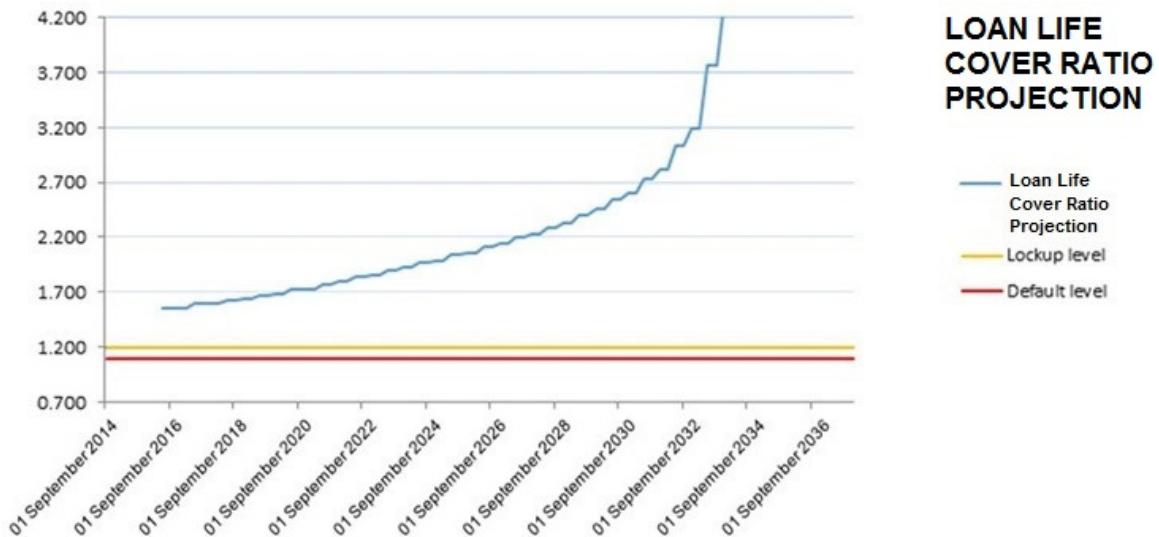
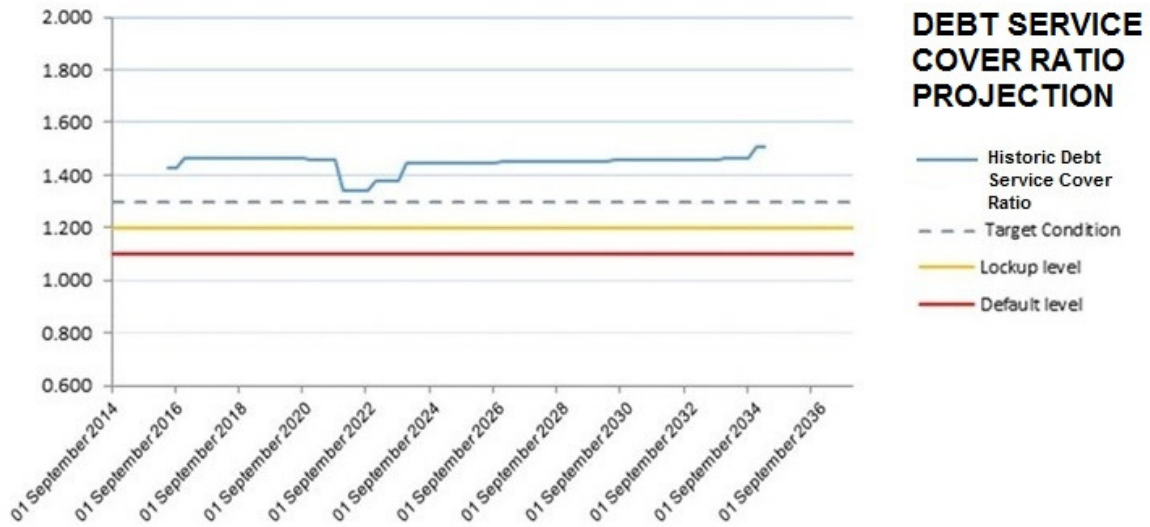
Furthermore, under powers granted by the Feed-in Tariffs Order 2012, Ofgem may withdraw accreditation, suspend accreditation, change the tariff code, attach conditions on the accreditation or amend conditions of accreditation in certain specified situations. These include: (i) where the decision to grant accreditation or preliminary accreditation was based on information which was incorrect in a material particular; (ii) where any condition attached to an accreditation has not been complied with; (iii) where an installation has been extended or modified in such a way that it would not be entitled to accreditation; (iv) where Ofgem is notified by a relevant public authority that the construction or operation of an installation is in breach of legislation, a licence or a consent; and/or (v) fraud or abuse of the FIT scheme is suspected. If an installation's accreditation is withdrawn, it will be removed from the Central FIT Register and the FIT generator will be precluded from receiving any further FIT Payments in respect of that installation.

A FIT generator should notify the FIT Licensee and/or Ofgem (as applicable) as soon as reasonably practicable following any changes to an accredited installation (including any replacement meters and any reduction or extension of the installation's total installed capacity or declared net capacity). Ofgem and/or the FIT Licensee (as applicable) will then assess whether these changes affect the installation's accreditation and/or tariff rate and whether any corresponding changes to the installation's entry on the Central FIT Register are required.

Other than as outlined above (and subject to any future change in law, changes in nominated recipient and any administrative amendments), a third party is not able to alter an installation's entry on the Central FIT Register.

Debt Service Cover Ratio and Loan Life Cover Ratio Projection Charts

To enable the Noteholders to make an informed assessment on the ability of the OpCo Borrowers to collectively generate sufficient cashflow to repay their obligations under the Borrower Loan Agreement and ultimately, the Noteholders to receive amounts due to them in respect of the Notes, the Borrowers produced the following Debt Service Cover Ratio and Loan Life Cover Ratio projection charts:



The total capacity of the PV Sites collectively is 11,865 kWp.

Below are the revenue and cost assumptions used by the Borrowers to build such projections and which would allow any investor or potential investor to build its own:

Basic Assumptions

- The energy yield used to calculate the Debt Service Cover Ratio and Loan Life Cover Ratio projections is 871 kWh/kWp per annum.
- The average system-level degradation used to calculate the Debt Service Cover Ratio and Loan Life Cover Ratio projections is 0.75% per annum.
- The long term Retail Price Index ("RPI") rate of 2.5% per annum is assumed.

The energy yield measures the predicted energy production (in kWh) produced by the portfolio per annum per kWp installed.

The annual revenue for the portfolio is composed of two main revenue streams: i) the FIT generation revenue and ii) the export revenue. Both revenue streams have been derived by multiplying the annual energy yield with the expected tariff (calculated using the tariff contained in the accreditation by Ofgem for each of the PV Sites). For the Domestic PV Sites, it has been assumed that only 50% of the energy produced is exported to the local grid.

The main operating and maintenance costs for the portfolio are composed of fees payable under the O&M Contracts and the Management Services Agreement, payment of insurance premium and corporate taxes.

FIT Licensees

In the event that a FIT generator wishes to switch FIT Licensees, they must approach the new FIT Licensee. The new FIT Licensee will request the switch from the old FIT Licensee and, if the old FIT Licensee consents, a switch date will be agreed. Both FIT Licensees must notify Ofgem of the switch and the date on which it is proposed to take effect. Ofgem will then update the Central FIT Register to record the switch. The new FIT Licensee will be obliged to pay all FIT payments from the switch date. The old FIT licensee will be obliged to pay all FIT payments due to the FIT Generator up to the switch date.

With respect to insolvency risk, recent legislation changes (Article 24A of The Feed-in Tariffs (Amendment) Order 2013 brought into force on 1 July 2013) allow for FIT generators to continue to receive FIT Payments from another FIT Licensee in the event that the old FIT Licensee has its licence to supply electricity revoked or suffers insolvency. This provides an additional layer of protection to the FIT generator, ensuring continuity of payments.

Other principal contracts

Each OpCo Borrower has entered into a number of contracts in relation to its PV Sites, the principal ones being:

- (a) engineering, procurement and construction contracts (the "**EPC Contracts**") entered into with the contractors who were originally responsible for the construction of the relevant PV Sites. Each OpCo Borrower has entered into at least one EPC contract with an EPC contractor. In most cases, the EPC Contracts are for more than one solar PV installation. For the Limes Farm (UK Wind Energy Generation OpCo Borrower), Nabscott Farm (Low Carbon Generation and Trading OpCo Borrower) and South Coast Domestic (PV Trading OpCo Borrower) PV Sites, the installations were acquired via asset purchase agreements and therefore, there are no EPC Contracts for these PV Sites;
- (b) operation and maintenance contracts (the "**O&M Contracts**"). Each OpCo Borrower has entered into at least one O&M Contract. In most cases, the O&M Contracts are for more than one solar PV installation. All solar PV installations are covered under O&M Contracts;
- (c) an agreement (as may be amended or supplemented from time to time) for the management of the PV Sites (each an "**Asset Management Agreement**") to be executed between the Parent Borrower and each OpCo Borrower; and
- (d) an agreement (as may be amended or supplemented from time to time) in relation to the administrative management of the OpCo Borrowers and the Parent Borrower (the "**Management Services Agreement**") between the Parent Borrower and Armstrong Energy Limited (in its capacity as consultant and the "**Borrower Corporate Administrator**").

See "*Summary of Principal Documents – EPC Contracts*", "*Summary of Principal Documents – O&M Contracts*", "*Summary of Principal Documents – Asset Management Agreements*" and "*Summary of Principal Documents – Management Services Agreement*" below for further details of these contracts.

Use of proceeds

The estimated gross proceeds from the issue of the Notes is £29,500,000. On the Closing Date the Issuer has, subject to and in accordance with the terms of the Borrower Loan Agreement, advanced the Loan to the Borrowers. The Borrowers have applied the proceeds as described in detail in the "Use of Proceeds" section below.

Repayment of Notes

The Issuer's obligation to pay interest and principal on the Notes is met from payments of interest and principal received from the Borrowers under the Borrower Loan Agreement.

The Borrowers' obligation to pay interest and principal on the Loan is met from Receivables received under the Power Purchase Agreements entered into by the OpCo Borrowers and the FIT Payments.

The Borrower Security Structure

Under a deed of charge dated on the Closing Date between, amongst others, the Borrowers, the Issuer and U.S. Bank Trustees Limited (the "**Borrower Security Trustee**") (the "**Borrower Deed of Charge**"), the obligations of the Borrowers in respect of the Loan (such obligations being joint and several) are secured in favour of the Borrower Security Trustee (for the benefit of the Borrower Secured Creditors (See further "*Summary of Principal Documents – Borrower Deed of Charge*") by fixed and floating charges over the property, undertaking and assets of the Borrowers (which comprises, primarily, in respect of an OpCo Borrower, its rights, title and interest in the Power Purchase Agreements (including Receivables), the EPC Contracts and O&M Contracts, the PV Sites, the PV Site Leases and equipment and plant at the PV Sites). Furthermore, security for the obligations of the Borrowers in respect of the Loan have been granted by the Parent HoldCo in favour of the Borrower Security Trustee (for the benefit of the Borrower Secured Creditors) by way of a fixed charge over its shares in the Parent Borrower (the "**Share Charge**"). Collectively, the security granted by the Borrowers and Parent HoldCo pursuant to the Borrower Deed of Charge is referred to as the "**Borrower Security**" – see "*Summary of Principal Documents – Borrower Deed of Charge*" and "*Summary of Principal Documents - Share Charge*"

The Issuer Security Structure

Under a deed of charge dated the Closing Date between, among others, the Issuer and U.S. Bank Trustees Limited (the "**Issuer Security Trustee**") (the "**Issuer Deed of Charge**"), the obligations of the Issuer under the Notes are secured in favour of the Issuer Security Trustee (for the benefit of the Noteholders and certain other secured creditors of the Issuer (the "**Issuer Secured Creditors**")) by fixed and floating charges over all the property, undertaking and assets of the Issuer (which comprises, primarily, the Issuer Transaction Account and its rights in respect of the Loan and the Borrower Security) (collectively, the "**Issuer Security**"). See "*Summary of Principal Documents – Issuer Deed of Charge*".

Corporate administration

Back office and management services, including, but not limited to accounting, secretarial, project management and contract management, professional support, and insurance support services ("**Administrative Services**") are provided to the Borrower Group by the Borrower Corporate Administrator and the Parent Borrower under the Management Services Agreement and Asset Management Agreements respectively.

See "*Summary of Principal Documents – Management Services Agreement*" and "*Summary of Principal Documents – Asset Management Agreements*" below for further details of these contracts.

Conflicts of interest

Steve Mahon, Andrew Newman, Robin Chamberlayne and Alan Yazdabadi are, as of the Closing Date, directors of the Parent HoldCo and each of the Borrowers.

Parent HoldCo Loans

Each of the Borrowers has been financed by shareholder loans provided by the Parent HoldCo. Parent HoldCo loans in the amount of up to approximately £10,500,000 remain in place after drawdown of the Loan.

KEY FEATURES

The following information is a summary of the transactions and assets underlying the Notes. It has to be read as an introduction to these Listing Particulars and is qualified in its entirety by reference to the detailed information presented elsewhere in these Listing Particulars and in the Transaction Documents.

1. The principal parties

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| Issuer | TRFC 2015-1 PLC (the " Issuer "), registration number 9693502, a limited liability company incorporated under the laws of England and Wales, whose registered office is at 35 Great St. Helen's, London EC3A 6AP. |
| Issuer Security Trustee | U.S. Bank Trustees Limited acting as security trustee (the " Issuer Security Trustee ") and holding on trust for itself and the other Issuer Secured Creditors the security granted by the Issuer in favour of the Issuer Secured Creditors pursuant to the deed of charge (the " Issuer Deed of Charge "). |
| Borrower Security Trustee | U.S. Bank Trustees Limited acting as security trustee (the " Borrower Security Trustee ") and holding on trust for itself and the other Borrower Secured Creditors the security granted by the Borrowers in favour of the Borrower Secured Creditors pursuant to the deed of charge (the " Borrower Deed of Charge ") and the Parent HoldCo share charge (the " Parent HoldCo Share Charge "). |
| Note Trustee | U.S. Bank Trustees Limited acting as trustee for and on behalf of the holders of the Notes (the " Note Trustee ") pursuant to a Trust Deed (the " Trust Deed ") entered into on the Closing Date between the Note Trustee and the Issuer. |
| Issuer Cash Manager | Elavon Financial Services Limited acting as cash manager (the " Issuer Cash Manager ") pursuant to a cash management agreement (the " Issuer Cash Management Agreement ") entered into on the Closing Date between amongst others, the Issuer Cash Manager, the Note Trustee and the Issuer. |
| Borrower Cash Manager | Elavon Financial Services Limited acting as cash manager (the " Borrower Cash Manager ") pursuant to a cash management agreement (the " Borrower Cash Management Agreement ") entered into on the Closing Date between, amongst others, the Borrower Cash Manager and the Borrowers. |
| Paying Agent | Elavon Financial Services Limited acting as paying agent (the " Paying Agent ") pursuant to a paying agency agreement (the " Agency Agreement ") entered into on the Closing Date between the Paying Agent, the Note Trustee and the Issuer. |
| Calculation Agent | Elavon Financial Services Limited acting as calculation agent (the " Calculation Agent ") pursuant to the Agency Agreement. |
| Issuer Account Bank | Elavon Financial Services Limited acting as issuer account bank (the " Issuer Account Bank ") pursuant to the Issuer Cash Management Agreement. |
| Borrower Account Bank | Elavon Financial Services Limited acting as borrower account bank (the " Borrower Account Bank ") pursuant to the Borrower Cash |

Management Agreement.

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| Borrower Agent | AEI Holdco Limited, acting as agent for and on behalf of all of the Borrowers pursuant to the Transaction Documents (the " Borrower Agent "). |
| Corporate Services Provider | Structured Finance Management Limited acting as a corporate services provider to the Issuer (the " Corporate Services Provider ") pursuant to a corporate services agreement (the " Corporate Services Agreement ") entered into on the Closing Date between the Corporate Services Provider and the Issuer. |
| Share Trustee | SFM Corporate Services Limited (the " Share Trustee ") holds the issued share capital of the Issuer under the terms of a declaration of trust dated 25 August 2015. |
| Borrowers | The OpCo Borrowers and the Parent Borrower. |
| Parent HoldCo | Armstrong Energy Income Limited, a limited liability company incorporated under the laws of England and Wales with registered number 08430843 whose registered office at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the " Parent HoldCo "). |
| Parent Borrower | AEI Holdco Limited, a limited liability company incorporated under the laws of England and Wales with registered number 08567239, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH ((the " Parent Borrower ") and in its capacity as borrower under the Borrower Loan Agreement, a " Borrower "). |
| OpCo Borrowers | <p>Renewable Energy Generation Limited, registration number 07489910, a limited liability company incorporated under the laws of England and Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "Renewable Energy Generation OpCo Borrower");</p> <p>UK Green Power Generation Limited, registration number 07498904, a limited liability company incorporated under the laws of England and Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "UK Green Power Generation OpCo Borrower");</p> <p>Zero Carbon Power Limited, registration number 07498747, a limited liability company incorporated under the laws of England and Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "Zero Carbon Power OpCo Borrower");</p> <p>Clean Power Generation Limited, registration number 07489877, a limited liability company incorporated under the laws of England and Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "Clean Power Generation OpCo Borrower");</p> <p>Renewable Energy Trading Limited, registration number 07483846, a limited liability company incorporated under the laws of England and</p> |

Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "**Renewable Energy Trading OpCo Borrower**");

Low Carbon Generation and Trading Limited, registration number 07490099, a limited liability company incorporated under the laws of England and Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "**Low Carbon Generation and Trading OpCo Borrower**");

Creative Solar Solutions Limited, registration number 07489981, a limited liability company incorporated under the laws of England and Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "**Creative Solar Solutions OpCo Borrower**");

PV Trading Limited, registration number 07290229, a limited liability company incorporated under the laws of England and Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "**PV Trading OpCo Borrower**");

Renewable Green Power Limited, registration number 07687853, a limited liability company incorporated under the laws of England and Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "**Renewable Green Power OpCo Borrower**");

Carbon Saving Generation Limited, registration number 07687844, a limited liability company incorporated under the laws of England and Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "**Carbon Saving Generation OpCo Borrower**");

Natural Energy Generation Limited, registration number 07705651, a limited liability company incorporated under the laws of England and Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "**Natural Energy Generation OpCo Borrower**");

Distributed Solar Energy Limited, registration number 07705719, a limited liability company incorporated under the laws of England and Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "**Distributed Solar Energy OpCo Borrower**");

UK Wind Energy Generation Limited, registration number 07498730, a limited liability company incorporated under the laws of England and Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "**UK Wind Energy Generation OpCo Borrower**");

Future Energy Generation Limited, registration number 07705753, a limited liability company incorporated under the laws of England and Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "**Future**");

Energy Generation OpCo Borrower");

Green Electricity Generation Limited, registration number 07596165, a limited liability company incorporated under the laws of England and Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "**Green Electricity Generation OpCo Borrower**");

PV Generation Limited, registration number 07721561, a limited liability company incorporated under the laws of England and Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "**PV Generation OpCo Borrower**"); and

Progressive Energies Limited, registration number 07596186, a limited liability company incorporated under the laws of England and Wales, whose registered office is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH (the "**Progressive Energies OpCo Borrower**").

Facility Agent

Elavon Financial Services Limited acting as facility agent (the "**Facility Agent**") pursuant to the Borrower Loan Agreement.

Loans Arranger

Novatio Capital Limited, registration number 08717871, a limited liability company incorporated under the laws of England and Wales whose registered office is at Mitre House, 12-14 Mitre Street, London EC3A 5BU, United Kingdom (in its capacity as arranger with respect to the Loan, the "**Loans Arranger**"). For the avoidance of doubt and notwithstanding anything contrary in these Listing Particulars, the Loans Arranger's activities are limited to having arranged for the Borrowers to enter into the Borrower Loan Agreement and other matters in connection with the Loan and the Loans Arranger shall not engage in any activity that will constitute a regulated activity under the UK Financial Services and Markets Act 2000 ("**FSMA**").

Arranger

Novatio Capital Limited, registration number 08717871, a limited liability company incorporated under the laws of England and Wales whose registered office is at Mitre House, 12-14 Mitre Street, London EC3A 5BU, United Kingdom (in its capacity as arranger with respect to the Notes, the "**Arranger**"). For the avoidance of doubt and notwithstanding anything contrary in these Listing Particulars, the Arranger's activities are limited to having arranged for the investors to subscribe to the Notes and other matters in connection with the Notes and the Arranger shall not engage in any activity that will constitute a regulated activity under FSMA.

Bookrunner

IDCM Limited, registration number 09101952, a limited liability company incorporated under the laws of England and Wales whose registered office is at Mitre House, 12-14 Mitre Street, London EC3A 5BU, United Kingdom (in its capacity as the bookrunner, the "**Bookrunner**"). For the avoidance of doubt and notwithstanding anything contrary in these Listing Particulars, the Bookrunner shall not engage in any activity which, as an appointed representative of Boston & Alexander LLP, it is not permitted to carry on under the FSMA.

2. Summary of the Notes

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| The Notes | <p>On 16 December 2015 (the "Closing Date"), the Issuer issued the Notes.</p> <p>The Notes are governed by English Law and are constituted by the Trust Deed.</p> <p>The Notes are obligations solely of the Issuer and are obligations of, or guaranteed by, any other parties to the Transaction Documents.</p> |
| Issue Price | <p>100 per cent</p> <p>The issue price in respect of the Notes was payable on the Closing Date.</p> |
| Limited recourse nature of the Issuer's obligations under the Notes | <p>The obligations of the Issuer to each of the Noteholders are limited recourse obligations of the Issuer. The Noteholders will have a claim against the Issuer only to the extent of the Issuer's available funds, in each case subject to and as provided in the Transaction Documents.</p> |
| Form and denomination of the Notes | <p>The authorised denomination of the Notes is £100,000 and integral multiples of £10,000 in excess thereof.</p> |
| Interest on the Notes | <p>The Notes bear interest on their Outstanding Principal Amount, from and including the Closing Date at the rate per annum equal to the Rate of Interest and such interest is payable in sterling in arrear on each Note Interest Payment Date, subject to the applicable Issuer Priority of Payments and subject as provided in Condition 6.</p> <p>"Rate of Interest" means 1.198 per cent. per annum.</p> <p>"Note Interest Payment Date" means 4 September 2016 (being the first Note Interest Payment Date) and, thereafter, 4 September and 4 March in each year and the Final Maturity Date (or, if any such date is not a Business Day, the next following Business Day (unless such Business Day falls in the next calendar month, in which event, the immediately preceding Business Day)).</p> <p>"Outstanding Principal Amount" means, in relation to a Note at any time, the principal amount outstanding of such Note at such time, determined by the Issuer Cash Manager in accordance with the Issuer Cash Management Agreement.</p> |
| Indexation of Interest | <p>Each payment of interest in respect of the Notes shall be in an amount that has accrued at the Rate of Interest over the relevant Interest Period, multiplied by the Index Ratio calculated in accordance with Condition 7 on the basis of the RPI.</p> |
| Withholding tax on the Notes | <p>None of the Issuer, the Note Trustee or any agent is obliged to gross-up payments to the Noteholders if there is any withholding or deduction for or on account of taxes in respect of any payments on the Notes.</p> |
| Security for the Notes | <p>The obligations of the Issuer to the Issuer Secured Creditors are secured by and pursuant to the Issuer Deed of Charge.</p> |

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| Final Maturity Date of the Notes | Unless previously redeemed or purchased and cancelled in accordance with the Conditions, the Notes will be redeemed on the Note Interest Payment Date falling in 4 March 2035, being the Final Maturity Date. The Notes may not be redeemed at the option of the Issuer other than in accordance with Condition 8(c). |
| Listing of the Notes | Application will be made for the Notes to be admitted to trading on the PSM of the London Stock Exchange. |
| Governing Law | The Conditions, the Notes and the Transaction Documents are governed by English law. |
| Selling restrictions | There are restrictions on the sale of the Notes and on the distribution of information in respect thereof. See "Subscription and Sale" below. |

3. The Bank Accounts

Receivable Bank Account All monies received in respect of the Receivables by an OpCo Borrower into its General Account (and after payments of operating and other permitted expenditure) will be transferred on a semi-annual basis into an account opened in the name of the Parent Borrower under the Borrower Loan Agreement, (the "**Receivable Bank Account**"). Before a Borrower Acceleration Notice has been served, the Borrower Cash Manager shall withdraw any amounts credited to the Receivable Bank Account as at the immediately preceding Calculation Date, or Financial Covenant Calculation Date, as the case may be, to apply those amounts in accordance with the Borrower Pre-Acceleration Priority of Payments, subject to and in accordance with the provisions of the 4Borrower Cash Management Agreement.

Debt Service Reserve Account On the Closing Date, a sum of £1,063,000.00 has been deposited in an account in the name of the Parent Borrower (the "**Debt Service Reserve Account**") from the proceeds of the Loan made to the Borrowers on such date.

Amounts standing to the credit of the Debt Service Reserve Account may only be used for payments of expenses having priority over debt service (other than reserves) and for payment of interest and principal on the Loan under and in accordance with the Borrower Pre-Acceleration Priority of Payments or the Borrower Post-Acceleration Priority of Payments (the "**Borrower Priorities of Payments**").

Cash Trap Reserve Account The Parent Borrower has opened an account with the Borrower Account Bank, to which funds will be remitted upon a DSCR Trigger or LLCR Trigger (as such terms are defined below) (the "**Cash Trap Reserve Account**").

A "**DSCR Trigger**" occurs at any time where the Debt Service Cover Ratio as at the relevant Loan Interest Payment Date is less than or equal to 1.2:1 and is continuing until the related DCSR Target Condition has been met.

The "**DSCR Target Condition**" will be met in respect of a DSCR Trigger upon earlier of:

- (a) the Debt Service Cover Ratio being greater than 1.2:1 for two consecutive Loan Interest Payment Dates falling after the

Financial Covenant Calculation Date on which such DSCR Trigger occurred; or

- (b) the aggregate balance standing to the credit of the Debt Service Reserve Account and the Cash Trap Reserve Account is equal to or greater than the outstanding principal amount of the Loan as adjusted by the Index Ratio on the then most recent Loan Interest Payment Date.

An "**LLCR Trigger**" means any time where the Loan Life Cover Ratio as at the most recent Loan Interest Payment Date is less than or equal to 1.2:1 and is continuing until the related LLCR Target Condition has been met.

An "**LLCR Target Condition**" will be met in respect of LLCR Trigger upon the earlier of:

- (a) the Loan Life Cover Ratio and the Debt Service Cover Ratio being greater than 1.2:1 for two consecutive Loan Interest Payment Date falling after such LLCR Trigger occurred; or
- (b) the aggregate balance standing to the credit of the Debt Service Reserve Account and the Cash Trap Reserve Account being equal to or greater than the outstanding principal amount of the Loan, as adjusted by the Index Ratio on the then most recent Loan Interest Payment Date.

Amounts standing to the credit of the Cash Trap Reserve Account may only be used for payments of expenses having priority over debt service (other than reserves) and for payment of interest and principal on the Loan under and in accordance with the relevant Borrower Priority of Payments. See "*Resources Available to the Issuer and the Borrowers – Release of Cash Trap Reserve*" below.

Maintenance Reserve Accounts

Amounts standing to the credit of the Maintenance Reserve Account may only be used for replacement or maintenance of panels, inverters and 2G communication systems at the PV Sites in accordance with certain provisions of the Borrower Cash Management Agreement, provided that in certain circumstances, including in the absence of a Default that has occurred and is continuing, on the Calculation Date falling on 20 February 2035, the Borrower Cash Manager will be required to release the entire amount remaining to the credit of the Maintenance Reserve Account to the Receivable Bank Account (see "*Resources Available to the Issuer and the Borrowers – Release of Maintenance Reserve*" below) the "**Maintenance Reserve Account**").

Insurance and Compensation Proceeds Account

Each Borrower shall ensure that all Insurance Proceeds ("**Insurance Proceeds**") (other than Insurance Proceeds payable under or in respect of third party liability Insurance and business interruption Insurance), Compensation Proceeds ("**Compensation Proceeds**") and Right to Buy Termination Amounts ("**Right to Buy Termination Amounts**") received by it following a Permitted Disposal are paid directly into the Insurance and Compensation Proceeds Account. (See "*Resources Available to the Issuer and the Borrowers – Insurance and Compensation Proceeds Account*" below.)

"**Compensation Proceeds**" means any amounts payable to or received by, or for the account of, a Borrower as compensation for any loss related to any PV Site including:

- (a) in relation to partial or total nationalisation, expropriation or compulsory purchase of a PV Site, any interest in a PV Site, any asset or right (irrespective of how that right is described) of a Borrower relating to a PV Site;
- (b) in respect of the release, inhibition, modification, suspension or cancellation of any rights, easements or covenants enjoyed by or benefiting a PV Site, or the imposition of any restrictions affecting a PV Site, or the grant of any easements or rights over or affecting a PV Site or any part of it;
- (c) in respect of refusal, revocation, suspension or modification of any Authorisation or other official permission, consent, authorisation or exemption or any other official order or notice restricting the construction or operation of a PV Site;
- (d) any other sum payable to or received by a Borrower in the nature of damages or compensation under, in relation to or in connection with any Borrower Material Contract, including Performance Liquidated Damages ("**Performance Liquidated Damages**"),

but excluding Insurance Proceeds and liquidated damages for delay or other similar damages for loss of current revenue.

"**Right to Buy Termination Amount**" means the amount due to a Borrower following a relevant Permitted Disposal.

"**Permitted Disposal**" means where any social housing PV Site Lease is terminated by agreement between the relevant Borrower and the relevant landlord as a result of a tenant acquiring the reversion and paying to the Borrower the Right to Buy Termination Amount in accordance with the terms of the relevant PV Site Lease or any other asset disposal by a Borrower that is permitted by the Transaction Documents including, without limitation, as provided in the Borrower Loan Agreement.

Amounts standing to the credit of the Insurance and Compensation Proceeds Account may only be used: (i) in the case of Insurance Proceeds in or towards the repair or reinstatement of PV Site Assets; or, (ii) towards properly incurred business interruption costs and expenses (including lost revenue); or in the case of Performance Liquidated Damages in or towards remedying the matter which the

payment relates to, or in the case of any other Compensation Proceeds (other than Performance Liquidated Damages), towards a Permitted Investment which in respect of a PV Site Lease would be the acquisition of a similar PV Site Lease and appropriate PV Site Assets. Any amounts standing to the credit of the Insurance and Compensation Proceeds Account which are not applied as set out above shall be transferred to the Cash Trap Reserve Account.

"Permitted Investment" means:

- (a) in respect of a Right to Buy Termination Amount received by a Borrower following a termination of a social housing PV Site Lease, the acquisition of a similar PV Site Lease and appropriate PV Site Assets to the corresponding PV Site Lease and PV Site Assets which such Right to Buy Termination Amount payment relates to;
- (b) in respect of any Compensation Proceeds (which are not for Performance Liquidated Damages) received by a Borrower in respect of a PV Site Lease, the acquisition of a similar PV Site Lease and appropriate PV Site Assets; and
- (c) any other investment permitted by the Transaction Documents.

Distribution Account

Before a Borrower Acceleration Notice has been served the Parent Borrower may pay any amounts that are to be declared or paid as Distributions ("**Distributions**") into the Distribution Account ("**Distribution Account**"), to the extent that the Distribution Conditions have been satisfied and there are sufficient funds available for this purpose in accordance with the operation of the Borrower Pre-Acceleration Priority of Payments.

Providing a Borrower Acceleration Notice has not been served, the Parent Borrower may withdraw amounts standing to the credit of the Distribution Account at any time.

Authorised Investments

On the Closing Date, and from time to time thereafter, amounts standing to the credit of the Debt Service Reserve Account, the Maintenance Reserve Account and the Cash Trap Reserve Account (together, the "**Reserve Accounts**") may, upon the instruction of the Borrower Agent, be invested in Authorised Investments (see "*Resources Available to the Issuer and the Borrowers – Authorised Investments*" below), subject to and in accordance with the provisions of the Borrower Cash Management Agreement.

With respect to amounts standing to the credit of the Debt Service Reserve Account and the Cash Trap Reserve Account, such Authorised Investment will initially be a product provided by Abbey National Treasury Services PLC pursuant to its Inflation Linked Investment Conditions and the transaction confirmations delivered in connection with such product (the "**Specified Authorised Investment**"), which is intended to provide an RPI-linked return. If the Specified Authorised Investment is no longer available or if the Parent Borrower no longer wishes amounts standing to the credit of the Debt Service Reserve Account or Cash Trap Reserve Account to be invested in the Specified Authorised Investment, such amounts

may be invested in other Authorised Investments selected by the Borrower Agent (which are not objected to by the Controlling Party, as such entity is determined in accordance with the Transaction Documents (the "**Controlling Party**")) to replace the Specified Authorised Investment, subject to and in accordance with the provisions of the Borrower Cash Management Agreement (the "**Replacement Specified Authorised Investment**").

Parent General Account

The Parent Borrower has opened an account in its name with the Borrower Account Bank pursuant to the Borrower Loan Agreement, to which funds are remitted and available to the Parent Borrower for general purposes including operational expenses (the "**Parent General Account**").

All monies standing to the credit of the Parent General Account (after payment of the operational expenditure referred to above) will be paid into the Receivable Bank Account no later than the fifth Business Day before each Calculation Date, subject to available funds and the retention of a reasonable amount to cover the Parent Borrower's operating expenses for the following Loan Interest Period.

Provided that a Borrower Acceleration Notice has not been served, the Parent Borrower has sole signing rights in relation to the Parent General Account and is entitled to operate the Parent General Account.

OpCo General Accounts

Each OpCo Borrower has an account in its name with either National Westminster Bank plc, or Royal Bank of Scotland plc pursuant to the Borrower Loan Agreement, to which funds are remitted and available to such Borrower for general purposes including operational expenses (each, an "**OpCo General Account**" together, the "**OpCo General Accounts**" and together with the Parent General Account the "**General Accounts**").

All monies standing to the credit of each OpCo General Account (after payment of the operational expenditure referred to above) will be paid into the Receivable Bank Account no later than the fifth Business Day before each Calculation Date, subject to available funds and the retention of a reasonable amount to cover each OpCo Borrower's operating expenses for the following Loan Interest Period.

Provided that a Borrower Acceleration Notice has not been served, each OpCo Borrower has sole signing rights in relation to its General Account and is entitled to operate its General Account.

Issuer Transaction Account

The Issuer has opened an account in its name with the Issuer Account Bank, to which funds are remitted and available to the Issuer for payments in respect of the Notes (the "**Issuer Transaction Account**").

Cashflows of the Issuer

The priority of payments for the application of monies received by the Issuer prior to and following enforcement is set out in the Issuer Cash Management Agreement and the Issuer Deed of Charge, respectively. Funds will be applied from the Issuer Transaction Accounts in accordance with the priority of payments set out in the Issuer Cash Management Agreement.

Payments under the Notes

The Paying Agent determines the payments under the Notes.

4. Priority of Payments

Issuer Pre-Acceleration Priority of Payments

Prior to the service of an Issuer Acceleration Notice, all amounts standing to the credit of the Issuer Transaction Account will be applied by the Issuer Cash Manager on behalf of the Issuer on each Note Interest Payment Date in making payments or provisions in the following order of priority (the "**Issuer Pre-Acceleration Priority of Payments**") but, in each case, only if and to the extent that payments or provisions of a higher priority have been made in full:

- (a) *first*, in or towards satisfaction of the fees or other remuneration then payable to the Note Trustee and the Issuer Security Trustee, together with VAT thereon (if applicable), and any costs, charges, liabilities and expenses (together with VAT thereon, if applicable) then incurred by the Note Trustee or the Issuer Security Trustee under the Trust Deed or the Issuer Deed of Charge, as the case may be, together with interest thereon as provided in the Trust Deed or the Issuer Deed of Charge, as the case may be;
- (b) *second*, in or towards payment, *pro rata* according to the respective amounts thereof, of all amounts due or overdue from the Issuer to (i) the Paying Agent, Calculation Agent and Registrar under the Agency Agreement, (ii) the Issuer Account Bank under the fee letter between the Issuer and the Issuer Account Bank, (iii) the Issuer Cash Manager under the Issuer Cash Management Agreement; and (iv) the Corporate Services Provider under the Corporate Services Agreement (together with, in each case, VAT thereon, if applicable, as provided in the Agency Agreement, the fee letter between the Issuer and the Issuer Account Bank, the Issuer Cash Management Agreement or the Corporate Services Agreement, as the case may be);
- (c) *third*, in or towards payment, *pro rata* according to the respective amounts thereof, of all amounts of interest due or overdue in respect of the Notes;
- (d) *fourth*, in or towards payment, *pro rata* according to the respective amounts thereof, of all amounts of principal due or overdue in respect of the Notes;
- (e) *fifth*, in or towards payment, *pro rata* according to the respective amounts thereof, of all amounts due or overdue from the Issuer in respect of any liabilities of the Issuer (other than those referred to elsewhere in this Issuer Pre-Acceleration Priority of Payments);
- (f) *sixth*, in or towards retention of an amount of £1,000 (the "**Issuer Retained Profit**") to remain deposited in the Issuer Transaction Account and retained as six monthly profit by the Issuer (and from which amount the Issuer shall discharge its liability to corporation tax in respect of such Issuer Retained Profit); and

- (g) *seventh*, the surplus (if any) in payment to the Borrowers by way of a rebate of any Periodic Fee paid by the Borrowers to the Issuer pursuant to the Borrower Loan Agreement and the Borrower Fee Letter.

Issuer Post-Acceleration Priority of Payments

Issuer Post-Acceleration Priority of Payments

Following the service of an Issuer Acceleration Notice, monies standing to the credit of the Issuer Transaction Account or otherwise available for distribution will be applied by the Issuer Security Trustee, any receiver appointed by it or the Issuer Cash Manager in or towards satisfaction of the Issuer's liabilities in the following order of priority (the "**Issuer Post-Acceleration Priority of Payments**") but, in each case, only if and to the extent that payments or provisions of a higher priority have been made in full:

- (a) *first*, in or towards satisfaction of, *pro rata* according to the respective amounts thereof (i) the fees or other remuneration then payable to the Note Trustee and the Issuer Security Trustee, together with VAT thereon (if applicable), and any costs, charges, liabilities and expenses (together with VAT thereon, if applicable) then incurred by the Note Trustee or the Issuer Security Trustee under the Trust Deed, the Issuer Fee Letter or the Issuer Deed of Charge, as the case may be, together with interest thereon as provided in the Trust Deed or the Issuer Deed of Charge, as the case may be and (ii) the fees or other remuneration then payable to any receiver appointed in respect of the Issuer, together with VAT thereon (if applicable) and any costs, charges, liabilities and expenses (together with VAT thereon, if applicable) then incurred by such receiver under or in connection with the Issuer Deed of Charge, together with interest thereon as provided in the Issuer Deed of Charge;
- (b) *second*, in or towards payment, *pro rata* according to the respective amounts thereof, of all amounts due or overdue from the Issuer to (i) the Paying Agent, Calculation Agent and Registrar under the Agency Agreement, (ii) the Issuer Account Bank under the fee letter between the Issuer and the Issuer Account Bank, (iii) the Issuer Cash Manager under the Issuer Cash Management Agreement; (iv) the Corporate Services Provider under the Corporate Services Agreements (together with, in each case, VAT thereon, if applicable as provided in the Agency Agreement, the fee letter between the Issuer and the Issuer Account Bank, the Issuer Cash Management Agreement or the Corporate Services Agreement, as the case may be);
- (c) *third*, in or towards payment, *pro rata* according to the respective amounts thereof, of all amounts of interest and principal due or overdue in respect of the Notes;
- (d) *fourth*, in or towards payment, *pro rata* according to the respective amounts thereof, of all amounts due or overdue from the Issuer in respect of any liabilities of the Issuer (other than those referred to elsewhere in this Issuer Post-Acceleration Priority of Payments);

- (e) *fifth*, in or towards retention of the Issuer Retained Profit to remain deposited in the Issuer Transaction Account and retained as six monthly profit by the Issuer (and from which amount the Issuer shall discharge its liability to corporation tax in respect of such Issuer Retained Profit); and
- (f) *sixth*, the surplus (if any) in payment to the Borrowers by way of a rebate of any Periodic Fee paid by the Borrowers to the Issuer pursuant to the Borrower Loan Agreement and the Borrower Fee Letter.

5. Redemption

Scheduled redemption of the Notes

Prior to the service of an Issuer Acceleration Notice, the Notes are subject to mandatory *pro rata* redemption in part in semi-annual instalments commencing on the first Note Interest Payment Date in an aggregate amount equal to the applicable scheduled amortisation amount for the Notes as set out in Condition 8(b). The Note Interest Payment Date on which the Notes are expected to be repaid in full is the "**Final Maturity Date**"

Mandatory Redemption of the Notes following certain events under the Borrower Loan Agreement

Following a prepayment of the Loan as a result of:

- (a) the Borrowers voluntarily prepaying the Loan in full after the Initial Period;
- (b) the Borrowers being obliged to prepay the Loan pursuant to the terms and conditions of the Borrower Loan Agreement; or
- (c) a change of law pursuant to which it has become unlawful for the Issuer to make, fund or allow to remain outstanding the Loan, and prior to the acceleration of the Notes,

the Issuer will be required to redeem the Notes in accordance with the Conditions together with accrued but unpaid interest thereon, provided that the price for a redemption of the Notes in the circumstances described in (a) only will be calculated by reference to a spens formula as set out in Condition 8(c)(i).

Cross-default to Borrower Loan

The events of default under the Notes (each a "**Note Event of Default**") will include the occurrence of a Loan Event of Default under the Borrower Loan Agreement. Subject to the provisions of Condition 11(b), the occurrence of a Note Event of Default may result in acceleration of the Notes.

Optional Redemption of the Notes by the Issuer

The Issuer may, on any date after the Initial Period and in accordance with the Conditions, redeem the whole of the Notes at the price specified in the Conditions, which will be an amount calculated by reference to a spens formula as set out in Condition 8(c)(i).

Optional Redemption for Tax Reasons

On any Note Interest Payment Date, the Issuer may pursuant to Condition 8(d) (*Optional redemption for taxation*) redeem all (but not some only) of the Notes at their Outstanding Principal Amount together with accrued interest thereon in accordance with the Conditions in the event that by reason of a change in law or regulations (or the application of official interpretation thereof), which change becomes effective on or after the Closing Date, any amount for

or on account of tax will be required to be deducted or withheld from any payment due from the Issuer under the Notes.

Final Principal Redemption Unless previously redeemed in full and cancelled as provided in Condition 8, the Notes will be redeemed at the Outstanding Principal Amount together with accrued interest on the Final Maturity Date.

6. Relevant Dates and Periods

Closing Date 16 December 2015.

Final Maturity Date 4 March 2035.

Note Interest Payment Dates 4th day of March and 4th day of September commencing on 4 September 2016 and the Final Maturity Date or, if such day is not a Business Day, the next following Business Day (unless such Business Day falls in the next calendar month, in which event, the immediately preceding Business Day).

Note Interest Period The period from (and including) a Note Interest Payment Date to (but excluding) the next Note Interest Payment Date.

Business Day A day (other than a Saturday or Sunday) on which banks are open for business in London (a "**Business Day**").

Calculation Date In respect of any Note Interest Payment Date, the date falling seven Business Days prior to the Loan Interest Payment Date immediately preceding such Note Interest Payment Date.

Loan Interest Payment Date 1st day of March and 1st day of September commencing on 1 March 2016 or, if such day is not a Business Day, the next following Business Day (unless such Business Day falls in the next calendar month, in which event, the immediately preceding Business Day).

7. Transaction Documents

Issuer Transaction Documents The Issuer Deed of Charge, the Trust Deed, the Issuer Cash Management Agreement, the Agency Agreement, the Corporate Services Agreement, the Subscription Agreement, the Issuer Fee Letter, the Issuer Account Mandates and the Issuer Master Definitions Schedule (each an "**Issuer Transaction Document**" and together, the "**Issuer Transaction Documents**").

For the purposes of these Listing Particulars, "**Direct Agreements**" means the O&M Direct Agreements and the MSA Direct Agreement (each as defined under "**Summary of Principal Documents**").

Borrower Transaction Documents The Borrower Loan Agreement, the Borrower Deed of Charge, the Parent HoldCo Share Charge, the Borrower Cash Management Agreement, the Borrower Fee Letter, the Direct Agreements, the Borrower Account Mandates, the Borrower Fee Letter, the Borrower Subordination Deed and the Borrower Master Definitions Schedule (each a "**Borrower Transaction Document**" and together, the "**Borrower Transaction Documents**").

Transaction Documents The Issuer Transaction Documents and the Borrower Transaction Documents (each a "**Transaction Document**" and together, the

"Transaction Documents").

8. **Affiliations and certain relationships and related transactions of transaction parties**

**U.S. Bank Trustees Limited
and Elavon Financial Services
Limited**

U.S. Bank Trustees Limited performs the following roles in connection with the Notes and the Borrower Loan Agreement: Note Trustee, Issuer Security Trustee and Borrower Security Trustee. Elavon Financial Services Limited performs the following roles in connection with the Notes and the Borrower Loan Agreement: Issuer Cash Manager, Borrower Cash Manager, Paying Agent, Calculation Agent, Registrar, Issuer Account Bank and Borrower Account Bank. U.S. Bank Trustees Limited and Elavon Financial Services Limited are affiliated.

Elavon Financial Services Limited, a limited liability company registered in Ireland with the Companies Registration Office (registered number 418442), is appointed as Registrar and, acting through its UK Branch (registered number BR009373), is appointed as the Account Bank, the Paying Agent and the Facility Agent.

U.S. Bank Global Corporate Trust Services, which is a trading name of Elavon Financial Services Limited (a U.S. Bancorp group company), is an integral part of the worldwide Corporate Trust business of U.S. Bank. U.S. Bank Global Corporate Trust Services in Europe conducts business primarily through the U.K. Branch of Elavon Financial Services Limited from its offices in London at 125 Old Broad Street, London EC2N 1AR, United Kingdom.

Elavon Financial Services Limited is a bank incorporated in Ireland and a wholly owned subsidiary of U.S. Bank National Association. Elavon Financial Services Limited is authorised by the Central Bank and the activities of its U.K. branch are also subject to the limited regulation of the FCA and the PRA.

U.S. Bank Global Corporate Trust Services in combination with U.S. Bank National Association, the legal entity through which the Corporate Trust Division conducts business in the United States, is one of the world's largest providers of trustee services with more than U.S.\$4 trillion in assets under administration in municipal, corporate, asset-backed and international bonds. The division provides a wide range of trust and agency services such as calculation/paying agent, collateral administration and document custody through its network of 48 U.S.-based offices, an Argentinean office and European offices in London and Dublin.

**Parent Borrower, OpCo
Borrowers and Parent HoldCo**

The Parent Borrower is a wholly-owned subsidiary of the Parent HoldCo. Each of the OpCo Borrowers is a wholly-owned subsidiary of the Parent Borrower.

Except as described in the preceding paragraphs, there are no affiliations or relationships or related transactions that are material in respect of the issuance of the Notes. U.S. Bank Trustees Limited and Elavon Financial Services Limited have no relationship with the Issuer or the Borrowers other than to act as agent in the roles mentioned in the preceding paragraphs.

RISK FACTORS

The following is a description of the principal risks associated with an investment in the Notes. These risk factors are material to an investment in the Notes and in the Issuer. Such risk factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. If one or more of such contingencies occur, Noteholders may lose the value of their entire investment or part of it.

Prospective Noteholders should carefully read and consider all the information contained in these Listing Particulars, including the risk factors set out in this section, prior to making any investment decision.

The risk factors addressed in the following discussion have been grouped into the following categories:

- (1) risk factors in relation to the Notes;
- (2) risk factors in relation to the Issuer;
- (3) risk factors in relation to the Borrowers;
- (4) risk factors in relation to the EPC contractors and the O&M contractors; and
- (5) risk factors in relation to the solar photovoltaic energy sector and regulatory risks.

1. Risk factors in relation to the Notes

Absence of secondary market and limited liquidity

There is, at present, no secondary market for the Notes. Although an application will be made to list the Notes on the PSM of the London Stock Exchange, there can be no assurance that a secondary market for any of the Notes will develop, or, if a secondary market does develop in respect of any of the Notes, that it will provide the holders of such Notes with liquidity of investments or that it will continue until the final redemption or cancellation of such Notes. Illiquidity means that a Noteholder may not be able to find a buyer to buy its Notes readily or at prices that will enable the Noteholder to realise a desired yield. Illiquidity can have a severe adverse effect on the market value of the Notes. Consequently, any sale of Notes by Noteholders in any secondary market which may develop may be at a discount to the original purchase price of those Notes and/or the Outstanding Principal Amount.

Furthermore, recent and continuing events in the global financial markets have caused a significant reduction in liquidity in the secondary market for asset-backed securities and increased investor yield requirements for those loans and securities. These events include:

- the failure, acquisition or government seizure of several major financial institutions;
- the establishment of government initiatives such as the government bailout programmes for financial institutions and assistance programmes designed to increase credit availability, support economic activity and facilitate renewed consumer lending;
- problems related to subprime mortgages and other financial assets;
- the de-valuation of various assets in secondary markets;
- the forced sale of asset-backed and other securities as a result of the de-leveraging of structured investment vehicles, hedge funds, financial institutions and other entities; and
- the lowering of ratings on certain asset-backed securities.

As a result, the secondary market for asset-backed securities is experiencing limited liquidity. These conditions may continue or worsen in the future.

The limited liquidity in the secondary market for asset-backed securities has had an adverse effect on the market value of asset-backed securities. That limited liquidity in the secondary market may continue to have a severe adverse effect on the market value of asset-backed securities generally, especially those securities that are more sensitive to credit or RPI risk and those securities that have been structured to meet the investment requirements of limited categories of investors. Consequently, investors may not be able to sell their Notes readily. As a result, the market value of the Notes may fluctuate. Any of these fluctuations may be significant and could result in significant losses to Noteholders.

The liquidity of a secondary market for the Notes may be further constrained by the concentration of holdings of the Notes in a limited number of investors.

In addition, the forced sale into the market of securities and other assets held by structured investment vehicles, hedge funds, issuers of collateralised debt obligations, banks and other financial institutions and other similar entities that are currently experiencing funding difficulties would adversely affect investors' ability to sell and/or the price investors receive for, the Notes in the secondary market.

Denomination and trading

The Notes have a denomination consisting of a minimum authorised denomination of £100,000 plus higher integral multiples of £10,000. Accordingly, it is possible that the Notes may be traded in amounts in excess of the minimum authorised denomination that are not integral multiples of such denomination. In such a case, if Definitive Note Certificates are required to be issued, a Noteholder who holds a principal amount of less than the minimum authorised denomination at the relevant time may not receive a Definitive Note Certificate in respect of such holding and may need to purchase a principal amount of Notes such that their holding amounts to the minimum authorised denomination. As referred to above, it may not be possible to purchase Notes on commercial terms, if at all.

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

Furthermore, at any meeting of Noteholders while the Notes are represented by a Global Note Certificate, any vote cast will be valid only if it is in respect of at least £100,000 in nominal amount and will be cast in respect of each £1 (or such other amount as the Note Trustee may in its absolute discretion stipulate) in Outstanding Principal Amount of the Notes held or represented by the person voting. The quorum requirements for meetings of Noteholders will also disregard any holdings to the extent that they cannot be represented by a holding of at least £100,000.

Yield and prepayment considerations

The yield to maturity of the Notes will depend on, among other things, the amount and timing of payment of principal and interest by the Issuer and the price paid by the holders of the Notes. Principal on the Notes will be repayable on the basis of an amortisation schedule set out in Condition 8(b). Interest on the Notes is payable on the basis of the interest provisions described in Condition 6. However, the yield to maturity on the Notes determined on those bases may be adversely affected by prepayments by the Issuer.

The Issuer has the right to prepay the Notes in certain circumstances, including where the Borrowers have exercised their rights to prepay the Loan. Those circumstances are summarised in the next two paragraphs.

The Issuer may redeem the Notes at its own option, on giving notice to Noteholders, subject to the conditions to such optional redemption set out in Condition 8(c). The Issuer may also redeem the Notes if, by reason of a change in law or regulations (or the application or official interpretation thereof) becoming effective after the Closing Date if the Issuer, or the Paying Agent on its behalf, would be required to make a deduction or withholding for tax, subject to the conditions to such redemption set out in Condition 8(d).

Furthermore, prepayments by the Borrowers in the following circumstances will require the Issuer to make corresponding prepayments on the Notes, as described in Condition 8(b)(ii). In the event that it becomes unlawful for the Issuer to perform any of its obligations under the Borrower Loan Agreement, the Loan will be subject to mandatory prepayment in full, but not in part. In addition, at any time, in the event that a deduction or withholding for or on account of tax or a tax indemnity claim arises with respect to the Loan, the Borrowers have an option to prepay the Loan in full, but not in part. For a more detailed description of the events that will trigger a mandatory prepayment of the Loan or give rise to such a prepayment option on the part of the Borrowers, please see the section entitled "*Summary of Principal Documents – Borrower Loan Agreement – Prepayment*" below. Moreover, after the expiry of the period commencing on (and including) the Closing Date and ending on (but excluding) the date falling 24 months after the Closing Date (the "**Initial Period**"), the Borrowers are entitled to voluntarily prepay the Loan in full, but not in part. Following a voluntary prepayment of the Loan in full under clause 7.3 (*Voluntary prepayment of Loans*) of the Borrower Loan Agreement, the Notes will be redeemed in full pursuant to Condition 8(b)(ii) (*Mandatory redemption in full*). For the avoidance of doubt, the Borrowers are not entitled to voluntarily prepay the Loan during the Initial Period.

Therefore, notwithstanding the scheduled amortisation plan set out in the Conditions, investors' attention is drawn to the fact that the Notes may be subject to an accelerated rate of prepayment, in the case of mandatory prepayment in part of the Loan, or an accelerated repayment in full, in the case of prepayment in full of the Loan. Such accelerated repayment may affect the yield to maturity of the Notes.

Limited enforcement rights

The protection and exercise of the Noteholders' rights and the enforcement of the Issuer Security is one of the duties of the Note Trustee or, as applicable, the Issuer Security Trustee. The Conditions limit the ability of individual Noteholders to commence proceedings (including proceedings for a declaration of insolvency) against the Issuer. However, the Noteholders are entitled to appoint a Noteholder Representative, who will be entitled to give certain consents in respect of the Borrower Loan Agreement and without the need for the consent of the Borrower Security Trustee in certain circumstances.

Remedies available for the purpose of recovering amounts owed in respect of the Notes shall be limited to the Issuer's available funds and the Issuer Security. In the event that the amounts recovered pursuant to such actions are insufficient, after payment of all other claims ranking in priority to or *pari passu* with amounts due under the Notes, to pay in full all principal and interest and other amounts whatsoever due in respect of the Notes, the Noteholders will have no further actions available in respect of any such unpaid amounts.

European Securitisation Risk Retention Requirements

Articles 404 – 410 of the European Union Capital Requirements Regulation (Regulation (EU) No 575/2013) (as supplemented by Commission Delegated Regulation (EU) No 625/2014 and Commission Implementing Regulation (EU) No 602/2014) ("CRR") applies, in general, to securitisations issued on or after 1 January 2011 as well as certain existing securitisations issued prior to that date where new assets are added or substituted after 31 December 2014. The CRR restricts a credit institution and investment firm regulated in a Member State of the European Economic Area ("**EEA**") and consolidated group affiliates thereof (each, a "**CRR Investor**") from investing in a securitisation (as defined by the CRR) unless the originator, sponsor or original lender in respect of that securitisation has explicitly disclosed to the CRR Investor that it will retain, on an ongoing basis, a material net economic interest of not less than five per cent in that securitisation in the manner contemplated by Article 405 of the CRR. The CRR also requires that a CRR Investor be able to demonstrate that it has undertaken certain due diligence in respect of, amongst other things, the Notes it has acquired and the underlying exposures, and that procedures have been established for monitoring the performance of the underlying exposures on an on-going basis.

Article 17 of the European Union Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (as supplemented by Section 5 of Chapter III of Commission Delegated Regulation (EU) No 231/2013) and Article 135(2) of the European Union Solvency II Directive 2009/138/EC (as supplemented by Articles 254-257 of Commission Delegated Regulation (EU) No 2015/35) contain requirements similar

to those set out in Articles 404 – 410 of the CRR and applies, respectively, to EEA regulated alternative investment fund managers and EEA regulated insurance/reinsurance undertakings. Similar requirements are also scheduled to apply in the future to investment in securitisations by EEA regulated UCITS. For the purpose of this provision, all such requirements, together with the Articles 404 – 410 of the CRR, are referred to as the "**Securitisation Retention Requirements**".

It is not entirely clear as to whether the transaction will fall within the definition of "securitisation" for the purposes of the Securitisation Retention Requirements. However, regulators in EEA Member States may have differing views on the question of whether a particular transaction is a "securitisation" subject to the Securitisation Retention Requirements.

Insofar as the transaction is deemed to be a securitisation for the purposes of the Securitisation Retention Requirements, none of the Parent HoldCo, the Parent Borrower, the OpCo Borrowers, nor any other party to the transaction intends to retain a material net economic interest in the transaction in accordance with the Securitisation Retention Requirements or take any other action which may be required by investors for the purposes of their compliance with the Securitisation Retention Requirements. This may have a negative impact on the regulatory capital position of affected investors and on the value and liquidity of the Notes in the secondary market.

Investors in the Notes are responsible for analysing their own regulatory position, and are encouraged to consult their own investment and legal advisors regarding compliance with the Securitisation Retention Requirements and the suitability of the Notes for investment. Failure to comply with one or more of the requirements set out in the Securitisation Retention Requirements may result in the imposition of a penal capital charge with respect to the investment made in the securitisation by an affected investor or require the affected investor to take corrective action. None of the Issuer, the Borrowers, the Arranger, the Bookrunner, the Note Trustee nor any other party to the transaction makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment in the Notes on the Closing Date or at any time in the future.

Change of law

The structure of the transaction and, among other things, the issue of the Notes is based on English law and on tax and administrative practice in effect at the date of these Listing Particulars and has due regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given as to any possible change to English law or tax or administrative practice after the date of these Listing Particulars.

Indexation Risk

The RPI is the most familiar general purpose domestic measure of inflation in the UK. The RPI has been used as a measure of inflation since 1947 and measures the average change from month to month in the prices of the goods and services purchased by most households in the UK. The spending pattern on which the RPI is based is revised each year, mainly using information from official expenditure and food surveys.

The RPI is compiled by the ONS using a large and representative selection of approximately 650 separate goods and services for which price movements are regularly measured in approximately 150 areas around the UK. Approximately 120,000 separate price quotations are used each month in compiling the RPI. The UK Government uses the RPI for its own existing inflation-linked bonds. If prices rise compared to the previous month, the RPI goes up and if prices fall compared to the previous month, the RPI goes down. It takes approximately two weeks for the ONS to compile the index, and accordingly each month's RPI figure is published during the following month (i.e. the figure relating to October will be published in November). The RPI figures used in the calculation of interest payments on the Notes and the face value of the Notes at redemption are numerical representations of where prices on a list of items bought by an average family stand at a point in time, in relation to their past values.

More information on the RPI, including past and current levels, can be found at the following website: www.statistics.gov.uk. That website and the contents thereof do not form part of these Listing Particulars.

Movements in the RPI are used to measure the effect of inflation on both the interest and the face value of the Notes as described herein. The interest and the principal amount payable on the Notes are both adjusted in line with the RPI.

It is possible that the RPI will decrease during any relevant period. In this case, an interest and principal payment could be lower than the previous amounts paid. In a deflationary environment, the annual interest received and the principal instalments paid may decrease as per the change in the RPI.

As with most investments, Noteholders could get back less than they invest or lose all of their investment.

Furthermore, potential investors should be aware that:

- (a) the market price of the Notes may be more volatile than an instrument that is not RPI-linked, if the RPI is itself volatile;
- (b) fluctuations in RPI may not correlate with changes in interest rates generally or other market indices; and
- (c) timing of changes in the RPI may affect the actual yield to investors in the Notes, even if the average level of the RPI is consistent with their expectations – in general, the earlier the change in the RPI, the greater effect on yield.

2. **Risk factors in relation to the Issuer**

Source of payments to Noteholders

The Notes are limited recourse obligations solely of the Issuer and are not the responsibility of, or guaranteed by, any other entity.

The Issuer does not have any significant assets for the purpose of meeting its obligations under the Notes and the Transaction Documents other than the income from the Loan, any amounts standing to the credit of the Issuer Transaction Account and its rights under the Transaction Documents to which it is a party.

Accordingly, the principal source of funds available to the Issuer for the payment of interest and the repayment of principal on the Notes is collections received in respect of the Loan, which in turn are derived from collections received by the OpCo Borrowers in respect of payments for the electricity generated by the PV Sites.

Consequently, there is a risk that, over the life of the Notes or at the redemption date of any Notes (whether on maturity or upon redemption following service of an Issuer Acceleration Notice or otherwise), there will be insufficient funds to enable the Issuer to pay interest when due on the Notes and/or to repay the outstanding principal on the Notes in full.

Consequences of insufficiency of funds

If the funds available to the Issuer are not sufficient to pay in full all principal and interest and other amounts due in respect of the Notes, then the Noteholders will have no further claims against the Issuer in respect of any such unpaid amounts. Following the service of an Issuer Acceleration Notice, the only remedy available to the Noteholders and the other Issuer Secured Creditors is the enforcement by the Issuer Security Trustee of the Issuer Security.

Upon enforcement of the Issuer Security, the Issuer Security Trustee will have recourse only to the assets pledged, charged and assigned pursuant to the Issuer Deed of Charge. The Issuer Security Trustee will have no recourse to any other entity even in circumstances where the proceeds received by the Borrower Security Trustee from the enforcement of any Borrower Security are insufficient to repay in full the Loan.

If, upon default by a Borrower under the Borrower Loan Agreement, after the exercise of all usual remedies in respect of such Borrower Loan Agreement, the Issuer does not receive the full amount due from the Borrowers, then Noteholders may receive by way of principal repayment an amount less than the face value of their Notes and the Issuer may be unable to pay in full interest due on the Notes.

Administration, cash management and reliance on third parties

The Issuer has no executive management or administrative resources of its own. Accordingly, the Issuer relies upon a number of third parties for certain executive and administrative functions. These include the Issuer Cash Manager for certain cash management functions, the Issuer Account Bank for the provision of bank accounts, the Paying Agent for the payment of amounts to Noteholders and the Facility Agent for the performance of certain administrative functions in relation to the Borrower Loan Agreement. Failure by any of these parties to perform its obligations could have a material adverse effect upon the Issuer's ability to repay the Notes. There can be no assurance that, were any of these parties to resign or have its appointment terminated, a suitable replacement service provider could be found a timely manner (or at all) and engaged on terms acceptable to the Issuer Security Trustee.

Credit risk

The Issuer is exposed to the credit and performance risk of (i) the Issuer Account Bank for the balance of the Issuer Transaction Account from time to time held on behalf of the Issuer; and (ii) the Paying Agent for the amounts transferred by the Issuer to the Paying Agent immediately prior to each Note Interest Payment Date for distribution to the Noteholders pursuant to the Agency Agreement. The Issuer's exposure to the credit risk of the Paying Agent is partly mitigated by the fact that, under the Agency Agreement, the Issuer shall terminate the appointment of the Paying Agent if, among other things, it ceases to be (i) a financial institution with a short-term, unsecured unsubordinated and unguaranteed debt obligations rating of at least P-1 by Moody's or A-1 by S&P, and a long-term unsecured, unsubordinated and unguaranteed debt obligations rating of at least A3 by Moody's or A- by S&P; (ii) an authorised institution under the Financial Services and Markets Act 2000 and (iii) located in England or such other jurisdiction as approved by the Facility Agent (acting reasonably) (an "**Eligible Institution**"). The performance by such parties of their respective obligations under the relevant Transaction Documents is dependent on the solvency of each relevant party.

Delays in the Payments System

Payments under the Borrower Loan Agreement are made to the Issuer on each Loan Interest Payment Date, each of which falls before a corresponding Note Interest Payment Date. However, delays may arise in the receipt or execution of payment instructions by any of the Borrowers, the Borrower Cash Manager, the Borrower Account Bank or any other account bank at which Borrower Accounts are held, resulting in delays in the Issuer receiving such payments under the Borrower Loan Agreement and, consequently, the Noteholders not receiving payment under the Notes until after the Note Interest Payment Date of such Notes.

Risks relating to Insolvency Considerations for the Issuer

Security and insolvency considerations

The Issuer has entered into the Issuer Deed of Charge pursuant to which it has granted the Issuer Security in respect of certain of its obligations, including its obligations under the Notes (as to which, see Summary of Principal Documents – Issuer Deed of Charge). In certain circumstances, including the occurrence of certain insolvency events in respect of the Issuer, the ability to realise the Issuer Security may be delayed and/or the value of the relevant security impaired. The Issuer could become insolvent and/or the subject of insolvency proceedings and, as a result, recoveries in respect of the Issuer Security, and hence proceeds available to repay the Notes, could be adversely affected by the application of insolvency laws in such proceedings.

In addition, it should be noted that, to the extent that the assets of the Issuer are subject only to a floating charge (including any fixed charge recharacterised by the courts as a floating charge (see "Security over Issuer Transaction Account" below)), section 176A of the Insolvency Act 1986 may require a "prescribed part" of the Issuer's net available property (which would otherwise be available to satisfy the claims of secured creditors under the Issuer Deed of Charge) to be set aside (subject to a maximum prescribed part of £600,000) to satisfy any claims of unsecured creditors. While certain of the covenants given by the Issuer in the Issuer Transaction Documents are intended to ensure it has no significant creditors other than the secured creditors under the Issuer Deed of Charge, it will be a matter of fact as to whether the Issuer has any other such creditors at any time. As a result, there is a risk that recoveries in respect of the Issuer Security, and hence proceeds available to repay the Notes, could be adversely affected by any such reduction in floating charge realisations upon the enforcement of the Issuer Security.

Administration of the Issuer

The Insolvency Act 1986 would prohibit a secured creditor (such as the Issuer Security Trustee) from enforcing its security against the assets of the Issuer, if it were to be placed into administration, unless the consent of the administrator or the leave of the court had been obtained. In such circumstances, there would be a risk that the Issuer Security Trustee would not be able to realise value from its security over the assets of the Issuer, which might adversely impact the amount available to repay and/or timing of repayment of the Notes.

Security over Issuer Transaction Account

The charge granted over the Issuer Transaction Account by virtue of the Issuer Deed of Charge is expressed to be fixed security. However, it is possible that this charge may be held by a court to constitute a floating charge and that the charge granted over the assets from which the monies paid into such account are derived may also be held by a court to constitute a floating charge. In these circumstances, in the event of any charging company going into liquidation or administration (or there being a provisional liquidator or receiver appointed) any preferential creditors and liquidation or administration expenses in respect of such charging company would be payable in priority to the Issuer Secured Creditors. In addition, in respect of each such charging company a fund of up to £600,000 would be set aside in order to make payments due to any unsecured creditors of that company (in priority over debts secured only by a floating charge). In any such circumstance, this could reduce amounts available to make payments due in respect of the Notes.

3. Risks factors in relation to the Borrowers

Administration and reliance on third parties

The Borrowers have no executive management resources of their own. The Borrowers rely upon the Borrower Cash Manager for certain cash management functions and the Borrower Corporate Administrator for certain other executive and administrative functions and the Parent Borrower (acting in its capacity as Borrower Agent) for certain management functions. Failure by the Borrower Cash Manager to perform its obligations could have a material adverse effect upon the Issuer's ability to repay the Notes. There can be no assurance that, were the Borrower Cash Manager to resign or have its appointment terminated, a suitable replacement service provider could be found in a timely manner and engaged on terms acceptable to the Borrower Security Trustee.

Risks relating to Insolvency Considerations for the Borrowers

Security and insolvency considerations

The Borrowers have entered into the Borrower Deed of Charge, pursuant to which they have granted security in respect of the Borrowers' obligations, including their obligations under the Borrower Loan Agreement (as to which, see "*Summary of Principal Documents – Borrower Deed of Charge*"). In certain circumstances, including the occurrence of certain insolvency events in respect of a Borrower the ability to realise the Borrower Security may be delayed and/or the value of the relevant security impaired. Any

Borrower may become insolvent and/or the subject of insolvency proceedings and, as a result, the Issuer may be adversely affected by the application of insolvency laws and this could reduce or delay amounts due from the Borrowers to the Issuer to enable it to make payments due under the Notes. This paragraph may also apply to the Parent HoldCo in the context of the Parent HoldCo Share Charge.

In addition, it should be noted that, to the extent that the assets of a Borrower are subject only to a floating charge (including any fixed charge recharacterised by the courts as a floating charge (see "*Security over Borrower Accounts*" below)), section 176A of the Insolvency Act 1986 may require a "prescribed part" of a Borrower's net available property (which would otherwise be available to satisfy the claims of secured creditors under the Borrower Deed of Charge) to be set aside (subject to a maximum prescribed part of £600,000) to satisfy any claims of unsecured creditors. While certain of the covenants given by each Borrower in the Borrower Transaction Documents are intended to ensure they have no significant creditors other than the secured creditors under the Borrower Deed of Charge, it will be a matter of fact as to whether the Borrowers have any other such creditors at any time. As a result, there is a risk that the Issuer may be adversely affected by any such reduction in floating charge realisations upon the enforcement of the Borrower Security granted pursuant to the Borrower Deed of Charge and this could reduce or delay amounts due from the Borrowers to the Issuer to enable it to make payments due under the Notes.

Administration of a Borrower

The Insolvency Act 1986 would prohibit a secured creditor (such as the Borrower Security Trustee) from enforcing its security against the assets of a Borrower or the Parent HoldCo, if it were to be placed into administration, unless the consent of the administrator or the leave of the court had been obtained.

Security over Borrower Accounts

The charges granted over the Borrower Accounts by virtue of the Borrower Deed of Charge are expressed to be fixed security. However, it is possible that these charges may be held by a court to constitute floating charges and that the charges granted over the assets from which the monies paid into such accounts are derived may also be held by a court to constitute floating charges. In these circumstances, in the event of a Borrower going into liquidation or administration (or there being a provisional liquidator or receiver appointed) any preferential creditors and liquidation or administration expenses in respect of such Borrower would be payable in priority to the Borrower Secured Creditors. In addition, in respect of each such charging company a fund of up to £600,000 would be set aside in order to make payments due to any unsecured creditors of that company (in priority over debts secured only by a floating charge). In any such circumstance, this could reduce amounts available to the Issuer to make payments due in respect of the Notes.

Risks relating to the PV Sites and their construction, operation and maintenance

Weather risk

In practice, the level of irradiation, both at rooftop and at ground level at the PV Sites may differ from any assumptions made by the Borrowers in respect of such irradiation. In particular, meteorological factors, including excessive cloud cover, may reduce the level of irradiation at ground level and hence reduce the amount of energy produced by the PV Sites.

Variations in solar conditions may occur from year to year, and if any such variations were to occur over a longer period or to have a substantial effect on the levels of energy produced, there is a risk that the PV Sites could not generate sufficient cash flow to enable the Borrowers to make payments due under the Loan. In such circumstances, the Issuer's ability to fulfil its payment obligations under the Notes could be adversely affected.

Flood risk

There is a risk that one ground mounted PV Site could be affected by flooding, which could have an adverse impact on the use and operation of the PV Site and consequently an adverse effect on the Issuer's ability to fulfil its payment obligations under the Notes.

Contracting to third parties

The OpCo Borrowers own the leases in respect of the PV Sites and are registered as the owner and FIT generator in respect of the PV Sites but contract all activities to third parties with the exception of the services provided to the OpCo Borrowers under the terms of the Asset Management Agreement by the Parent Borrower (see "*Summary of Principal Documents – Asset Management Agreements*"). The Borrowers therefore rely on the creditworthiness and expertise of such third parties. If any of these persons should experience financial difficulties and could not perform their services or are otherwise in breach of their contractual obligations, this might materially impact the operation of the PV Sites and the ability of the Borrowers to fulfil their payment obligations under the Loan. In such circumstances, the Issuer's ability to fulfil its payment obligations under the Notes could be adversely affected.

Reliance on O&M contractors

The OpCo Borrowers are reliant on the O&M contractors for the ongoing operation and maintenance of the PV Sites. If an O&M contractor fails to perform its obligations under its O&M Contract, or becomes unable to perform such obligations (including in any situation where it becomes subject to an insolvency or bankruptcy proceeding that prevents it from performing its obligations or the contracts are terminated), the relevant OpCo Borrower will need to engage third party providers to provide such services and there can be no guarantee that the relevant OpCo Borrower will be able to secure such services on terms comparable to those offered by the defaulting O&M contractor or at all. Failure to secure such services on commercial terms might have an adverse effect on the Borrowers' ability to fulfil their payment obligations under the Loan and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

Limitation on scope of O&M contractors obligations

The O&M contractors' respective obligations and liabilities for maintenance, security and surveillance, repair needed to restore proper functioning of the relevant PV Sites and operation of the relevant PV Sites are limited as set out in the O&M Contracts. Where, due to limitations on the liability of an O&M contractor in its O&M Contract, the costs paid by the OpCo Borrower to the O&M contractor do not fully cover the costs of servicing maintenance, security and surveillance, repair needed to restore proper functioning of the PV Sites, and operating the PV Sites, the OpCo Borrower may become liable for such costs and such costs may need to be met by different means. In such a situation, such costs might have an adverse effect on the Borrowers' ability to fulfil their payment obligations under the Loan and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

Property, planning and associated risks

The PV Leases are generally granted for a term of not less than 25 years and expire between 2034 and 2039.

Save for certain Domestic PV Leases, the PV Leases contain forfeiture rights for non-payment of rent and/or breach of tenant covenants (usually limited to material or substantial breach). A small percentage of the leases also contain forfeiture rights on the insolvency of the relevant OpCo Borrower tenant. A small number of the leases can be forfeited on termination of a superior lease or termination of a third party power purchase agreement.

The majority of the PV Leases contain provisions allowing a mortgagee of the OpCo Borrower time to remedy a breach of covenant by the relevant OpCo Borrower tenant that is capable of remedy. If such breach is remedied the landlord shall not forfeit the lease. Insolvency of the OpCo Borrower tenant is not a breach that can be remedied by the mortgagee.

If an OpCo Borrower becomes insolvent, or is subject to an insolvency event, as such term is defined in the relevant PV Lease and if the right of the landlord to forfeit on such OpCo Borrower tenant's insolvency is contained in the relevant PV Lease, the landlord may forfeit the PV Lease. Forfeiture of a PV Lease might have an adverse effect on the relevant OpCo Borrower's ability to fulfil its payment obligations under the Borrower Loan and, consequently, on the Issuer's ability to fulfil its payment obligation under the Notes.

The majority of the PV Leases are terminable by the landlord in certain circumstances and on termination the PV equipment becomes the property of the landlord. This is more prevalent in the Commercial PV Leases. The landlord's right to terminate is usually dependent on it proving that it is redeveloping its property and as such requires the removal of the PV systems. On termination, the landlord is obliged to make a compensation payment to the relevant OpCo Borrower tenant in respect of the loss in income that such OpCo Borrower tenant will suffer as a result of the lease being terminated early. The figure paid is generally based on either of the following two calculations: (i) a fixed sum set out in the relevant PV Lease (which reduces during the term) multiplied by a fixed kWp or the kWp recorded at the date of termination or (ii) the net present value of the PV system multiplied by the remaining years of the lease and subject to an agreed FIT inflation and discount figure. All payments decrease as the lease term passes and none take into account any renewal rights of the relevant OpCo Borrower tenant. In some instances, the landlord is precluded from exercising this termination right during an initial period of the term (between two and five years) and/or the right is exercisable only by a successor in title and not by the original landlord. Although the income stream will be lost on termination, the relevant OpCo Borrower will receive a one-off compensation payment which can be used, but which may be insufficient, to fulfil its payment obligations under the Borrower Loan Agreement and consequently the Issuer's ability to fulfil its payment obligation under the Notes. The leases are also generally terminable by either party if the building on which the PV equipment is located is destroyed and is not reinstated within a certain timescale.

The Domestic PV Leases are usually terminable by a mortgagee of the landlord that has exercised its right to occupy the landlord's property, by reason of the landlord's default under its mortgage, in circumstances where the mortgagee is reasonably advised that the existence of the PV systems is hampering the sale of the property. No compensation is payable by the mortgagee to the relevant OpCo Borrower tenant in such circumstances. This loss of income might have an adverse effect on the relevant OpCo Borrower's ability to fulfil its payment obligations under the Borrower loan and, consequently, on the Issuer's ability to fulfil its payment obligation under the Notes.

Furthermore, there are certain rights granted to the social housing tenants in the event that they exercise their statutory right to buy their housing units from the landlord of the Social Housing PV Lease. If the PV Lease is terminated in these circumstances, the relevant OpCo Borrower tenant either receives a compensation payment from the social housing tenant or the relevant OpCo Borrower tenant can agree a sale of the PV system to the social housing tenant, provided the Social Housing PV Lease is also surrendered on terms acceptable to the relevant OpCo Borrower tenant. This loss of income might have an adverse effect on the relevant OpCo Borrower's ability to fulfil its payment obligations under the Borrower loan and, consequently, on the Issuer's ability to fulfil its payment obligation under the Notes.

Any change in law phasing out the right to receive FIT payments might have an adverse effect on the relevant OpCo Borrower's ability to fulfil its payment obligations under the Borrower Loan Agreement and, consequently, on the Issuer's ability to fulfil its payment obligation under the Notes should a lease be terminated as this would affect the OpCo Borrower's ability to invest in a replacement site. Government consultations suggest this could take place in January 2016.

The landlord also has a right to temporarily relocate or suspend the use of the PV system in the majority of the PV Leases to enable it to undertake repairs and alterations to its property. In some instances, the landlord is not required to compensate the relevant OpCo Borrower tenant, but is required to carry out the works within an agreed timetable or as soon as practicable. In other instances, the impetus on the landlord to carry out the works expediently is achieved by a compensation payment, based on lost FIT income, becoming payable by the landlord if the PV system is relocated or its use is suspended for a certain amount of time. There is however a risk that the relevant OpCo Borrower tenant will suffer a loss of income and this loss of income stream might have an adverse effect on the relevant OpCo Borrower's ability

to fulfil its payment obligations under the Borrower Loan Agreement and, consequently, on the Issuer's ability to fulfil its payment obligation under the Notes.

A number of the Social Housing PV Leases contain provisions requiring the relevant OpCo Borrower tenant to compensate the landlord if electricity is not generated so that no FIT income is obtained for a specified period owing to a fault with the PV systems and requiring the relevant OpCo Borrower tenant to indemnify the landlord for any claim by an occupier of the landlord's building that it had not obtained the benefit of the free electricity generated from the PV system for such specified period due to such fault. Any such compensation provisions contained in the PV Leases could have an adverse effect on the relevant OpCo Borrowers' ability to fulfil their payment obligations under the Borrower Loan Agreement and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

The OpCo Borrower is in most cases obliged to indemnify the landlord against certain liabilities arising in connection with the relevant PV Leases and the OpCo Borrower's occupation of the relevant premises and exercise of the rights granted. Such liabilities are not always limited to those arising out of any breach of the relevant OpCo Borrower under the Social Housing PV Leases or capped at a specified value. Any indemnity provisions contained in the PV Leases, especially if they are not subject to limitations, could have an adverse effect on the relevant OpCo Borrowers' ability to fulfil their payment obligations under the Borrower Loan Agreement and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

If a consent in relation to a matter on the registered title to a PV Lease is required from a third party, in order to perfect the security taken over such PV Lease, the OpCo Borrower will need to obtain this consent, which could have an adverse effect on the relevant OpCo Borrower's ability to fulfil its payment obligations under the Borrower Loan Agreement and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

The Council of Mortgage Lenders (the "CML") has published guidance for the minimum requirements of lenders which are lending to a residential home owner and whose property is subject to a PV Lease. This could apply to the portfolio if a home owner either re-finances or sells its property to a third party needing a mortgage. The CML suggests that home owners take account of the guidance when applying for a mortgage from the new lender.

A new lender could require a home owner to request that the relevant OpCo Borrower provides the comfort to the lender which is suggested by the guidance and which addresses: how the PV system has been installed; the maintenance of the system; the repair of damage caused to the property on which it is installed; the ability of the landlord to temporarily remove the system for essential repairs and improvements to its property and the right for a mortgagee in possession to terminate the PV Lease should the PV system hinder the sale of the property. The Domestic PV Leases and the Social Housing PV Leases comply in certain respects with the guidelines, however no PV Leases follow them entirely and there is a risk that a lender could request that the home owner requests a variation of the relevant PV Lease, which would impose an administrative burden on the relevant OpCo Borrower.

The key terms of the PV Leases are summarised further under "*Summary of Principal Documents – PV Leases*" below.

Physical risk associated with the roof-mounted PV system

All but one of the PV Leases are in respect of roof mounted PV systems and occupy the airspace on the top of buildings which are owned by third party landlords. The landlords of the rooftop PV Leases are responsible for maintaining and, in most cases, insuring such buildings and reinstating them should they be damaged or destroyed. Damage to the buildings under the roof-mounted PV systems could affect the operation of the PV systems and the maintenance and reinstatement of the buildings are not within the control of the relevant OpCo Borrower. The landlord is not obliged to pay any compensation to the OpCo Borrower tenant whilst it is reinstating the buildings (although a number of the PV Leases contain a provision for suspension of rent during the period in which the PV Site is unfit for occupation and use and incapable of reasonable access) and as a result the relevant OpCo Borrower tenant would suffer a loss of

income, which might have an adverse effect on the relevant OpCo Borrower's ability to fulfil its payment obligations under the Borrower Loan Agreement and, consequently, on the Issuer's ability to fulfil its payment obligation under the Notes. The risk of such damage is arguably increased in multi-let commercial buildings as there may be many occupiers that could cause such interference. The PV Leases generally include express termination rights in favour of both parties if the landlord is unable to reinstate the building. Termination of the PV Leases may have an adverse effect on the relevant OpCo Borrowers' ability to fulfil their payment obligations under the Borrower Loan Agreement and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

Neighbouring Land

There is a risk that the landlords or adjacent landowners may act in a way on their land that adversely affects the use and operation of the PV Sites (for example, by planting trees or erecting buildings or structures which materially affect the amount of sunlight reaching the PV Sites). Most of the PV Leases contain various landlord obligations intended to provide protection against this (see "*Summary of Principal Documents – PV Leases*" below), but there is a risk that the income of the relevant OpCo Borrower may be affected before these obligations are enforced. The relevant OpCo Borrower has limited control over the action of third party land owners.

Component risk

The PV Sites contain a number of components that are subject to, amongst other things, mechanical failure, performance decline, reduced power generation and movement of foundations. Any failure or degradation of, or damage to, key components may affect the energy production of a PV Site and therefore the relevant OpCo Borrowers' ability to fulfil their payment obligations under the Loan and, consequently, the Issuer's ability to fulfil its payment obligations under the Notes.

In practice, the availability and efficiency of the PV Sites may differ from any assumptions made by the relevant OpCo Borrowers due to, amongst other things, damage to, or degradation of, components. This may result in reduced availability and productivity, with a materially adverse effect on the relevant OpCo Borrowers' ability to fulfil their payment obligations under the Loan and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

Non-compliance with technical specifications might cause loss or damage

The OpCo Borrowers have various obligations under the FIT scheme and Power Purchase Agreements, as set out in "*Transaction Overview – FIT Payments and Power Purchase Agreements*". If an OpCo Borrower commits a material breach of an obligation under Power Purchase Agreement, it may be liable to the relevant counterparty for such party's losses. In addition, in these circumstances, the relevant OpCo Borrower may be deprived of Receivables. Whilst compliance with some obligations under a Power Purchase Agreement may be contractual obligations on the part of the relevant O&M contractor, any damages that the relevant OpCo Borrower receives from such O&M contractor may not be sufficient to pay for all losses incurred by the counterparty to the relevant Power Purchase Agreement. Any breach of obligation may therefore have an adverse effect on the relevant OpCo Borrowers' ability to fulfil their payment obligations under the Loan.

Operating expenditure and taxation may exceed expectations

The financial forecasts used by the OpCo Borrowers for the operating costs of the PV Sites for their own budgeting purposes are based on certain assumptions. As a result of any increase in costs above the amount assumed, the relevant OpCo Borrowers' ability to fulfil their payment obligations under the Loan, and, consequently, the Issuer's ability to fulfil its payment obligations under the Notes, may be adversely affected.

The costs of maintenance, security, surveillance and repair needed to restore proper functioning of the PV Sites, and operating the PV Sites, are set out in the O&M Contracts, as summarised in more detail in "*Summary of Principal Documents – O&M Contracts*".

The O&M contractors' respective liabilities for such maintenance, security, surveillance and repair needed to restore proper functioning of the relevant PV Sites and operation of the relevant PV Sites are limited as set out in the O&M Contracts. If an O&M contractor fails to perform its obligations under its O&M Contract, or becomes unable to perform such obligations (including in any situation where it becomes subject to an insolvency or bankruptcy proceeding that prevents it from performing its obligations or the contracts are terminated), the relevant OpCo Borrower will need to engage third party providers to provide such services and there can be no guarantee that the relevant OpCo Borrower will be able to secure such services on terms comparable to those offered by the defaulting O&M contractor or at all. Failure to secure such services on commercial terms might have an adverse effect on the Borrowers' ability to fulfil their payment obligations under the Loan and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes. In addition where, due to limitations on the liability of an O&M contractor in its O&M Contract, the costs paid by the OpCo Borrower to the O&M contractor do not fully cover the costs of maintenance, security, surveillance and repair needed to restore proper functioning of the PV Sites, and operating the PV Sites, the OpCo Borrower may become liable for such costs and such costs may need to be met by different means. In such a situation, such costs might have an adverse effect on the Borrowers' ability to fulfil their payment obligations under the Loan and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

Taxation

The Borrower Group is subject to UK corporation tax on its taxable profits. The taxable profits are determined by the accounting profits of the entities within the Borrower Group, as adjusted for certain tax items. The current rate of UK corporation tax is 20 per cent.

Adjustments that are likely to impact the taxable profits of the Borrower Group include interest on the Loan and capital allowances on capital expenditure. It is expected that the taxable profits of the Borrower Group will be lower than the accounting profits, primarily due to the availability of capital allowances.

Her Majesty's Revenue & Customs can scrutinise the tax treatment, in particular where they consider that an unrealistically conservative view of income has been taken and where there is an alternative commercially acceptable treatment. The impact of a successful challenge would be that capital allowances may not be available to offset the taxable income. It should be noted that this would require the accounting treatment to be overturned.

It should be noted that the anticipated treatment is on the basis of current accounting practice, tax laws and practices. To the extent that there is any change to the law, regulations and practices of Her Majesty's Revenue & Customs, or their interpretation, may result in additional taxes becoming payable by any Borrower. This may affect the Borrowers' ability to repay the Loan and hence affect the ability of the Issuer to repay the Notes.

HMRC guidance states that the supply of free electricity is a taxable supply and that the supplier must account for the VAT payable on the cost. Since the supply in this case is often to a domestic customer who cannot reclaim the VAT, it is likely that the relevant OpCo Borrower would absorb the cost. If there is a rise in the rate of VAT this might have an adverse effect on the relevant OpCo Borrower's ability to fulfil its payment obligations under the Borrower Loan Agreement and consequently the Issuer's ability to fulfil its payment obligation under the Notes.

Insurance and co-insurance risk

Insurance obtained by the OpCo Borrowers may not be comprehensive and sufficient in all circumstances and may be subject to certain deductibles or obligations to meet a proportion of the total liability amounts arising from certain insured risks. Moreover, such insurance may not be available in the future on commercially reasonable terms.

An event could result in severe damage or destruction to any number of the PV Sites, reductions in the energy output of any number of the PV Sites or personal injury or loss of life to personnel. Insurance proceeds may not be adequate to cover lost revenues or to compensate for any injuries or loss of life.

In cases of frequent damage, insurance contracts might be amended or cancelled by the insurance company to the detriment of the Borrowers. Further, the insurance may not cover any damage or loss and/or insurance premiums may increase more than had been provided for.

In each such case, this could have a material adverse effect on the Borrowers' ability to fulfil their payment obligations under the Loan and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

Manufacturer risk in relation to components

Any OpCo Borrower's ability to claim against a module or inverter manufacturer in respect of any warranty provided by such module or inverter manufacturer is subject to the risk of such module or inverter manufacturer's financial strength, in particular the risk that such module or inverter manufacturer becomes subject to insolvency or bankruptcy proceedings during the relevant warranty period. The relevant OpCo Borrower's ability to claim against the relevant module or inverter manufacturer in respect of such warranties is subject to the terms of such warranties, including all exclusions, limitation and time limits stated in each warranty. The warranty period applicable to each warranty provided by the module or inverter manufacturer vary and range between 5 years and 25 years typically, starting from the date of manufacture or purchase by the first purchaser of the component from the manufacturer. Please see each specific warranty for further details. As a result, and/or alternatively, the OpCo Borrower may be unable to recover under the warranties to the full extent of the loss or at all.

A number of the manufacturer or supply contracts/warranties (including those provided by the component contractors) are governed by laws and dispute resolution procedures of foreign jurisdiction.

As a result, it may be more difficult in practice for the relevant OpCo Borrower to enforce its remedies in respect of such warranties and it may therefore become exposed to manufacturing or other defects in the various components and would have to fund repair or replacement from other resources.

Panel degradation risk

Although photovoltaic installations have few moving parts and operate, generally, over long periods with minimal maintenance, photovoltaic power generation employs solar panels composed of a number of solar cells containing a photovoltaic material (crystalline silicon in the case of the solar panels used in the PV Sites). These panels are, over time, subject to degradation since they are exposed to the elements, carry an electrical charge, and will age accordingly. In addition, the solar radiation which produces solar electricity carries heat with it that may cause the components of a photovoltaic solar panel to become altered and less able to capture irradiation effectively.

Offtake risk

Each OpCo Borrower's primary source of revenue, and therefore its primary source of funds to repay the Loan, are the FIT Payments that it will receive in respect of the electricity generated) by the PV Sites accredited under the FIT scheme. Those payments are received either by way of FIT Payments under the FIT regime or pursuant to Power Purchase Agreements entered into by certain OpCo Borrowers. As such, each OpCo Borrower's ability to generate revenue, and therefore its ability to pay interest and repay principal on the Loan, will depend on the extent to which it is entitled to receive FIT Payments or its ability to enter into Power Purchase Agreements (as applicable).

The FIT regime is governed by The Feed-in-Tariffs Order 2012 (as amended), Schedule A to Standard Licence Condition (SLC) 33 and by sections 41 to 43 (inclusive of the Energy Act 2008). The FIT regime is administered by the Gas and Electricity Markets Authority, whose day to day functions are performed by Ofgem.

Under this legislation, the owners of solar PV installations accredited by Ofgem under the FIT scheme may receive FIT Payments which are comprised of generation tariff payments (based on the total electricity generated by the relevant PV Site notwithstanding whether such electricity is used locally or exported to

the grid) and export tariff payments (which are based on any electricity exported to the grid by the relevant PV Site). Each OpCo Borrower has the opportunity to opt out of receiving such export tariff payments, in lieu of which each such OpCo Borrower may agree a Power Purchase Agreement with a Licensed Electricity Supplier or a power purchaser that is not a Licensed Electricity Supplier.

A small number of the OpCo Borrowers have entered into a Power Purchase Agreement with the relevant landlords.

In the event that a Power Purchase Agreement terminates prior to the Final Maturity Date, pursuant to the Borrower Loan Agreement, each OpCo Borrower will undertake that, at least two months prior to the expiry of any Power Purchase Agreement to which it is a party, it will commence negotiations with one or more Acceptable PPA Counterparties with a view to entering into a new Power Purchase Agreement with one of those Acceptable PPA Counterparties on a date falling not later than the date of such expiry on terms as to duration, price and other benefits which, in the opinion of the relevant OpCo Borrower, represent the optimum combination reasonably available to such OpCo Borrower at that time and in the circumstances then applicable to such OpCo Borrower and that are otherwise substantially the same as the terms of the Power Purchase Agreement that is due to expire or terms which, in the opinion of such OpCo Borrower, are as favourable to such OpCo Borrower as such OpCo Borrower is reasonably able to obtain at that time and in the circumstances then applicable to such OpCo Borrower; provided that such OpCo Borrower shall not, without the consent of the Controlling Party, enter into any Power Purchase Agreement:

- (i) on terms that would result in the occurrence of the DSCR Trigger; or
- (ii) if the DSCR Trigger has already occurred and is continuing, on terms that would result in the DSCR Trigger ceasing to occur.

There is a risk that a PPA Counterparty to a Power Purchase Agreement may not perform its obligations in full, and that any replacement Power Purchase Agreement may not be available to the OpCo Borrowers during the term of the Loan. There is also a risk that payments pursuant to a replacement Power Purchase Agreement entered into with any Acceptable PPA Counterparty may not be equal to or more than the payments that the relevant OpCo Borrower currently receives.

In this context, "**Acceptable PPA Counterparty**" means a PPA Counterparty or any other person which has been granted and maintains a supply licence under section 6(1)(d) of the Electricity Act 1989 and which has:

- (a) a credit rating of A- or higher by Standard and Poor's or A3 or higher by Moody's (or is otherwise able to demonstrate to the satisfaction of the Controlling Party acting reasonably that it has the financial capability and resources to support its obligations to the relevant OpCo Borrower under the replacement Power Purchase Agreement); or
- (b) issued in favour of the relevant OpCo Borrower, Acceptable PPA Credit Support in support of its obligations to such OpCo Borrower under the replacement Power Purchase Agreement,

and "**PPA Counterparty**" means the purchaser of electricity under any Power Purchase Agreement.

4. **Risk factors in relation to the EPC contractors and the O&M contractors**

Performance Risk under the O&M Contracts

Under the O&M Contracts, the O&M contractors are responsible for a variety of operational matters in relation to the PV Sites. The O&M contractors are liable in respect of some elements of damage and non-performance which may not be fully insured or supported by an effective manufacturer warranty or other supply contracts/ appointments or sub-contracts throughout the entire period of operation of the PV Sites. If an O&M contractor fails to perform its obligations under an O&M Contract, or becomes unable to

perform such obligations (including in any situation where it becomes subject to an insolvency or bankruptcy proceeding that prevents it from performing its obligations or the contracts are terminated), the relevant OpCo Borrower may become liable for such costs and such costs may need to be met by different means. In such a situation, such costs might have an adverse effect on the Borrowers' ability to fulfil their payment obligations under the Loan and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

5. Risks relating to the solar photovoltaic energy sector and regulatory risks

Introduction

The objectives that the United Kingdom must achieve in terms of production of electricity from renewable sources are set at EU level and, in particular, by Directive 2009/28/EC of the European Parliament and the Council of 23 April 2009, which, among other things, set long-term, mandatory targets in terms of the proportion of energy produced from renewable sources. Those targets are binding on Union member states, including the United Kingdom.

The industry related to the generation of renewable energy in the United Kingdom depends to a large extent on the EU and British political framework. Obtaining energy from renewable sources can be more costly and expensive than generating power from coal, natural gas, oil and nuclear fuels. The British Government provides support for generators using photovoltaic installations in order to encourage the use of renewable energy sources. Support schemes include incentives for electricity generated by Solar photovoltaic plants (i.e., the FIT scheme). Such schemes are based on national targets for renewable energy generation.

Change in law risk

Solar photovoltaic energy sector

The solar photovoltaic energy sector in the United Kingdom is subject to legal and regulatory controls, and each OpCo Borrower and each of the PV Sites must comply with all applicable laws, regulations and regulatory standards (the "**regulations**") which, among other things, require each OpCo Borrower to obtain and maintain certain authorisations, licences and approvals for the construction and operation of the relevant PV Sites (the "**authorisations**").

Although such authorisations have been obtained, there is a risk that one or more OpCo Borrowers may not always comply with some or all of the conditions of the authorisations and that one or more OpCo Borrowers may not be able to maintain the authorisations granted to operate the PV Sites. However, in the view of the OpCo Borrowers, the risk of this is remote.

If any OpCo Borrower loses the authorisations granted to it, or is required to comply with additional conditions imposed on it after the Closing Date in respect of such authorisations, such OpCo Borrower may incur additional costs, expenses or other liabilities that could affect its ability to repay the Loan and hence affect the ability of the Issuer to repay the Notes.

Changes in law generally

The OpCo Borrowers operate in a regulated sector and derive support from the FIT regime. The development, outflows and revenues of the PV Sites are therefore dependent on the applicable legislation and regulation. Accordingly, changes in law or regulation may have an adverse impact on the OpCo Borrowers' ability to generate income from the PV Sites and repay the Loan and, consequently, on the Issuer's ability to meet its financial obligations under the Notes.

As described in the section above headed "*Offtake risk*", the legislation and regulations which govern the FIT scheme give owners of solar photovoltaic installations accredited by Ofgem under the FIT scheme a right to receive FIT Payments which are comprised of generation tariff payments (based on the total electricity generated by the relevant PV Site notwithstanding whether such electricity is used locally or

exported to the grid) and export tariff payments (which are based on any electricity exported to the grid by the relevant PV Site). Each OpCo Borrower has the opportunity to opt out of receiving such export tariff payments, in lieu of which each such OpCo Borrower may agree a Power Purchase Agreement with a Licensed Electricity Supplier or a power purchaser that is not a Licensed Electricity Supplier.

The FIT regime is currently underwritten by UK Government policy providing FIT Payments at tariffs fixed for 20 years (or 25 years for installations commissioned before 1 August 2012). There is a risk that the UK Government could change such policy so as to decrease generation tariffs and export tariffs and therefore reduce FIT Payments for existing installations. As at the date of these Listing Particulars, both generation and export tariffs are indexed in accordance with RPI, however subject to the outcome of a Department for Energy and Climate Change consultation on the FIT regime which opened on 27 August 2015 and UK Parliament approval, both generation and export tariffs will shift to CPI escalation.

A reduction in FIT Payments could affect the OpCo Borrowers' ability to repay the Loan and hence affect the ability of the Issuer to repay the Notes.

The level of payments received by an OpCo Borrower from time-to-time pursuant to a Power Purchase Agreement is a matter of commercial negotiation. Although the level of such payments is expected by the OpCo Borrowers to track closely the price trends for electricity in the United Kingdom, there is a risk that such price trends may not necessarily result in the level of such payments increasing at or above the rate of the RPI. There is also a risk that, as a result of commercial and/or legislative changes affecting the market for electricity or the participants in that market, the pricing that each OpCo Borrower is able to negotiate in respect of each Power Purchase Agreement may be affected adversely. A reduction in the level of payments received by one or more OpCo Borrowers could affect the OpCo Borrowers' ability to repay the Loan and hence affect the ability of the Issuer to repay the Notes.

RESOURCES AVAILABLE TO THE ISSUER AND THE BORROWERS

Issuer Priority of Payments

Issuer Pre-Acceleration Priority of Payments

Prior to the service of an Issuer Acceleration Notice, all amounts standing to the credit of the Issuer Transaction Account will be applied (unless otherwise paid or provided for) by the Issuer Cash Manager on behalf of the Issuer on each Note Interest Payment Date in the following order of priority (in each case only if and to the extent that payments or provisions of a higher order of priority have been made in full) (such order being the "**Issuer Pre-Acceleration Priority of Payments**"):

- (a) *first*, in or towards satisfaction of the fees or other remuneration then payable to the Note Trustee and the Issuer Security Trustee, together with VAT thereon (if applicable), and any costs, charges, liabilities and expenses (together with VAT thereon, if applicable) then incurred by the Note Trustee or the Issuer Security Trustee under the Trust Deed or the Issuer Deed of Charge, as the case may be, together with interest thereon as provided in the Trust Deed or the Issuer Deed of Charge, as the case may be;
- (b) *second*, in or towards payment, *pro rata* according to the respective amounts thereof, of all amounts due or overdue from the Issuer to (i) the Paying Agent, Calculation Agent and Registrar under the Agency Agreement, (ii) the Issuer Account Bank under the fee letter between the Issuer and the Issuer Account Bank, (iii) the Issuer Cash Manager under the Issuer Cash Management Agreement; and (iv) the Corporate Services Provider under the Corporate Services Agreement (together with, in each case, VAT thereon, if applicable, as provided in the Agency Agreement, the fee letter, between the Issuer and the Issuer Account Bank, the Issuer Cash Management Agreement or the Corporate Services Agreement, as the case may be);
- (c) *third*, in or towards payment, *pro rata* according to the respective amounts thereof, of all amounts of interest due or overdue in respect of the Notes;
- (d) *fourth*, in or towards payment, *pro rata* according to the respective amounts thereof, of all amounts of principal due or overdue in respect of the Notes;
- (e) *fifth*, in or towards payment, *pro rata* according to the respective amounts thereof, of all amounts due or overdue from the Issuer in respect of any liabilities of the Issuer (other than those referred to elsewhere in this Issuer Pre-Acceleration Priority of Payments);
- (f) *sixth*, in or towards retention of an amount of £1,000 (the "**Issuer Retained Profit**") to remain deposited in the Issuer Transaction Account and retained as six monthly profit by the Issuer (and from which amount the Issuer shall discharge its liability to corporation tax in respect of such Issuer Retained Profit); and
- (g) *seventh*, the surplus (if any) in payment to the Borrowers by way of a rebate of any Periodic Fee paid by the Borrowers to the Issuer pursuant to the Borrower Loan Agreement and the Borrower Fee Letter.

Issuer Post-Acceleration Priority of Payments

Following the service of an Issuer Acceleration Notice, the Issuer Security Trustee (or a receiver appointed by the Issuer Security Trustee), the Issuer Cash Manager acting under the instruction of the Issuer Security Trustee is required to apply monies standing to the credit of the Issuer Transaction Account or otherwise available for distribution, in or towards satisfaction of the Issuer's liabilities in the following order of priority (in each case only if and to the extent that payments or provisions of a higher order of priority have been made in full) (such order being the "**Issuer Post-Acceleration Priority of Payments**" and, together with the Issuer Pre-Acceleration Priority of Payments, the "**Issuer Priority of Payments**"):

- (a) *first*, in or towards satisfaction of, pro rata according to the respective amounts thereof (i) the fees or other remuneration then payable to the Note Trustee and the Issuer Security Trustee, together with VAT thereon (if applicable), and any costs, charges, liabilities and expenses (together with VAT thereon, if applicable) then incurred by the Note Trustee or the Issuer Security Trustee under the Trust Deed, the Issuer Fee Letter or the Issuer Deed of Charge, as the case may be, together with interest thereon as provided in the Trust Deed or the Issuer Deed of Charge, as the case may be and (ii) the fees or other remuneration then payable to any receiver appointed in respect of the Issuer, together with VAT thereon (if applicable) and any costs, charges, liabilities and expenses (together with VAT thereon, if applicable) then incurred by such receiver under or in connection with the Issuer Deed of Charge, together with interest thereon as provided in the Issuer Deed of Charge;
- (b) *second*, in or towards payment, pro rata according to the respective amounts thereof, of all amounts due or overdue from the Issuer to (i) the Paying Agent, Calculation Agent and Registrar under the Agency Agreement, (ii) the Issuer Account Bank under the fee letter between the Issuer and the Issuer Account Bank, (iii) the Issuer Cash Manager under the Issuer Cash Management Agreement; (iv) the Corporate Services Provider under the Corporate Services Agreements (together with, in each case, VAT thereon, if applicable as provided in the Agency Agreement, the fee letter between the Issuer and the Issuer Account Bank, the Issuer Cash Management Agreement or the Corporate Services Agreement, as the case may be);
- (c) *third*, in or towards payment, pro rata according to the respective amounts thereof, of all amounts of interest and principal due or overdue in respect of the Notes;
- (d) *fourth*, in or towards payment, pro rata according to the respective amounts thereof, of all amounts due or overdue from the Issuer in respect of any liabilities of the Issuer (other than those referred to elsewhere in this Issuer Post-Acceleration Priority of Payments);
- (e) *fifth*, in or towards retention of the Issuer Retained Profit to remain deposited in the Issuer Transaction Account and retained as six monthly profit by the Issuer (and from which amount the Issuer shall discharge its liability to corporation tax in respect of such Issuer Retained Profit); and
- (f) *sixth*, the surplus (if any) in payment to the Borrowers by way of a rebate of any Periodic Fee paid by the Borrowers to the Issuer pursuant to the Borrower Loan Agreement and the Borrower Fee Letter.

Borrower Priority of Payments

Borrower Pre-Acceleration Priority of Payments

A. Loan Interest Payment Date

Prior to acceleration of the Loan, amounts standing to the credit of the Receivable Bank Account as at opening of business on the applicable Loan Interest Payment Date will be applied by the Borrower Cash Manager on behalf of the Borrowers on each Loan Interest Payment Date, in the following order of priority (in each case only if and to the extent that payments or provisions of a higher order of priority have been made in full) (such order being the "**Borrower Pre-Acceleration Priority of Payments**"):

- (a) *first*, in satisfaction of (i) the fees or other remuneration then payable by the Borrowers to the Borrower Security Trustee, together with VAT thereon (if applicable), and (ii) any costs, charges, liabilities and expenses (together with VAT thereon, if applicable) then incurred by the Borrower Security Trustee under the relevant Borrower Transaction Documents, together with interest thereon as provided in the relevant Borrower Transaction Documents;
- (b) *second*, in or towards payment to the Issuer of an amount equal to all amounts payable by the Issuer on the immediately following Note Interest Payment Date in or towards satisfaction of any costs, charges, liabilities and expenses (if any) (together with VAT thereon, if applicable) (but

excluding, for the avoidance of doubt, any Covered Fees) then incurred by the Note Trustee or the Issuer Security Trustee under the Trust Deed or the Issuer Deed of Charge, as the case may be, together with interest thereon, as provided in the Trust Deed or the Issuer Deed of Charge, as the case may be, to the extent that such amount is payable by the Borrowers to the Issuer as part of the Indemnity Payment to the Issuer under the terms of the Borrower Loan Agreement;

- (c) *third*, in satisfaction of its obligation to pay the Periodic Fee, subject to and in accordance with the provisions of the Borrower Loan Agreement;
- (d) *fourth*, in or towards payment to the Issuer of an amount equal to all amounts payable by the Issuer on the immediately following Note Interest Payment Date to (i) the Paying Agent, Calculation Agent and Registrar under the Agency Agreement, (ii) the Issuer Account Bank under the fee letter between the Issuer and the Issuer Account Bank, (iii) the Issuer Cash Manager under the Issuer Cash Management Agreement; and (iv) the Corporate Services Provider under the Corporate Services Agreement (together with, in each case, VAT thereon, if applicable, as provided in the Agency Agreement, the fee letter between the Issuer and the Issuer Account Bank, the Cash Management Agreement or the Corporate Services Agreement, as the case may be) (but excluding, for the avoidance of doubt, any Covered Fees), in each case to the extent that such amount is payable by the Borrowers to the Issuer as part of the Indemnity Payment to the Issuer under the terms of the Borrower Loan Agreement;
- (e) *fifth*, in or towards payment of, on a pro rata basis, according to the respective amounts thereof:
 - (i) all amounts of fees and other remuneration then payable, together with any applicable VAT thereon, as provided in this Agreement payable by the Borrowers to the Borrower Cash Manager (to the extent not paid from the Periodic Fee); and
 - (ii) all amounts due or overdue in respect of costs and expenses (to the extent not paid from the Periodic Fee), together with any applicable VAT thereon, as provided under the fee letter between the Borrower and the Borrower Account Bank payable by the Borrowers to the Borrower Account Bank;
 - (iii) all amounts of fees and other remuneration then payable, together with any applicable VAT thereon, as provided in the Borrower Loan Agreement payable by the Borrowers to the Facility Agent (to the extent not paid from the Periodic Fee); and
 - (iv) all amounts due or overdue in respect of costs and expenses (to the extent not paid from the Periodic Fee), together with any applicable VAT thereon, as provided under the fee letter between the Borrower and the Facility Agent payable by the Borrowers to the Facility Agent.
- (f) *sixth*, in or towards payment of, or provision for, each Borrower's liability (if any) to UK corporation tax or other tax, as determined and (if applicable) notified by such Borrower to the Borrower Cash Manager;
- (g) *seventh*, in or towards payment of, if such Loan Interest Payment Date falls on an Maintenance Reserve Accumulation Date, an amount equal to the Maintenance Reserve Accumulation Amount to be credited to the Maintenance Reserve Account on such date;
- (h) *eighth*, in or towards payment of all amounts of interest due or overdue in respect of the Loan;
- (i) *ninth*, in or towards payment of all amounts of principal due or overdue in respect of the Loan;
- (j) *tenth*, in or towards payment to the Issuer of an amount equal to all amounts payable by the Issuer on the next following Note Interest Payment Date in respect of any liabilities of the Issuer not otherwise referred to in this Borrower Pre-Acceleration Priority of Payments (together, in each case, with VAT thereon, if applicable) (but excluding, for the avoidance of doubt, any Covered

Fees), in each case to the extent that such amount is payable by the Borrowers to the Issuer as part of the Indemnity Payment to the Issuer under the terms of the Borrower Loan Agreement; and

- (k) *eleventh*, in or towards payment of, or provision for, on a pro rata basis according to the respective amounts thereof, sums due or which will fall due or which properly belong to third parties under obligations incurred in the course of business of a Borrower, including the provision for, and payment of, such Borrower's auditors, VAT and any company secretarial fees and charges but only as permitted by the Borrower Transaction Documents, in each case as determined and (if applicable) notified by such Borrower to the Borrower Cash Manager.

B. Financial Covenant Calculation Date

Prior to acceleration of the Loan, amounts standing to the credit of the Receivable Bank Account as at the close of business on the immediately preceding Loan Interest Payment Date (following all payments made in accordance with Part A of Part 1 of Schedule 2 of the Borrower Loan Agreement on such date) will be applied on the immediately following Reserves Adjustment Date by the Borrower Cash Manager on behalf of the Borrowers on the immediately following Reserves Adjustment Date (subject to first having received the relevant certificate from the Parent Borrower pursuant to the Borrower Loan Agreement), in the following order of priority (in each case only if and to the extent that payments or provisions of a higher order of priority have been made in full):

- (a) *first*, all and any amounts outstanding under Part of A of Part 1 of this Schedule 2 as at the preceding Loan Interest Payment Date;
- (b) *second*, if the balance standing to the credit of the Debt Service Reserve Account is less than the DSR Target Amount, in or towards crediting an amount to the Debt Service Reserve Account to bring the balance thereof to the DSR Target Amount;
- (c) *third*, if a DSCR Trigger or an LLCR Trigger has occurred and is continuing, in transfer of up to the entire remaining balance of the Receivable Bank Account to the Cash Trap Reserve Account until the related DSCR Target Condition or LLCR Target Condition (as applicable) has been met;
- (d) *fourth*, in or towards payment of (i) the fees or other remuneration then payable by the Borrowers to the Borrower Corporate Administrator, together with VAT thereon (if applicable), and (ii) any costs, charges, liabilities and expenses (together with VAT thereon, if applicable) then incurred by the Borrower Corporate Administrator under the relevant Borrower Transaction Documents, together with interest thereon as provided in the relevant Borrower Transaction Documents; and
- (e) *fifth*, the surplus (if any) in payment to the Distribution Account as notified by the Parent Borrower to the Borrower Cash Manager in advance, provided that, (i) such surplus shall not include any amounts paid into the Receivable Bank Account since the immediately preceding Loan Interest Payment Date and (ii) no Distribution shall take place unless the Distribution Conditions as set out in the Borrower Loan Agreement have been satisfied.

For these purposes:

"Operating Budget" is defined in the section headed "*Summary of Principal Documents – Borrower Loan Agreement – Information undertakings – Operating Budget*" below.

"DSR Required Amount" means: (i) on the Closing Date an amount which is equal to the aggregate of all scheduled Debt Service falling due for payment in the six months following the Closing Date; and (ii) on each subsequent Calculation Date after the Closing Date an amount which is equal to all scheduled Debt Service falling due for payment in the six months following that Calculation Date, together with any Cure Amounts transferred into the Debt Service Reserve Account pursuant to the Borrower Loan Agreement.

"DSR Target Amount" means in respect of the Closing Date or any Loan Interest Payment Date thereafter, the product of:

- (a) the DSR Required Amount; and
- (b) an amount equal to the sum of:
 - (i) one; and
 - (ii) if the date of determination of the DSR Target Amount falls on or before the 15th anniversary of the Closing Date, the number of Calculation Dates that have occurred up to such date of determination, divided by:
 - (A) sixty; or
 - (B) if such date of determination falls after the 10th anniversary of the Closing Date and, on the first Calculation Date after such anniversary, the then most recent Forecast indicates that the Energy Production Test has not been passed in respect of the preceding 10 years, forty five; or
 - (iii) if such date of determination falls after the 15th anniversary of the Closing Date and, on the first Calculation Date after such anniversary, the then most recent Forecast indicates that the Energy Production Test has been passed in respect of the preceding 15 years, one third; or
 - (iv) if such date of determination falls after the 15th anniversary of the Closing Date and, on the first Calculation Date after such anniversary, the then most recent Forecast indicates that the Energy Production Test has not been passed in respect of the preceding 15 years, the fraction determined under (ii) above on the last Calculation Date falling on or before such anniversary.

A **"DSCR Trigger"** occurs at any time where the Debt Service Cover Ratio (as defined in *"Description of Principal Documents – Borrower Loan Agreement"*) as at the then most recent Loan Interest Payment Date is less than or equal to 1.20:1 and is continuing until the related DSCR Target Condition has been met.

The **"DSCR Target Condition"** will be met in respect of a DSCR Trigger upon the earlier of:

- (a) the Debt Service Cover Ratio is greater than 1.2:1 for two consecutive Loan Interest Payment Dates falling after such DSCR Trigger occurred; or
- (b) the aggregate balance standing to the credit of the Debt Service Reserve Account and the Cash Trap Reserve Account is equal to or greater than the outstanding principal amount of the Loan as adjusted by the Index Ratio (as defined in Condition 7(f)) on the then most recent Loan Interest Payment Date.

The **"Maintenance Reserve Accumulation Date"** is each Loan Interest Payment Date during the period from the Closing Date to the Final Maturity Date.

"Maintenance Reserve Accumulation Amount" means, in respect of any Loan Interest Payment Date (for these purposes, the **"Relevant Loan IPD"**), £2.60/kWp (as adjusted by the Index Ratio (as defined in Condition 7(f)) on the then most recent Financial Covenant Calculation Date) less the amount, if any, of interest or other investment income that has been credited to and remains credited to the Maintenance Reserve Account (on the assumption that the most recently credited investment income is withdrawn first) during the period from, and including the Calculation Date for the Note Interest Payment Date immediately preceding the Relevant Loan IPD to, and

excluding the Calculation Date for the Note Interest Payment Date immediately following the Relevant Loan IPD.

An "**LLCR Trigger**" occurs at any time where Loan Life Cover Ratio (as defined in "Description of Principal Documents – Borrower Loan Agreement") as at the then most recent Calculation Date is less than or equal to 1.20:1 and shall be considered to be continuing unless and until the related LLCR Target Condition has been met.

The "**LLCR Target Condition**" will be met in respect of a LLCR Trigger upon the earlier of:

- (a) the Debt Service Cover Ratio being greater than 1.2:1 for two consecutive Calculation Dates falling after such LLCR Trigger occurred; or
- (b) the aggregate balance standing to the credit of the Debt Service Reserve Account and the Cash Trap Reserve Account being equal to or greater than the outstanding principal amount of the Loan, as adjusted by the Index Ratio on the then most recent Calculation Date.

"**kWp**" means kilowatt peak.

Borrower Post-Acceleration Priority of Payments

Following acceleration of the Loan (or any part thereof), the Borrower Security Trustee (or a receiver appointed by it) or, with the consent of the Noteholder Representative, if any, the Borrower Cash Manager acting on the instructions of the Borrower Security Trustee, will apply monies standing to the credit of the Borrower Accounts in or towards satisfaction of the following liabilities in respect of the Loan in the following order of priority (the "**Borrower Post-Acceleration Priority of Payments**" and, together with the Borrower Pre-Acceleration Priority of Payments, the "**Borrower Priority of Payments**"), in each case only to the extent that payments of a higher order of priority have been paid in full:

- (a) *first*, in or towards payment, *pro rata* according to the respective amounts thereof, of (i) the fees or other remuneration then due and payable by the Borrowers to the Borrower Security Trustee, together with VAT thereon (if applicable), (ii) any costs, charges, liabilities and expenses (together with VAT thereon, if applicable) (to the extent not paid from the Periodic Fee) then due and payable to the Borrower Security Trustee under the Borrower Deed of Charge, together with interest thereon as provided in the Borrower Deed of Charge, together with interest thereon as provided in the Borrower Deed of Charge and (iii) the fees or other remuneration then payable to any receiver appointed in respect of any Obligors, together with VAT thereon (if applicable) and any costs, charges, liabilities and expenses (together with VAT thereon, if applicable) then incurred by such receiver under or in connection with the Borrower Deed of Charge, together with interest thereon as provided in the Borrower Deed of Charge;
- (b) *second*, in or towards payment to the Issuer of an amount equal to all amounts payable by the Issuer on the immediately following Note Interest Payment Date in or towards satisfaction of any costs, charges, liabilities and expenses (together with VAT thereon, if applicable) (but excluding, for the avoidance of doubt, any Covered Fees) then due and payable by the Note Trustee or the Issuer Security Trustee under the Trust Deed or the Issuer Deed of Charge, as the case may be, together with interest thereon, as provided in the Trust Deed or the Issuer Deed of Charge, as the case may be, to the extent that such amount is payable by the Borrowers to the Issuer as part of the Indemnity Payment to the Issuer under the terms of the Borrower Loan Agreement;
- (c) *third*, in satisfaction of its obligation to pay the Periodic Fee, subject to and in accordance with the provisions of the Borrower Loan Agreement;
- (d) *fourth*, in or towards payment to the Issuer of an amount equal to all amounts due and payable by the Issuer on the immediately following Note Interest Payment Date to (i) the Paying Agent, Calculation Agent and Registrar under the Agency Agreement, (ii) the Issuer Account Bank under

the fee letter between the Issuer and the Issuer Account Bank, (iii) the Issuer Cash Manager under the Issuer Cash Management Agreement; and (iv) the Corporate Services Provider under the Corporate Services Agreement (together with, in each case, VAT thereon, if applicable, as provided in the Agency Agreement, the fee letter between the Issuer and the Issuer Account Bank, the Cash Management Agreement or the Corporate Services Agreement, as the case may be) (but excluding, for the avoidance of doubt, any Covered Fees), in each case to the extent that such amount is payable by the Borrowers to the Issuer as part of the Indemnity Payment to the Issuer under the terms of the Borrower Loan Agreement;

- (e) *fifth*, in or towards payment of, on a *pro rata* basis, according to the respective amounts thereof:
 - (i) all amounts of fees and expenses, together with any applicable VAT thereon, as provided in the Borrower Cash Management Agreement payable by the Borrowers to the Borrower Cash Manager; and
 - (ii) all amounts due or overdue, together with any applicable VAT thereon, as provided under the fee letter between the Borrower and the Borrower Account Bank payable by the Borrowers to the Borrower Account Bank;
- (f) *sixth*, in or towards payment of all amounts of interest and principal due or overdue in respect of the Loan;
- (g) *seventh*, in or towards payment of all other amounts due or overdue in respect of the Borrower Loan Agreement;
- (h) *eighth*, in or towards payment to the Issuer of an amount equal to all amounts payable by the Issuer on the next following Note Interest Payment Date in respect of any liabilities of the Issuer not otherwise referred to in this Borrower Post-Acceleration Priority of Payments (together, in each case, with VAT thereon, if applicable) (but excluding, for the avoidance of doubt, any Covered Fees), in each case to the extent that such amount is payable by the Borrowers to the Issuer as part of the Indemnity Payment to the Issuer under the terms of the Borrower Loan Agreement;
- (i) *ninth*, in or towards payment of (i) the fees or other remuneration then payable by the Borrowers to the Borrower Corporate Administrator, together with VAT thereon (if applicable), and (ii) any costs, charges, liabilities and expenses (together with VAT thereon, if applicable) then incurred by the Borrower Corporate Administrator under the relevant Borrower Transaction Documents, together with interest thereon as provided in the relevant Borrower Transaction Documents; and
- (j) *tenth*, the surplus (if any) in payment to one of the General Accounts or otherwise, as notified by the Borrowers to the Borrower Cash Manager in advance.

Release of Debt Service Reserve

If, on any Calculation Date, there is a Tariff Shortfall (a "**Tariff Shortfall**"), then the Borrower Cash Manager shall utilise funds standing to the credit of the Debt Service Reserve Account in or towards payment of items (a) to (e) (inclusive), (h) and (i) only of the Borrower Pre-Acceleration Priority of Payments in the order specified therein (on the assumption, for these purposes only, that no Maintenance Reserve Accumulation Amounts are due).

If, on the first Calculation Date after the 15th anniversary of the Closing Date, the then most recent Forecast indicates that the Energy Production Test has been passed in respect of the preceding 15 years, the Borrower Cash Manager shall, on the next following Loan Interest Payment Date, transfer the then excess of the balance of the Debt Service Reserve Account over the DSR Target Amount to the Receivable Bank Account, but only if:

- (a) there is no Tariff Shortfall on such Calculation Date; and

- (b) the Facility Agent (acting on the instructions of the Controlling Party) confirms that no Default has occurred and is continuing as at such Calculation Date,

such amount so released, being a "**DSR Authorised Release**".

Furthermore, on the Calculation Date falling on 20 February 2035, the Borrower Cash Manager shall release the remaining balance standing to the credit of the Debt Service Reserve Account on such date from such account to the Receivable Bank Account, but only if:

- (a) there is no Tariff Shortfall on such Calculation Date; and
- (b) the Facility Agent (acting on the instructions of the Controlling Party) confirms that no Default has occurred and is continuing as at such Calculation Date,

such amount so released, also being a "**DSR Authorised Release**".

For the avoidance of doubt, each such DSR Authorised Release will be applied in accordance with the Borrower Pre-Acceleration Priority of Payments on the Loan Interest Payment Date immediately following such transfer or, if a Borrower Acceleration Notice is served after such transfer but before such Loan Interest Payment Date, in accordance with the Borrower Post-Acceleration Priority of Payments.

"**Financial Model**" means the spreadsheet based financial model developed by the Loans Arranger and delivered to the Facility Agent in accordance with the Borrower Loan Agreement, as amended, updated and replaced from time to time subject to and in accordance with the terms of the Borrower Loan Agreement.

Release of Cash Trap Reserve

If, on the immediately preceding Financial Covenant Calculation Date, the Forecast states that the DSCR Target Condition has been met in respect of a DSCR Trigger (if any), the LLCR Target Condition has been met in respect of an LLCR Trigger (if any) and:

- (a) no other DSCR Trigger or LLCR Trigger has occurred and is continuing; and
- (b) no Loan Event of Default has occurred and is continuing,

then the Borrower Cash Manager will be required, on or before the next following Loan Interest Payment Date, to transfer an amount equal to the amount of principal, interest and any other amounts due in respect of the Loan on such Loan Interest Payment Date (or, in the event that there is a shortfall, the balance standing to the credit of the Cash Trap Reserve Amount, excluding any Right to Buy Termination Amounts) from the Cash Trap Reserve Account (excluding any Right to Buy Termination Amounts) to the Receivable Bank Account.

For the avoidance of doubt, each such amount so transferred will be applied in accordance with the Borrower Pre-Acceleration Priority of Payments on the Loan Interest Payment Date immediately following such transfer or, if a Borrower Acceleration Notice is served after such transfer but before such Loan Interest Payment Date, in accordance with the Borrower Post-Acceleration Priority of Payments.

Other than as set out in the paragraph immediately below, there shall be no release on any Right to Buy Termination Amounts from the Cash Trap Reserve Account until the full and irrevocable satisfaction of all cash liabilities pursuant to the Transaction Documents as determined by the Facility Agent (acting on the instructions of the Controlling Party) in its absolute discretion.

Furthermore, if on any date after the occurrence of a Loan Event of Default, an administrator, administrative receiver or receiver and manager of one or more OpCo Borrowers has been appointed under the terms of the Borrower Deed of Charge and remains appointed (for these purposes, a "**Representative**"), such Representative shall be entitled to instruct the Borrower Cash Manager to use

funds standing to the credit of the Cash Trap Reserve Account in or towards payment of any operating expenses it deems necessary or desirable, if and to the extent that such payment is required to preserve the assets of such OpCo Borrower.

Release of Maintenance Reserve

If, on any Business Day, an OpCo Borrower, or the Borrower Agent on its behalf, delivers a certificate to the Borrower Cash Manager (the form of which is attached to the Borrower Cash Management Agreement) confirming:

- (a) that one or more panels, inverters or 2G communication system located on one of the PV Sites is defective and whether the replacement of such panels, inverters or 2G communication system is covered by its manufacturer's warranty;
- (b) that the replacement of such panels, inverters or 2G communication system, whether under warranty or otherwise, is desirable or necessary in accordance with prudent business practices;
- (c) whether the relevant manufacturer has failed to provide a replacement panel, inverter or 2G communication system under its warranty, of the same or substantially the same technical specification, within a reasonable time of being required to do so by such OpCo Borrower or the Borrower Agent on its behalf; and
- (d) the replacement cost of such panels, inverters or 2G communication system (the "**Maintenance Replacement Cost**"),

then the Borrower Cash Manager shall release such replacement cost from the Maintenance Reserve Account to the relevant OpCo Borrower's OpCo General Account, within five Business Days after receiving such certificate, solely for application by such OpCo Borrower, or the Borrower Agent on its behalf, in replacement of such panels, inverters or 2G communication system no later than one month after the date of such release; provided that if the relevant panels, inverters or 2G communication system is subject to a warranty and the relevant manufacturer settles any claim in relation a breach of such warranty, the relevant OpCo Borrower will be required to assign its rights title and benefit in any such claim or settlement to the Issuer and instruct the relevant manufacturer to make any payment in respect of such settlement directly to the Issuer.

Furthermore, on the Calculation Date falling on 20 February 2035, the Borrower Cash Manager will be required to release the remaining balance standing to the credit of the Maintenance Reserve Account from such account to the Receivable Bank Account, if:

- (i) there is no Tariff Shortfall on the Calculation Date; and
- (ii) the Facility Agent (acting on the instructions of the Controlling Party) confirms no Default has occurred and is continuing as at such Calculation Date,

such amount being an "**Maintenance Authorised Release**".

Authorised Investments

The Borrower Cash Manager shall, from time to time, pursuant to instructions received from the Parent Borrower (or the Borrower Agent on behalf of the Parent Borrower), subject to and in accordance with the Borrower Cash Management Agreement, invest amounts standing to the credit of the Reserve Accounts in Authorised Investments held for and on behalf of the Parent Borrower or in the name of the Parent Borrower. Any income or gain on an Authorised Investment will be credited to the relevant Reserve Account for application in accordance with the above or reinvested in other Authorised Investments. The Borrower Cash Manager has no liability for any losses incurred on Authorised Investments. Certain Authorised Investments may be subject to breakage costs in favour of the relevant authorised investment

provider if terminated early. Such breakage costs may arise, for instance, if the Borrower Security Trustee enforces security over the Borrowers between two Loan Interest Payment Dates.

SUMMARY OF PRINCIPAL DOCUMENTS

This section contains a summary of the material terms of the principal documents relating to the Notes. Copies of the Issuer Deed of Charge, the Borrower Loan Agreement, the Borrower Deed of Charge, the Parent HoldCo Share Charge, the Borrower Subordination Deed, the Issuer Cash Management Agreement and the Borrower Cash Management Agreement are available for inspection during normal business hours at the Specified Offices of the Paying Agent. The Noteholders are bound by, and are deemed to have notice of all the provisions of the Issuer Deed of Charge, the Borrower Loan Agreement, the Borrower Deed of Charge, the Parent HoldCo Share Charge, the Parent HoldCo Charge over Subordinated Debt, the Subordination Deed, the Issuer Cash Management Agreement and the Borrower Cash Management Agreement.

1. Issuer Deed of Charge

To provide security for the Issuer's obligations under the Notes and the Issuer Transaction Documents, the Issuer has, on the Closing Date, entered into the Issuer Deed of Charge with the Issuer Security Trustee, the Note Trustee, the Issuer Account Bank, the Facility Agent, the Issuer Cash Manager, the Paying Agent, the Calculation Agent, the Registrar and the Corporate Services Provider. A summary of the material terms of the Issuer Deed of Charge is set out below. The summary does not purport to be complete and is subject to the provisions of the Issuer Deed of Charge.

Issuer Security

The Issuer granted the following security, to be held by the Issuer Security Trustee for itself and on trust for the benefit of the Issuer Secured Creditors:

- (a) an assignment by way of first fixed security of all of its right, title, benefit and interest, present and future, in, to and under each of the Issuer Transaction Documents;
- (b) an assignment by way of first fixed security of all of its right, title, benefit and interest, present and future, in, to and under the Borrower Loan Agreement, the Borrower Deed of Charge, the Parent HoldCo Share Charge, the Direct Agreements and each other Borrower Transaction Document to which the Issuer is a party; and
- (c) a first fixed charge of all of its rights, title, benefit and interest, present and future, in, to and under the Issuer Transaction Account and each other account (if any) in which the Issuer may at any time have or acquire any right, title, benefit or interest.

In addition, the Issuer granted to the Issuer Security Trustee, for itself and on trust for the benefit of the Issuer Secured Creditors, a first floating charge over all its assets and the undertaking which are not otherwise effectively subject to a fixed charge or assignment by way of security, as described above. From and including the date when the Note Trustee delivers an Issuer Acceleration Notice to the Issuer or on the occurrence of certain events (for example, the insolvency of the Issuer), subject to any prohibition or restriction imposed by applicable law, the floating charge granted pursuant to the Issuer Deed of Charge will crystallise so as to become fixed charges.

Security which is expressed to be fixed in nature may take effect as floating security depending on the degree of control which the secured party is given over the relevant assets and the degree to which the secured party actually exercises such control.

Enforcement

The Issuer Deed of Charge sets out the circumstances upon which and the procedures by which the Issuer Security Trustee may take steps to enforce the Issuer Security. The Issuer Security will become immediately enforceable, and the power of sale and other powers shall be exercisable by

the Issuer Security Trustee, at any time following the delivery by the Note Trustee of an Issuer Acceleration Notice to the Issuer.

However, the Issuer Deed of Charge provides that, for so long as the Notes are outstanding, the Issuer Security Trustee will not, and will not be bound to, take any steps to enforce the Issuer Security unless it has been directed to do so by the Note Trustee, acting in accordance with the provisions of the Trust Deed, and it has been indemnified and/or secured and/or prefunded to its satisfaction against all liabilities which may be incurred by it in connection with such enforcement.

Issuer Post-Acceleration Priority of Payments

Following the delivery by the Note Trustee of an Issuer Acceleration Notice to the Issuer, all monies paid to or received or recovered by or on behalf of the Issuer or the Issuer Security Trustee or any receiver appointed on its behalf will (if not already received by the Issuer Security Trustee) be paid to and held by the Issuer Security Trustee on trust to apply the same (save to the extent required otherwise by applicable law) in accordance with the Issuer Post-Acceleration Priority of Payments. See further the section entitled "*Resources available to the Issuer and the Borrowers – Issuer Post-Acceleration Priority of Payments*".

Delegation by the Issuer Security Trustee

The Issuer Deed of Charge provides that the Issuer Security Trustee may, whenever it thinks expedient in the interests of the Issuer Secured Creditors, delegate to any person or persons all or any of the trusts, rights, powers, duties, authorities and discretions vested in it by the Issuer Deed of Charge or any of the other Transaction Documents. Any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate) as the Issuer Security Trustee may think fit in the interests of the Issuer Secured Creditors. The Issuer Security Trustee is required to exercise reasonable care in the selection of such delegate, but is not bound to supervise the proceedings of, or be responsible for any loss, costs, liability or expenses incurred by any misconduct or default on the part of, such delegate.

No enforcement by Issuer Secured Creditors

Pursuant to the terms of the Issuer Deed of Charge, each of the Issuer Secured Creditors party thereto (other than the Issuer Security Trustee and any receiver) has agreed that only the Issuer Security Trustee may enforce the security created by the Issuer Deed of Charge.

Modification and waiver

The Issuer Deed of Charge provides that the Issuer Security Trustee may, without the consent of any of the Issuer Secured Creditors:

- (a) concur with any person in making or sanctioning any modification or amendment to any of the Transaction Documents, provided that the Issuer Security Trustee is of the opinion that such modification would not be prejudicial to the interests of the Issuer Secured Creditors or which, in the Issuer Security Trustee's opinion, is made to correct a manifest error or is of a formal, minor or technical nature or an error established as such to the satisfaction of the Issuer Security Trustee; and
- (b) authorise or waive, on such terms and conditions (if any) as shall seem expedient to it, any proposed or actual breach of any of the covenants or provisions contained in or arising pursuant to any of the Transaction Documents.

Any such modification, authorisation or waiver will be binding on the Issuer Secured Creditors.

Directions of Note Trustee

The Issuer Deed of Charge provides that, when exercising its opinion and/or rights, benefits, power, trusts, authorities, discretions and obligations expressed to be granted by the Issuer Deed of Charge, the other Transaction Documents or by operation of law, the Issuer Security Trustee will, for so long as there are Notes outstanding, act only at the request or in accordance with the directions of the Note Trustee to the Issuer Security Trustee. The Issuer Deed of Charge further provides that the Issuer Security Trustee is not bound to act unless it is first indemnified and/or secured and/or prefunded to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all liabilities which it may incur by acting upon such request or directions.

Fees, expenses and indemnity

Pursuant to the Issuer Deed of Charge, the Issuer is required:

- (a) to pay to the Issuer Security Trustee an annual fee of such amount and on such Note Interest Payment Dates as shall from time to time be agreed by the Issuer and the Issuer Security Trustee;
- (b) to pay all other costs, charges and expenses (including legal and travelling expenses) (against production of invoices) which the Issuer Security Trustee or any persons appointed by it under the Issuer Deed of Charge may properly incur in connection with the Issuer Deed of Charge; and
- (c) to indemnify the Issuer Security Trustee and any receiver, attorney, manager, agent or delegate or other person appointed by it under the Issuer Deed of Charge in respect of all liabilities incurred by it in connection with:
 - (i) investigating any event which the Issuer Security Trustee, any party permitted to instruct the Issuer Security Trustee under the Issuer Deed of Charge or the Note Trustee reasonably believes is a Note Event of Default or potential Note Event of Default;
 - (ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
 - (iii) the execution of any of its trusts, powers, authorities and discretions hereunder or its functions in connection with its appointment under the Issuer Deed of Charge; or
 - (iv) any other matter or thing done or omitted in any way relating to the Issuer Deed of Charge and any of the other Transaction Documents to which the Issuer Security Trustee is a party,

save where the same arises as a result of the fraud, gross negligence or wilful default by such indemnified person.

Retirement and removal

Subject to the appointment of a successor security trustee, the Issuer Security Trustee is, pursuant to the Issuer Deed of Charge, entitled to retire after giving three months' notice in writing to the Issuer. If, within 60 days of having given notice of its intention to retire, the Issuer has failed to appoint a replacement security trustee, the outgoing Issuer Security Trustee will be entitled to appoint its successor. The Issuer may remove the Issuer Security Trustee or appoint a new Issuer Security Trustee by giving not less than three calendar months' prior written notice provided that it shall not be obliged to provide such notice in the event that (i) it has the approval, which must not

be unreasonably withheld or delayed, of the Note Trustee (who must consult with the Issuer Secured Creditors) or (ii) the Issuer Security Trustee is in breach of any of its obligations under the Issuer Deed of Charge or (iii) an event has occurred which would prevent the Issuer Security Trustee from performing its duties and obligations under the Issuer Deed of Charge. If U.S. Bank Trustees Limited retires or is removed as Borrower Security Trustee under the Borrower Deed of Charge or Parent HoldCo Share Charge or if U.S. Bank Trustees Limited retires or is removed as Note Trustee under the Trust Deed, then U.S. Bank Trustees Limited, in its capacity as Issuer Security Trustee, will be required to retire at the same time as the Borrower Security Trustee or, as applicable, the Note Trustee. In each case, the successor Issuer Security Trustee, the successor Borrower Security Trustee and the successor Note Trustee will be the same person or persons. In addition, the Issuer Security Trustee may, subject to conditions specified in the Issuer Deed of Charge, appoint a co-trustee to act jointly with it.

Additional provisions of the Issuer Deed of Charge

The Issuer Deed of Charge also contains a range of provisions limiting the scope of the Issuer Security Trustee's duties and liabilities. Without limitation, the Issuer Deed of Charge provides:

- (a) that the Issuer Security Trustee may rely on the advice of any lawyer, banker, valuer, surveyor, securities company, broker, auctioneer, accountant or other expert in the United Kingdom or elsewhere, howsoever obtained;
- (b) that the Issuer Security Trustee is not responsible for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or suitability of any of the Transaction Documents or any security;
- (c) that the Issuer Security Trustee may act or rely on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
- (d) that the Issuer Security Trustee may assume that no Note Event of Default or potential Note Event of Default has occurred and that the Issuer is observing and performing all its obligations under the Trust Deed, unless the Issuer Security Trustee has actual knowledge or express notice to the contrary;
- (e) that the Issuer Security Trustee is not required to monitor or supervise the performance or observance by the Issuer or any other party of the provisions of the Transaction Documents;
- (f) that the Issuer Security Trustee has full power to determine all questions and doubts arising in relation to any of the provisions of the Issuer Deed of Charge and the other Transaction Documents and that every such determination shall be conclusive and binding on the Issuer Secured Creditors;
- (g) that each Issuer Secured Creditor will be solely responsible for making its own independent appraisal of and investigation into the financial condition, creditworthiness, affairs, status and nature of the Issuer and that the Issuer Security Trustee will not at any time have any responsibility for the same;
- (h) that the Issuer Security Trustee will not be liable or responsible for any loss, cost, damage, expense or inconvenience which may result from anything done or omitted to be done by it under the Issuer Deed of Charge or under any of the other Transaction Documents, except in the case of any gross negligence, wilful default or fraud of which the Issuer Security Trustee may be guilty in relation to its duties under the Issuer Deed of Charge or under any other Transaction Document; and
- (i) that the Issuer Security Trustee may accept without enquiry, requisition or objection such title as the Issuer may have to the Issuer Charged Property or any part and will not be

required to investigate or make any enquiry into or be liable for any defect or failure in the right or title of the Issuer to the Issuer Charged Property or any part thereof.

Issuer Transaction Account

Save as described below, pursuant to the Issuer Deed of Charge, the Issuer Account Bank has agreed not to close the Issuer Transaction Account or to terminate the relationship between the Issuer Account Bank and the Issuer, unless and until all amounts due, owing or incurred by the Issuer to each of the Issuer Secured Creditors, whether actually or contingently, (the "**Issuer Secured Obligations**") have been fully repaid or discharged.

The Issuer Account Bank is, however, entitled to close the Issuer Transaction Account or to terminate the relationship between the Issuer Account Bank and the Issuer upon three months' prior written notice to the other parties to the Issuer Deed of Charge, provided that on the expiry of such notice:

- (a) the Issuer has opened a replacement Issuer Transaction Account with an Eligible Institution approved by the Issuer Security Trustee; and
- (b) the Issuer Security Trustee is satisfied that security has been created over such new Issuer Transaction Account in favour of the Issuer Security Trustee for the benefit of the Issuer Secured Creditors, such that such new Issuer Transaction Account is subject to security equivalent to the security granted over the Issuer Transaction Account that is in existence on the Closing Date.

Governing law

The Issuer Deed of Charge and any non-contractual obligations arising out of it are governed by and construed in accordance with English law.

2. Borrower Loan Agreement

On the Closing Date, the Borrowers entered into the Borrower Loan Agreement with the Issuer (in its capacity as lender), the Borrower Security Trustee, the Note Trustee, the Borrower Agent, the Loans Arranger and the Facility Agent, pursuant to which the Issuer made available to the Borrowers a term loan facility of an amount equal to £29,500,000. A summary of the material terms of the Borrower Loan Agreement is set out below. A summary does not purport to be complete and is subject to the provisions of the Borrower Loan Agreement.

Purpose of the Loan

On the Closing Date, the Borrowers borrowed £29,500,000 for the purposes described under "*Use of Proceeds*" below.

Conditions precedent to drawdown

The drawdown of the Loan was subject to satisfaction of certain conditions precedent, including delivery of the following documents, in form and substance satisfactory to the Facility Agent (acting on the instructions of the Loans Arranger):

- (a) a copy of the constitutional documents of each Borrower and Parent HoldCo;
- (b) a copy of a resolution of the board of directors of each Borrower authorising the matters described in these Listing Particulars;
- (c) a certificate of the Parent Borrower and Parent HoldCo certifying that the borrowing of the Loan will not cause any borrowing or similar limit binding on any Borrower to be

exceeded and confirming that no Borrower has incurred any Financial Indebtedness other than Permitted Financial Indebtedness;

- (d) legal opinions addressed to, among others, the Borrower Security Trustee, the Issuer Security Trustee and the Issuer;
- (e) a solvency certificate of each Borrower and Parent HoldCo;
- (f) a certificate of an authorised signatory of the relevant Borrower and Parent HoldCo certifying that each copy document relating to the conditions precedent is correct, complete and in full force and effect;
- (g) copies of the executed Transaction Documents (except for the Parent HoldCo Charge over Subordinated Debt);
- (h) copies of the executed mandates relating to the Borrower Accounts;
- (i) copies of applicable insurance policies and evidence of payment of premia;
- (j) a copy of Operating Budget for the period commencing on the Closing Date and ending on the Calculation Date falling in February 2017;
- (k) the audited Financial Model;
- (l) evidence that any existing lender debt has been repaid in full other than Permitted Financial Indebtedness;
- (m) evidence that any existing security has been released;
- (n) evidence that the Existing Accounts of each Borrower have been closed except for the General Accounts and Borrower Accounts;
- (o) evidence of intercompany loan arrangements, satisfactory to the Loans Arranger and confirmation of no other Financial Indebtedness other than Permitted Financial Indebtedness within the Borrower Group other than the Subordinated Debt;
- (p) confirmation from the Parent Borrower that there is no material litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect and that none have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries;
- (q) confirmation from the Borrowers that the leases detailed in the Borrower Loan Agreement listing the PV Site Leases requiring notices of charge and the PV Site Leases requiring landlord consent, consist of all of the PV Site Leases for which, respectively, notification of charging is required or landlord's consent to charge is required;
- (r) confirmation from the Borrowers that the leases detailed in the Borrower Deed of Charge together include all of the Feed-in-Tariff IDs for each Borrower;
- (s) evidence that there are instructions in place to sweep all the General Accounts every six months;
- (t) evidence that the entire issued share capital of each OpCo Borrower is owned by the Parent Borrower;

- (u) evidence that the entire issued share capital of the Parent Borrower is owned by Parent HoldCo;
- (v) due diligence report relating to the Borrower Material Contracts (the "**Due Diligence Report**");
- (w) the Insurance Adviser's report;
- (x) the Model Auditor's report;
- (y) copies of letters to each relevant landlord requesting consent to charge, where it is required pursuant to the PV Site Lease and the letters received from the landlords granting consent, to the extent they are received within 10 working days;
- (z) evidence of the Feed-in-Tariff ID of each PV Site;
- (aa) the Technical Adviser's report;
- (bb) the reports on title;
- (cc) the results of Land Registry OS1 searches of whole with priority in favour of the Borrower Security Trustee against the registered leasehold titles comprising each OpCo Borrower's interest in its PV Sites; and
- (dd) signed stock transfer forms, copies of the updated register of members and share certificates for the Parent Borrower, and each OpCo Borrower acquired in advance of the Closing Date (except for those items required for delivery as a conditions subsequent).

Furthermore, the Issuer was only obliged to advance the Loan if:

- (a) no Default was continuing or would result from the proposed Loan; and
- (b) the representations made by each Borrower, described under "*Representations*" below, were true in all material respects.

Conditions Subsequent

On the respective dates specified in the Borrower Loan Agreement, the Borrowers must deliver in form and substance satisfactory to the Facility Agent (acting on the instructions of the Controlling Party):

- (a) in accordance with the terms of the relevant PV Site Lease, letters addressed to each landlord of the PV Site Leases (where such notice is required pursuant to the PV Site Lease) notifying them of charge created pursuant to the Borrower Deed of Charge within 10 Business Days of the Closing Date;
- (b) evidence that the stock transfer forms to the shares held (legally or beneficially) by the Parent Borrower in PV Trading OpCo Borrower, Green Electricity Generation OpCo Borrower, PV Generation OpCo Borrower, Progressive Energies OpCo Borrower have been sent to HMRC within five (5) Business Days of the Closing Date;
- (c) stamped stock transfer forms, updated register of members and share certificates in respect of PV Trading OpCo Borrower, Green Electricity Generation OpCo Borrower, PV Generation OpCo Borrower, Progressive Energies OpCo Borrower within five (5) Business Days of receipt of the stamped stock transfer forms from HMRC;

- (d) a fully executed Parent HoldCo Charge over Subordinated Debt to the satisfaction of the Controlling Party no later than the 31 January 2016;
- (e) the executed and, in the case of deeds, delivered Direct Agreements which York Green Renewables (Solar) Limited are a party to within six months of the Closing Date;
- (d) evidence that the actions described in the Punch List have been completed in respect of PV Sites comprising in aggregate ninety nine per cent. (calculated based on direct current capacity) of the total direct current capacity of all PV Sites of the Borrowers (as certified by the Technical Adviser) prior to the second Financial Covenant Calculation Date falling in 2016; and
- (e) evidence that the security created by the Transaction Documents has been perfected.

The Facility Agent shall notify the Borrower Agent, the Noteholder Representative and the Lender promptly upon being so satisfied.

"Parent HoldCo Charge over Subordinated Debt" means the charge in substantially the form set out in Parent HoldCo Share Charge between the Parent HoldCo, Parent Borrower and the Borrower Security Trustee to be entered into by 31 January 2016 pursuant to the Borrower Loan Agreement.

Interest

With respect to each Loan Interest Period, the Borrowers are required to pay interest on the Loan on the Loan Interest Payment Date falling within such Loan Interest Period.

The rate of interest on the Loan for each Loan Interest Period is 1.198 per cent per annum. For the purposes of calculating the interest payable on the Loan with respect to the first Loan Interest Period, the Loan is deemed to have been drawn in full on the Closing Date, notwithstanding that such drawing may in fact be made after the Closing Date.

"Loan Interest Payment Date" means 1 March and 1 September in each year (provided that the first Loan Interest Payment Date will fall on 1 March 2016). If a Loan Interest Payment Date would otherwise fall on a day which is not a Business Day, that Loan Interest Payment Date will instead be postponed to the next day which is a Business Day (unless such Business Day falls in the next calendar month, in which event, it shall be the immediately preceding Business Day).

In the context of the Loan, each **"Loan Interest Period"** means the period beginning on (and including) each Loan Interest Payment Date and ending on (but excluding) the next Loan Interest Payment Date with the first Loan Interest Period for each Loan beginning on and including the relevant Utilisation Date and ending on (but excluding) the first Loan Interest Payment Date.

Repayment

Subject to the circumstances in which the Loan may be prepaid (as described under "*Prepayment*" below), the Borrowers are required to repay the Loan on each Loan Interest Payment Date by instalments, as set out in Schedule 5 to the Borrower Loan Agreement. The final such scheduled instalment will fall due on the Loan Interest Payment Date falling in 1 March 2035 (the **"Repayment Date"**). No Borrower may re-borrow any amount which is repaid.

Prepayment

Voluntary prepayment

On any date after the second anniversary of the relevant drawdown date, the Borrowers may, if the Borrower Agent gives the Facility Agent not less than seven Business Days' (or such shorter

period as the Facility Agent may agree) prior notice, prepay the whole (but not part) of the relevant Loan.

Any such voluntary prepayment of the Loan will be in an amount equal to the then outstanding principal amount thereof, multiplied by the Prepayment Percentage (rounding the resulting figure to the nearest penny, half a penny being rounded upwards) together with accrued and unpaid interest on the then outstanding principal amount of the Loan, up to but excluding the date of prepayment.

For these purposes:

"Gross Prepayment Yield" means a yield calculated on the basis indicated by the United Kingdom Debt Management Office in the paper *"Formulae for Calculating Gilt Prices from Yields"*, page 12, Section One: Price/Yield Formulae *"Index-linked Gilts (3-Month Indexation Lag)"* (third edition published 16 March 2005) or on such other basis as the Loans Arranger may agree with the Borrower Agent.

"Prepayment Percentage" means the greater of:

- (a) 100 per cent.; and
- (b) that price (as reported in writing by the Indexation Advisor) expressed as a percentage (and rounded, if necessary, to three decimal places (0.0005 being rounded upwards)) at which the Gross Prepayment Yield on the Loan on the Relevant Calculation Date is equal to the Prepayment Rate on the Relevant Calculation Date.

"Prepayment Rate" means:

- (a) the Gross Prepayment Yield at 11.00 a.m. (London time) on the Relevant Calculation Date of the Reference Gilt on the basis of the arithmetic mean (rounded, if necessary, to three decimal places (0.0005 being rounded upwards)) of the offered prices of the Reference Gilt quoted by the Reference Market Makers (on a dealing basis for settlement on the next following dealing day in London) at or about 11.00 a.m. (London time) on the Relevant Date; or
- (b) if such yield is not able to be determined, such other rate as may be agreed between the Controlling Party and the Borrower Agent.

"Reference Gilt" means the 1.250 per cent. Index-Linked Treasury Stock due 2027 so long as such stock is in issue, and thereafter, such issue of index-linked Treasury Stock as determined to be appropriate by the Indexation Adviser and agreed to by the Borrower Agent.

"Reference Market Makers" means three brokers and/or London gilt-edged market makers approved in writing by the Controlling Party and the Borrower Agent.

"Relevant Calculation Date" means the date which is two Business Days prior to the delivery of the date on which the Borrower Agent gives notice of prepayment to the Facility Agent.

Default interest

The Borrower Loan Agreement provides that, if the Borrowers fail to pay any amount payable by it under a Transaction Document on its due date, interest will accrue on the overdue amount from the due date up to the date of actual payment at a rate which is 1.5 per cent. higher than the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted a Loan under the Borrower Loan Agreement.

Indexation

Application of the Index Ratio

Each amount of interest and principal payable by the Borrowers in respect of Borrower Loan is multiplied by the Index Ratio applicable to the Loan Interest Payment Date on which such payment falls to be made (or, in the case of a prepayment in the circumstances described in paragraph (c) under "Prepayment – Voluntary prepayment – taxation or indexation events" above, applicable to the last Loan Interest Payment Date before the circumstances giving rise to such prepayment arose) and rounded, if necessary, to five decimal places (with 0.000005 being rounded upwards).

For these purposes:

"**Base Index Figure**" means (subject as described below under "*Changes in Circumstances Affecting the Index*") 259.55161.

"**Index Ratio**", in relation to any Loan Interest Payment Date, means the Index Figure applicable to the Calculation Date for such Loan Interest Payment Date, divided by the Base Index Figure.

"**Index**" or "**Index Figure**" means, in relation to any relevant calculation month (as defined below under "*Changes in Circumstances Affecting the Index*"), subject as described under "*Changes in Circumstances Affecting the Index*" below, the U.K. Retail Price Index (RPI) (for all items) published by the Office for National Statistics (January 1987 = 100) or any comparable index which may replace the U.K. Retail Price Index for the purpose of calculating the amount payable on repayment of the Reference Gilt. The "**Index Figure**" applicable to a Calculation Date shall, subject as provided under "*Changes in Circumstances Affecting the Index*" and "*Cessation of or Fundamental Changes to the Index*", be determined in accordance with the following formula:

$$\text{IFA} = \text{RPI}_{m-3} + \frac{(\text{Day of Calculation Date} - 1)}{(\text{Days in month of Calculation Date})} \times (\text{RPI}_{m-2} - \text{RPI}_{m-3})$$

and rounded to the nearest fifth decimal place. For the purposes of this formula:

"**IFA**" means the Index Figure for the applicable Calculation Date;

"**RPI_{m-3}**" means the Index Figure for the first day of the calendar month that is three months prior to the calendar month in which the applicable Calculation Date falls; and

"**RPI_{m-2}**" means the Index Figure for the first day of the calendar month that is two months prior to the calendar month in which the Calculation Date falls.

Changes in circumstances affecting the Index

If at any time the Index is changed by the substitution of a new base therefor, then with effect from the month from and including that in which such substitution takes effect or the first date from and including that on which such substitution takes effect, as the case may be, (1) the definition of "*Index*" and "*Index Figure*" above is deemed to refer to the new date or month in substitution for January 1987 (or, as the case may be, to such other date or month as may have been substituted therefor), and (2) the new Base Index Figure will be the product of the existing Base Index Figure and the Index Figure for the date on which such substitution takes effect, divided by the Index Figure for the date immediately preceding the date on which such substitution takes effect.

If the Index Figure relating to any month (the "**calculation month**") which is required to be taken into account for the purposes of the determination of the Index Figure for any Loan Interest Payment Date is not published on or before the fourteenth Business Day before the Loan Interest

Payment Date on which such payment is due (the "**date for payment**"), the Controlling Party will be entitled to appoint an Indexation Adviser (provided that the identity of such Indexation Adviser has been approved by the Borrower Agent) and the Index Figure applicable for the relevant calculation month will be (1) such substitute index figure (if any) as the Controlling Party considers (acting solely on the advice of the Indexation Adviser) to have been published by the United Kingdom Debt Management Office or the Bank of England, as the case may be, for the purposes of indexation of payments on the Reference Gilt or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser (and approved by the Controlling Party) (provided that, in all cases, such substitute index figure has been approved by the Borrower Agent) or (2) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published before the date for payment (the "**Last-Published Index Figure**").

Application of changes

Where the circumstances described under "Changes in Circumstances Affecting the Index" apply, the determination of the Indexation Adviser as to the Index Figure applicable to the month in which the date for payment falls or the date for payment, as the case may be, shall, in the absence of manifest error, be conclusive and binding. If, the Last-Published Index Figure having been applied, as described above, the Index Figure relating to the relevant month or relevant calculation month, as the case may be, is subsequently published while the Borrower Loan is still outstanding, then:

- (a) in relation to a payment of principal or interest in respect of the Loan other than upon final repayment of the Loan, the principal or interest (as the case may be) next payable after the date of such subsequent publication shall be increased or reduced, as the case may be, by an amount equal to the shortfall or excess, as the case may be, of the amount of the relevant payment made on the basis of the Last-Published Index Figure below or above the amount of the relevant payment that would have been due if the Index Figure subsequently published had been published on or before the fourteenth Business Day before the date for payment; and
- (b) in relation to a payment of principal or interest upon final repayment, no subsequent adjustment to amounts paid will be made.

Cessation of or fundamental changes to the Index

If (1) the Index has ceased to be published or (2) any change is made to the coverage or the calculation of the Index which constitutes a fundamental change which would, in the reasonable opinion of the Controlling Party (acting solely on the advice of the Indexation Adviser) be materially prejudicial to the interests of the Issuer, the Facility Agent will give written notice of such occurrence to the Borrower Agent, and the Borrower Agent and the Controlling Party (acting solely on the advice of the Indexation Adviser) together shall seek to agree for the purpose of the Loan one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer in no better and no worse position than it would have been had the Index not ceased to be published or the relevant fundamental change not been made.

If the Borrower Agent and the Controlling Party (acting solely on the advice of the Indexation Adviser) fail to reach agreement as mentioned above within 20 Business Days following the giving of notice as mentioned in the previous paragraph, a bank or other person in London shall be appointed by the Borrower Agent and the Facility Agent or, failing agreement on and the making of such appointment within 20 Business Days following the expiry of the initial 20 Business Day period referred to above, by the Controlling Party (acting solely on the advice of the Indexation Adviser) (in each case, such bank or other person so appointed being referred to as the "**Expert**"), to determine for the purpose of the Loan one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer in no

better and no worse position than it would have been had the Index not ceased to be published or the relevant fundamental change not been made. Any Expert so appointed shall act as an expert and not as an arbitrator and all reasonable fees, costs and expenses of the Expert and of any Indexation Adviser and of any of the Issuer and the Facility Agent in connection with such appointment shall be borne by the Borrowers.

If the Index is adjusted or replaced by a substitute index as agreed by the Borrower Agent and the Controlling Party (acting solely on the advice of the Indexation Adviser appointed pursuant to the Borrower Loan Agreement) or as determined by the Expert pursuant to the foregoing paragraphs, as the case may be, references in these Listing Particulars to the Index and to any Index Figure will be deemed amended in such manner as the Controlling Party (acting solely on the advice of the Indexation Adviser) and the Borrower Agent agree are appropriate to give effect to such adjustment or replacement.

If the circumstances described in this section apply, the Controlling Party shall be entitled to appoint an Indexation Adviser, provided that the identity of such Indexation Adviser has been approved by the Borrower Agent.

Initial Transaction Fee

The Borrowers, pursuant to the Borrower Loan Agreement, agreed to pay to the Issuer, on or about the initial utilisation date a one-off transaction fee (the "**Initial Transaction Fee**") of £504,927.61.

Periodic Fee

The Borrowers have agreed to pay to the Loans Arranger on each Loan Interest Payment Date, a periodic fee (the "Periodic Fee" of £7,375.00, subject to adjustment annually, by reference to the Retail Price Index.

Covered Fees and Indemnity Payment

The Borrowers have agreed to pay to the Issuer, on each Loan Interest Payment Date, from which any amounts in the nature of the regular or covered fees payable to the Issuer Administrative Parties and other parties entitled to a covered fee will be paid an indemnity payment (the "**Indemnity Payment**") in an agreed amount equal to certain amounts falling due to be paid by the Issuer (but excluding regular fee payments falling due to be paid by the Issuer).

For the purposes of this Listing Particulars, "**Covered Fee**" means any amounts in the nature of regular or periodic fees payable by the Issuer to the Note Trustee, the Issuer Security Trustee, the Issuer Cash Manager, the Issuer Account Bank, the Paying Agent, the Registrar, the Calculation Agent, the Corporate Services Provider, the auditors of the Issuer or the London Stock Exchange.

Pursuant to the Borrower Loan Agreement, the Issuer has covenanted for the benefit of the Borrowers that it will not, without the prior written consent of the Noteholder Representative (or, if one has not been appointed, the Note Trustee acting on the instructions of the Noteholders) (acting reasonably), agree to any amendment to any indemnity given by the Issuer pursuant to any Issuer Transaction Document in favour of any party or to any obligation on the part of the Issuer in any such document to reimburse any party with respect to any costs, expenses, losses or other liabilities incurred by such third party.

Representations and warranties

Neither the Issuer, the Facility Agent nor the Borrower Security Trustee have made any independent investigation with respect to the matters represented and warranted in the Borrower Loan Agreement. In relation to such matters, the Issuer, the Facility Agent and the Borrower Security Trustee rely entirely on the representations and warranties given by each Borrower.

These include representations and warranties given by each Borrower on the Closing Date, many of which are qualified (including, without limitation, as to materiality and/or knowledge), as to the following and other matters:

- (a) due incorporation of such Borrower;
- (b) such Borrower and each of its subsidiaries having power to own its assets and carry on its business as it is being conducted;
- (c) the obligations expressed to be assumed by such Borrower in each Transaction Document and Borrower Material Contract being legal, valid and binding obligations, enforceable in accordance with their terms;
- (d) entry by such Borrower into and performance of transactions contemplated by Transaction Documents not conflicting with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding on it which is likely to have a material adverse effect;
- (e) there being no Security Interests (other than Permitted Security Interests) over all or any of such Borrower's present or future revenues, undertakings or assets;
- (f) such Borrower not having incurred any Financial Indebtedness (other than Permitted Financial Indebtedness) or other material liabilities (whether actual or contingent) other than as permitted by the terms of the Transaction Documents;
- (g) such Borrower having power and authority to enter into, perform and deliver the Transaction Documents to which it is a party;
- (h) all authorisations, consents, approvals, resolutions, licences, exemptions, filings, notarisations or registrations required: (i) to enable such Borrower lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party; (ii) to enable it to grant the Security Interests purported to be granted by it pursuant to the Borrower Deed of Charge (subject to certain perfection requirements); and (iii) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation, having been obtained or effected and being in full force and effect (subject to certain perfection requirements); and (iv) to lawfully operate and finance the PV Sites;
- (i) such Borrower not being required to make any deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") from any payment it may make under any Transaction Document to the Issuer;
- (j) there being no Default continuing or which is reasonably likely to result from any borrowing under the Borrower Loan Agreement;
- (k) there being any other event or circumstance outstanding which constitutes a default under any other agreement or instrument which is binding on such Borrower or any of its subsidiaries or to which its or any of its subsidiaries' assets are subject;
- (l) truth and accuracy of certain factual information provided in writing to the Issuer by or on behalf of a Group Entity or any of their respective affiliates in connection with the financing described in these Listing Particulars;
- (m) *pari passu* ranking of such Borrower's payment obligations under the Transaction Documents with the claims of all its other secured and unsubordinated creditors;

- (n) no litigation, arbitration or administrative proceeding having been started or threatened against such Borrower or any of its subsidiaries;
- (o) compliance with all applicable environmental laws and environmental approvals necessary for the ownership and operation of such Borrower's facilities and businesses as presently owned and operated and there being no environmental claim pending or threatened against it;
- (p) all insurance policies being in full force and effect and not having been amended, modified or cancelled, all premiums due having been paid, each borrower having made full disclosure to its insurers, nothing having been done or omitted to being done which has made or is likely to make any insurances void or voidable and the insurance policies having been placed and maintained with insurers of sound financial strength;
- (q) compliance with the terms of the O&M Contracts with O&M contractors;
- (r) its "centre of main interests" (as that expression is used in the Council Regulation (EC) No. 1346/2000 of 29 May 2000) being in the United Kingdom;
- (s) such Borrower not being the subject of any economic or financial sanctions or trade embargoes;
- (t) the Borrower being the tenant of the relevant PV Sites and having good and marketable title to the relevant PV Site Assets and the relevant PV Sites and having not granted any rights to occupy the relevant PV Sites to any third party;
- (u) except as disclosed in these Listing Particulars, there being no breaches of any law, regulation or covenant which is reasonably likely to materially adversely affect the use of the PV Sites, no other rights in existence over the PV Sites which is reasonably likely to affect the PV Sites and all facilities necessary for the unrestricted use and enjoyment of the PV Sites being present save in the event of such facilities being suspended, damaged, destroyed or interrupted by reason of Force Majeure, the PV Sites have good and marketable title;
- (v) the Borrower being the sole legal and beneficial owner of and having good title to, or valid leases or licences of or appropriate authorisation to use all material assets necessary or desirable to continue to operate the PV Sites in the manner envisaged by the PV Site Leases and in accordance with the Borrower Transaction Documents and the Borrower Material Contracts to which it is a party and over which it grants the Security Interests to be created under the Borrower Deed of Charge and, as far as the Borrowers are aware having made all due and careful enquiries, having access to the relevant PV Sites and the benefit of all easements, wayleaves and other rights necessary or desirable to continue to operate the PV Sites in the manner envisaged by the PV Site Leases and in accordance with the Borrower Transaction Documents and the Borrower Material Contracts to which it is a party;
- (w) the choice of English law as the governing law of the Borrower Transaction Documents;
- (x) the enforceability and recognition of judgments obtained in England;
- (y) there being no corporate action or insolvency proceedings or creditors' process in progress or threatened against the Borrower;
- (z) in the case of the Parent Borrower and OpCo Borrowers only, such Borrower not being aware of any arrangements currently in place the operation of which may at a subsequent date result in a change of control of such Borrower;

- (aa) each Borrower having to the benefit of a Feed-in-Tariff ID and those PV Site Leases identified in the Borrower Deed of Charge including all of the Feed-in-Tariff IDs for each Borrower, save where not having any such Feed-in-Tariff ID would not result in or is not likely to result cumulatively in a Material Adverse Effect; and
- (bb) the PV Site Leases in the relevant schedules to the Borrower Loan Agreement listing all of the PV Site Leases for which, respectively, notices of charge and landlord consent to charge are required.

Certain of the above representations and warranties will also be repeated on the date on which any drawing is made and on each Loan Interest Payment Date.

For these purposes:

"Borrower Group" means the Parent HoldCo, the Parent Borrower, each OpCo Borrower and each of their respective subsidiaries from time to time.

"Central FIT Register" means the register of renewable energy generating stations established and maintained by Ofgem, a list of the periodic additions to which is recorded and published by Ofgem in its quarterly *"Feed in Tariff Installation Report"*.

"Feed-in-Tariff ID" means the unique identifier of a renewable energy generating station appearing on the Central FIT Register.

"Financial Indebtedness" means any indebtedness for or in respect of:

- (a) moneys borrowed and debit balances at banks or other financial institutions;
- (b) any amount raised by acceptance under any acceptance credit or bill discounting facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirement for de-recognition under GAAP);
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (g) any Treasury Transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);
- (h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
- (i) any amount raised by the issue of shares which are redeemable (other than at the option of the Issuer) before the Final Maturity Date or are otherwise classified as borrowings under GAAP;

- (j) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 60 days after the date of supply;
- (k) any amount raised under any transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under GAAP; and
- (l) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (j) above.

"Treasury Transaction" means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price.

"Force Majeure" means:

- (a) acts of God, flood, drought, earthquake or other natural disaster;
- (b) terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations; and
- (c) nuclear, chemical or biological contamination.

"Group Entity" means a member of the Borrower Group.

"Permitted Financial Indebtedness" means:

- (a) Financial Indebtedness outstanding pursuant to the Borrower Loan Agreement;
- (b) Financial Indebtedness incurred with the consent of the Controlling Party;
- (c) any other Financial Indebtedness arising under the Transaction Documents;
- (d) Subordinated Debt which is subordinated to all Debt Service in accordance with the Borrower Subordination Deed; and
- (e) Financial Indebtedness incurred in the ordinary course of business that does not exceed, in aggregate, at any time £50,000.

"Permitted Security Interests" means:

- (a) liens arising solely by operation of law (or by agreement having substantially the same effect) and in the ordinary course of any Borrower's business, securing obligations not more than six months overdue;
- (b) any netting or rights of set-off existing in the ordinary course of business between any Chargor and its respective suppliers or customers or otherwise in connection with a transaction relating to Permitted Financial Indebtedness;
- (c) a Security Interest arising under the Borrower Security Documents; and
- (d) any other Security Interest created with the prior written consent of the Controlling Party.

"**Security Interest**" includes any mortgage, standard security, charge (whether legal or equitable), sub-charge (whether legal or equitable), assignment, assignation in security, right of set-off, pledge, lien, claim, hypothecation or other encumbrance or security interest securing any obligation of any person (including, without limitation, title transfer and retention arrangements (other than those entered into in the ordinary course of business), sale and leaseback, sale and repurchase arrangements or any other agreement, trust or arrangement having the effect of providing security).

"**Borrower Security Documents**" means:

- (a) the Borrower Deed of Charge;
- (b) the Parent HoldCo Share Charge;
- (c) any Supplemental Borrower Deed of Charge;
- (d) any supplement to the Parent HoldCo Share Charge; and
- (e) the Parent Holdco Charge over Subordinated Debt,

together with any other document designated in writing as a "Borrower Security Document" by the Borrower Agent and the Borrower Security Trustee.

Forecasts

The Parent Borrower shall prepare and deliver to the Facility Agent a draft forecast (the "**Forecast**").

Each Forecast shall be prepared by the Parent Borrower for the immediately following Financial Covenant Calculation Date by running the Financial Model and applying values for each assumption, and shall remain a draft Forecast until approved by the Facility Agent (if applicable, in consultation with any necessary adviser) or resolved. The Facility Agent shall notify the Parent Borrower by a specified time whether it approves a Forecast and if it does not respond by such time, it shall have been deemed to give its approval.

Each Forecast will assume income and expenditure, in the case of forecast income and expenditure, on a due to be paid basis and, in the case of historic income and expenditure, on an actual basis.

Each Forecast will calculate tax payments on the basis of legislation and practice in force at the time of preparation of the Forecast.

Each Forecast will take into account the terms of the Borrower Transaction Documents in preparing estimates of income and expenditure.

If, in the reasonable opinion of the Facility Agent, there has been a material reduction in the 12 month forward predictions for power prices as published by a reputable power consultant, the Facility Agent may, at the cost of the Parent Borrower procure a long term market report on power prices and require that the market assumptions be updated based upon such report.

During the period commencing on the date that notice is given to the Parent Borrower and ending on the date on which the Financial Model is updated or any dispute in relation to such updated Financial Model is otherwise determined, no Distributions shall be permitted.

In the event that the Parent Borrower or the Facility Agent, as the case may be, does not approve any modification to the Financial Model proposed by the other party, the Facility Agent and the Parent Borrower shall jointly appoint an independent person having the appropriate degree of

expertise to determine the matter (the "**Independent Expert**") (but, failing agreement within five business days, the Independent Expert shall be nominated by the Facility Agent) on terms that the Independent Expert be an independent person having the appropriate degree of expertise to determine the matter and shall act as an expert and not as an arbitrator; the reasonable costs of the Independent Expert will be for the account of the Parent Borrower; the Independent Expert shall be required to make a determination of the basis for determination of the necessity for and, if applicable, the terms of such modifications within 20 business days of the same being referred to him or such longer period as the Facility Agent and the Parent Borrower may agree is necessary and to state in reasonable detail the grounds for such determination; and the determination of the Independent Expert shall be binding and conclusive on all parties.

The Parent Borrower shall, no later than five business days prior to each Financial Covenant Calculation Date, deliver to the Facility Agent, the Borrower Security Trustee, the Borrower Cash Manager and the Lender a compliance certificate, signed by two directors of the Parent Borrower, which shall set out:

- (a) the Debt Service Cover Ratio as at the immediately preceding Loan Interest Payment Date;
- (b) the Loan Life Cover Ratio as at the immediately preceding Loan Interest Payment Date;
- (c) the credit balance of each Reserve Account at the close of business on the immediately preceding Loan Interest Payment Date; and
- (d) if a Borrower wishes to make a Distribution, the amount of such Distribution together with confirmation that the Distribution Conditions (as defined below) are satisfied and the proposed Distribution Date.

Operating Budget

The initial Operating Budget has been delivered to the Facility Agent on or prior to the Closing Date. Thereafter, no later than one month before the first day of the Parent Borrower's respective financial years, the Parent Borrower shall deliver to the Facility Agent a revised draft operating budget (a "**Revised Operating Budget**").

Each Revised Operating Budget shall comprise an operating budget (together with a commentary thereon) for the next following 12 months setting out costs and revenues for each Borrower for such 12 month period on a quarterly basis. The Parent Borrower shall also ensure that each Revised Operating Budget is consistent with the Financial Model and sets out the costs and revenues in reasonable detail together with all technical and operational assumptions relating thereto.

Within ten business days of receipt of the Revised Operating Budget, the Facility Agent shall notify the Parent Borrower whether it approves such Revised Operating Budget. The Facility Agent shall not refuse approval of a Revised Operating Budget that shows no material departure from the then existing Operating Budget unless it considers that the relevant Revised Operating Budget could lead to a Material Adverse Effect.

Information undertakings

Financial statements

Pursuant to the Borrower Loan Agreement, the Borrower Agent has agreed to supply to the Facility Agent, the Borrower Cash Manager, the Noteholder Representative (if one has been appointed), the Borrower Security Trustee and the Issuer as soon as the same become available, but in any event within 180 days after the end of each of its financial year, the audited consolidated financial reports and accounts of the Parent Borrower as soon as it becomes

available, but in any event within 45 days after the end of each half of each of the relevant party's financial year the consolidated unaudited financial statements of the Parent Borrower for that financial half-year. Both the audited and unaudited financial statements shall include the consolidated financial information of each OpCo Borrower.

No later than five business days before each Calculation Date, the Technical Adviser shall deliver a technical report to the Facility Agent, the Noteholder Representative (if one has been appointed) and the Borrower Security Trustee.

The Parent Borrower shall ensure that the financial statements delivered are prepared in accordance with GAAP and shall be certified by a director as giving a true and fair view of the financial condition of each Borrower where relevant as at the date to which they were drawn up.

Information: miscellaneous

The Borrower Agent shall supply to the Facility Agent, the Borrower Security Trustee, the Noteholder Representative (if one has been appointed), and the Issuer promptly upon it or any Borrower becoming aware of the relevant matter or, as the case may be, promptly upon receipt of the relevant notice, claim or communication:

- all documents despatched by the Parent Borrower or any OpCo Borrower to its shareholders or creditors generally;
- details of any material litigation, arbitration, regulatory or administrative proceedings which are taking place, pending or threatened against or involving a Borrower or a Borrower and any Major Project Party or any landowner in connection with a PV Site;

"Major Project Party" means:

- (a) Parent Holdco;
- (b) each Contractor;
- (c) each PPA Counterparty;
- (d) each guarantor of a Power Purchase Agreement;
- (e) the Borrower Corporate Administrator; and
- (f) any other party who is material to the Projects that is designated as such by the Facility Agent and the Borrower Agent,

provided that, in the case of the persons specified in paragraphs (b), (c) and (d) above, those persons shall cease to be Major Project Parties when the relevant Borrower Material Contracts to which they are a party have been performed in full and no further obligations or liabilities remain thereunder.

"Projects" means:

- (a) the construction, operation and maintenance of any PV Site, PV Site Asset or PV Site Lease in accordance with and pursuant to a Borrower Material Contracts; and
- (b) the construction, repair and reinstatement of any PV Site or PV Site Asset undertaken with the use of Insurance Proceeds pursuant to the Borrower Loan Agreement;

and "Project" means any one of them as the context may require.

- details of any legislative or regulatory change relating to a PV Site or the business of a Borrower which has, or might reasonably be expected to have, a material adverse effect;
- details of any material breach by any party, frustration, rescission, repudiation, termination or cancellation of, or material disputes or claims under, any Borrower Transaction Document together with details of any action it proposes to take in relation to the same;
- details of any material suspension, revocation, cancellation, annulment, material amendment or termination of, or any failure to renew, any material Authorisation;
- a copy of any material notice or communication from any regulatory body, court, organisation or other person (including Ofgem and the Department for Energy and Climate Change) in respect of a PV Site or an OpCo Borrower;
- any event (including, without limitation, any third party claim or liability) of which a Borrower becomes aware which such Borrower reasonably believes is likely to adversely affect its ability or the ability of any party to a Borrower Material Contract to perform its obligations in any material respect;
- details of any damage or destruction of any asset where the cost of repair or reinstatement is likely to exceed £25,000;
- details of any claims or circumstances which the Parent Borrower or relevant OpCo Borrower reasonably believes are likely to give rise to a claim of more than £25,000 in relation to the insurances, any material dispute with an Insurer and anything which has been done or omitted to be done whereby the renewal of any insurances is likely to be adversely affected or the premiums due are likely to be materially increased;
- details of any occurrence or circumstance (including any third party claim or liability) which has or is likely to have, alone or in combination, a Material Adverse Effect and any other information in connection with the Loans, the PV Sites, the Borrower Material Contracts or the parties thereto, as the Facility Agent may from time to time reasonably request.

Each Borrower shall provide to the Facility Agent, Borrower Security Trustee and the Lender a copy promptly:

- upon execution, of all Borrower Material Contracts certified by a duly authorised officer of the relevant Borrower; and
- promptly upon any agreement or document to materially amend, waive or suspend any of the terms of any of the Borrower Material Contracts being entered into, of such agreement or document; and
- each Borrower shall, promptly upon becoming aware of it, notify the Facility Agent, Borrower Security Trustee and the Lender of the details of any (i) proposal or threat to suspend or delay the operation of a PV Site or to abandon the use and operation of the PV Site, (ii) material irregular event required to be notified to the offtaker under a Power Purchase Agreement, (iii) de-energisation by way of the Feed-in Tariff accreditation being withdrawn or terminated and (iv) event or circumstance which has led or may lead to the payment of any compensation proceeds which in any case would or is reasonably likely to have a Material Adverse Effect.

Notification of default

Each Borrower and the Borrower Agent have further agreed to notify the Issuer, the Facility Agent, the Borrower Security Trustee and the Noteholder Representative (if one has been appointed) of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence (unless such Borrower or, as applicable, the Borrower Agent is aware that a notification has already been provided by: (a) in the case of a Borrower, another Borrower or the Borrower Agent; or (b) in the case of the Borrower Agent, a Borrower).

Promptly upon a request by the Facility Agent or the Borrower Security Trustee, the Borrower Agent shall supply to the Facility Agent or, as applicable, the Borrower Security Trustee a certificate signed by two of its directors or senior officers on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).

Force Majeure

Each Borrower and the Borrower Agent shall promptly upon becoming aware inform the Facility Agent, Lender, Noteholder Representative (if one has been appointed) and Borrower Security Trustee of any event which constitutes an event of force majeure under any of the Borrower Material Contracts.

Notification of Transaction Document or Borrower Material Contract not being legal valid and binding

Each Borrower will forthwith notify the Lender, the Facility Agent, the Noteholder Representative (if one has been appointed) and the Borrower Security Trustee as soon as it becomes aware that any Borrower Transaction Document or Borrower Material Contract to which it is a party is not legal, valid and binding or enforceable against any party thereto in any material respect or the security over the assets expressed to be secured by the Borrower Security Documents is not valid or enforceable in any material respect.

Legal infringements

Each Borrower or the Borrower Agent will notify the Lender, the Facility Agent, the Noteholder Representative and the Borrower Security Trustee of any information confirming or suggesting that any Corrupt Act has occurred in connection the operation of the PV Sites or any part of any Borrower's capital structure was derived from any transaction carried out in breach of any Corrupt Practice laws.

"Know your customer" checks

If:

- (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation, or
- (ii) any change in the status of a Borrower or any Affiliate of a Borrower, or
- (iii) a proposed assignment or transfer by the Lender of any of its rights and obligations under the Borrower Loan Agreement or under a Transaction Document

obliges the Facility Agent, the Borrower Security Trustee, or the Lender (or, in the case of the event described in paragraph (iii) above, any prospective assignee or transferee of the Lender) to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, each Borrower and the Borrower Agent shall promptly upon the request of the Facility Agent, the Borrower Security Trustee or the Lender

supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Facility Agent, the Borrower Security Trustee (for itself or on behalf of the Lender) or the Lender.

Power to remedy

If a Borrower does not comply with Schedule 8 of the Borrower Loan Agreement (*Insurances*) that Borrower (for so long as the failure to comply is continuing) shall permit the Facility Agent, its agents and contractors to enter its PV Site and to do anything the Facility Agent considers reasonably necessary to remedy the failure to comply. The relevant Borrower shall indemnify and keep the Facility Agent indemnified against all costs, losses and liabilities properly incurred by the Facility Agent in connection with such remedy.

Technical Report

The Technical Adviser has agreed to deliver a Technical Report to the Facility Agent, the Noteholder Representative (if one has been appointed) and the Borrower Security Trustee no later than five Business Days before each Calculation Date based on the monthly operating data which the Borrowers shall provide to the Technical Adviser as reasonably requested.

Financial covenants

The Borrowers have, in the Borrower Loan Agreement, covenanted to ensure that, from and including the Closing Date, no Debt Service Cover Ratio as at each Loan Interest Payment Date will be less than 1.1:1.0 and no Loan Life Cover Ratio as at each Loan Interest Payment Date will be less than 1.1:1.0.

The Parent Borrower has agreed, no later than five Business Days after each Financial Covenant Calculation Date, to deliver to the Facility Agent, the Borrower Security Trustee and the Issuer a compliance certificate signed by two directors, setting out (in reasonable detail) computations as to compliance with the covenant set out above as at the relevant Financial Covenant Calculation Date, the credit balance of each Reserve Accounts as on the most recent Calculation Date and if a Borrower wishes to make a Distribution, the amount of such Distribution together with confirmation that the Distribution Conditions are satisfied and the proposed Distribution Date.

"**Cashflow**" means, in respect of any specified period:

- (a) the aggregate Revenues received by the OpCo Borrowers; plus
- (b) the aggregate of any Maintenance Authorised Releases made in accordance with the Borrower Cash Management Agreement; less the sum of
- (c) any amount paid by the Borrowers, including without limitation, fees, costs and expenses of the Borrower Corporate Administrator; and
- (d) the aggregate of each Borrower's liability (if any) to UK corporation tax or other tax; and
- (e) the aggregate of any sums paid into the Maintenance Reserve Account,

in each case during such specified period, but excluding, for the avoidance of doubt, all amounts funded by the proceeds of the Loan.

"**Debt Service**" means, in respect of any specified period, the aggregate of:

- (a) all accrued interest, commissions, fees, discounts, prepayment fees, premiums or charges and other finance payments in respect of the Loans (excluding any amounts payable by the Borrowers on or about the Closing Date out of the proceeds of the Loans); and

- (b) all scheduled and mandatory repayments the Loans falling due and any voluntary prepayments made,

in each case during such specified period (and, for the avoidance of doubt, taking into account any indexation, as described above under "**Indexation**").

"**Debt Service Cover Ratio**" means the lowest of, as applicable, in relation to any Loan Interest Payment Date:

- (a) the ratio of Cashflow to Debt Service in respect of the 12 month period ended on such Calculation Date, by reference to the Forecast relating to such period; and
- (b) the ratio of Projected Cashflow to Projected Debt Service, in respect of the 12 months commencing on such Calculation Date, calculated by reference to the Operating Budget.

"**Loan Life Cover Ratio**" means, as at any Loan Interest Payment Date, the ratio of:

- (a) the Net Present Value of Cashflow, to
- (b) Debt Service,

in each case for the remaining period of the Loan and calculated using the Financial Model.

"**Net Present Value**" means, in relation to any amounts falling due or forecast to fall due after a Calculation Date, the net present value of such amounts on such Calculation Date, calculated on the following basis:

- (a) income is a positive cash flow;
- (b) expenditure is a negative cash flow;
- (c) a discount rate equal to the then current rate of interest on the Loan; and
- (d) the initial date for such net present value calculation is such Calculation Date

"**Projected Cashflow**" means, with respect to each Operating Budget, the Cashflow projected in such Operating Budget with respect to the annual period to which such Operating Budget relates.

"**Projected Debt Service**" means, with respect to each Operating Budget, the Debt Service projected in such Operating Budget with respect to the annual period to which such Operating Budget relates.

General Undertakings

- (a) Each Borrower shall only use the Loan for the purpose specified in the Borrower Loan Agreement.
- (b) Each Borrower shall comply in all material respects, with all laws to which it is or may be subject.
- (c) No Borrower shall enter into any amalgamation, demerger, merger or corporate reconstruction.
- (d) The Borrower Agent shall procure that no substantial change is made to the general nature of the business of each Borrower.

- (e) Each Borrower shall comply with its obligations in Schedule 8 (*Insurances*) of the Borrower Loan Agreement.
- (f) Each Borrower shall, following receipt or payment to it of any Insurance Proceeds or Compensation Proceeds, pay an amount equal to such Insurance Proceeds or Compensation Proceeds immediately into the Insurance and Compensation Proceeds Account except for Insurance Proceeds payable under or in respect of third party liability Insurance and business interruption Insurance, whereby such amounts shall be transferred by the Borrower Cash Manager to the Cash Trap Reserve Account pursuant to the terms of the Borrower Cash Management Agreement. No amount shall be required to be transferred to the Cash Trap Reserve Account following receipt or payment of any Insurance Proceeds or Compensation Proceeds if, and to the extent that, the Facility Agent is satisfied that:
 - (i) in the case of Insurance Proceeds, the relevant Borrower shall apply the relevant Insurance Proceeds in the repair or reinstatement of PV Site Assets in accordance with Schedule 8 (*Insurances*) of the Borrower Loan Agreement and subject the terms of the Borrower Cash Management Agreement;
 - (ii) in the case of Insurance Proceeds, the relevant Borrower shall apply the relevant Insurance Proceeds in respect of properly incurred business interruption costs and expenses (including lost revenue);
 - (iii) in the case of Performance Liquidated Damages, the relevant Borrower shall apply the Compensation Proceeds in remedying the matter to which the payment of such Compensation Proceeds relates; or
 - (iv) in the case of any other Compensation Proceeds (other than Performance Liquidated Damages), the relevant Borrower shall apply the relevant Compensation Proceeds to acquire a Permitted Investment provided that it: (A) enters into a Supplemental Borrower Deed of Charge in order to grant security over such new PV Site Leases, PV Site Assets and PV Sites in favour of the Borrower Security Trustee for the benefit of the Borrower Secured Creditors; and (B) ensures that the Security Interests purported to be granted by it pursuant to the Supplemental Borrower Deed of Charge have the priority and ranking contemplated therein, for the purpose of the creation, perfection, protection or maintenance of any Security Interest, intended to be conferred on the Borrower Security Trustee and/or the Finance Parties by or pursuant to the Supplemental Borrower Deed of Charge.

"Supplemental Borrower Deed of Charge" means a supplement to the Borrower Deed of Charge entered into pursuant to the Transaction Documents, in form and substance satisfactory to the Borrower Security Trustee.
- (g) Each Borrower shall, following receipt or payment to it of any Right to Buy Termination Amount, pay an amount equal to such Right to Buy Termination Amount immediately into the Insurance and Compensation Proceeds Account. Except as provided the Borrower Loan Agreement, such amounts shall be transferred by the Borrower Cash Manager to the Cash Trap Reserve Account pursuant to the terms of the Borrower Cash Management Agreement. No amount shall be required to be transferred to the Cash Trap Reserve Account following receipt or payment of any Right to Buy Termination Amount if, and to the extent that, the Facility Agent is satisfied that the relevant Borrower:

- (i) applies the relevant Right to Buy Termination Amount to acquire a Permitted Investment;
 - (ii) enters into a Supplemental Borrower Deed of Charge in order to grant security over such new PV Site Leases, PV Site Assets and PV Sites in favour of the Borrower Security Trustee for the benefit of the Borrower Secured Creditors such that the new PV Site Leases, PV Site Assets and PV Sites are subject to security substantially equivalent to the security granted over the PV Site Leases, PV Site Assets and PV Sites that was in existence on the Closing Date in respect of the assets that were the subject of the Right to Buy Termination Amount; and
 - (iii) ensures that the Security Interests purported to be granted by it pursuant to the Supplemental Borrower Deed of Charge have the priority and ranking contemplated therein for the purpose of the creation, perfection, protection or maintenance of any Security Interest conferred or intended to be conferred on the Borrower Security Trustee and/or the Finance Parties by or pursuant to the Supplemental Borrower Deed of Charge.
- (h) Each Borrower shall (i) comply in all material respects with the terms of the Borrower Material Contracts to which it is a party; (ii) take all steps reasonably necessary to procure due performance by and enforce the covenants, obligations and conditions on the part of each other party to the relevant Borrower Material Contract. Each Borrower shall procure that no Borrower Material Contract entered into after the date of this Agreement contains (A) any prohibition on assigning by way of security its right, title, interest and benefit to such Borrower Material Contracts; or (B) any provision permitting the counterparty to terminate, or which results in the automatic termination of, the relevant Borrower Material Contract upon the appointment of an administrative receiver.
- (i) Each Borrower shall duly and punctually perform all its material obligations as they fall due under each Borrower Material Contract.
- (j) Each Borrower has agreed not to: (i) terminate or consent to the termination of any Borrower Material Contract to which it is a party; (ii) material amendment of a Borrower Material Contract; or (iii) assignment or transfer of a Borrower Material Contract, agree any without the consent of the Facility Agent.
- (k) Each OpCo Borrower shall (i) at least two months (or such shorter period as the Controlling Party may allow) prior to the expiry of any Power Purchase Agreement to which it is a party, commence negotiations with one or more Acceptable PPA Counterparties with a view to entering into a new Power Purchase Agreement for the purchase of the Metered Output of the relevant PV Site and all ancillary benefits with one of those Acceptable PPA Counterparties on a date falling not later than the date of such expiry (ii) within five Business Days of execution of the above agreements, deliver to the Facility Agent: (A) a certified copy of the new Power Purchase Agreement and any relevant Counterparty Guarantee; (B) such evidence as the Facility Agent may reasonably request that each party thereto is duly authorised to enter into and perform its obligations under such agreements and all conditions precedent to the full effectiveness of such agreements have been satisfied or waived; and (C) evidence it has created and perfected a first ranking Security Interest over its rights, title and interests under such replacement Power Purchase Agreement in favour of the Borrower Security Trustee for the benefit of the Finance Parties in form and substance satisfactory to the Facility Agent and the Borrower Security Trustee (acting reasonably); (D) on terms as to duration, price and other benefits which, in the opinion of such OpCo Borrower, represent the optimum combination reasonably available to such OpCo Borrower at that time and in the circumstances then applicable to such OpCo Borrower and (E) that are (i) otherwise on substantially the same as the terms of the Power Purchase Agreement that is due to expire

or (ii) on terms which, in the opinion of such OpCo Borrower (acting reasonably), are as favourable to such OpCo Borrower as such OpCo Borrower is reasonably able to obtain at that time and in the circumstances then applicable to such OpCo Borrower; provided that, in each case, the relevant OpCo Borrower shall not, without the consent of the Facility Agent, enter into any Power Purchase Agreement.

- (l) Each OpCo Borrower shall, at least two months prior (or such shorter period as the Controlling Party may allow) to the expiry of any O&M Contract to which it is a party, commence negotiations with one or more other providers of operational and maintenance services with a view to entering into a new O&M Contract, with one such service provider on a date falling not later than the date of such expiry (A) on terms as to duration, price and other benefits which, in the opinion of such OpCo Borrower (acting reasonably), represent the optimum combination reasonably available to such OpCo Borrower at that time and in the circumstances then applicable to such OpCo Borrower and (B) that are (i) otherwise on substantially the same as the terms of the O&M Contract that is due to expire or (ii) on terms which, in the opinion of such OpCo Borrower (acting reasonably), are as favourable to such OpCo Borrower as such OpCo Borrower is reasonably able to obtain at that time and in the circumstances then applicable to such OpCo Borrower; provided that, in each case, the relevant OpCo Borrower shall not, without the consent of the Facility Agent, enter into any O&M Contract.
- (m) Each Borrower shall ensure that in respect of any new O&M Contract entered into, as expressly required or permitted under the Borrower Transaction Documents, the new O&M contractor shall enter into a new O&M Direct Agreement on terms substantially similar to the O&M Direct Agreements or in such other form reasonably acceptable to the Facility Agent, the Borrower Security Trustee and the Issuer Security Trustee.
- (n) Each Borrower shall comply in all material respects with all applicable environmental laws and environmental approvals necessary for the ownership and operation of its respective PV Sites.
- (o) Each OpCo Borrower shall ensure that the applicable O&M contractor is at all times contractually obliged to keep its PV Site in a good state of maintenance, repair and preservation (fair wear and tear excepted) and to renew and replace, when necessary.
- (p) No OpCo Borrower shall, without the prior written consent of the Facility Agent (such consent not to be unreasonably withheld or delayed) (A) make or consent to be made any application for planning permission in respect of any part of its PV Site or (B) carry out, or consent to be carried out, any material development, including, demolition, construction, structural alterations or additions, development or other similar operations in respect of any part of its PV Site.
- (q) Each Borrower shall ensure that, at all times, its payment obligations under the Borrower Transaction Documents rank at least *pari passu* with all its other present and future unsecured and unsubordinated payment obligations, except for obligations mandatorily preferred by law applying to companies generally.
- (r) Each Borrower shall file all tax returns required to be filed by it in any jurisdiction.
- (s) Each Borrower shall duly and promptly pay and discharge all Taxes when due and payable (or within applicable grace periods permitted by law) other than those which are being contested by it in good faith.
- (t) Each Borrower shall apply all Tax credits, losses, reliefs or allowances in the manner and to the extent they were taken into account in the Financial Model.

- (u) Each Borrower shall maintain its status as a limited liability company incorporated in the jurisdiction it is incorporated in, and shall maintain its tax residence in the jurisdiction in which it is resident for tax purposes.
- (v) Each Borrower shall, in the event of termination of the Borrower Cash Management Agreement, use its reasonable endeavours to enter into a replacement Borrower Cash Management Agreement as soon as practicable.
- (w) Each Borrower shall at all times have its Centre of Main Interests (as defined in Council Regulation (EC) No. 1346/2000 of 29 May 2000, hereafter the "**EU Insolvency Regulation**") in the United Kingdom.
- (x) Each Borrower shall ensure that all actions listed in the Punch List are completed, as certified by the Technical Adviser, prior to the second Financial Covenant Calculation Date falling in 2016.
- (y) Each Borrower shall keep books and records which accurately reflect in all material aspects all of its business, affairs and transactions.
- (z) Each Borrower shall comply with its constitutional documents in all material respects.
- (aa) Each Borrower shall, and shall procure that Parent HoldCo shall, promptly do all such acts or execute all such documents as the Borrower Security Trustee may reasonably specify to perfect the Security Interests created or intended to be created under or evidenced by the Borrower Transaction or for the exercise of any rights, powers and remedies of the Borrower Security Trustee or the Finance Parties provided by or pursuant to the Borrower Transaction Documents or by law, to confer on the Borrower Security Trustee or confer on the Finance Parties, Security Interests over any property and assets of a Borrower located in any jurisdiction equivalent or similar to the Security Interests intended to be conferred by or pursuant to the Borrower Transaction Documents and/or to facilitate the realisation of the assets which are, or are intended to be, the subject of a Security Interest under the Transaction Documents.
- (bb) Each Borrower shall, and shall procure that Parent HoldCo shall, take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security Interest conferred or intended to be conferred on the Borrower Security Trustee or the Finance Parties by or pursuant to the Borrower Transaction Documents.
- (cc) Each OpCo Borrower shall ensure that it has and will maintain (i) good title to, or freedom to use, the relevant PV Site, (ii) access to the relevant PV Site necessary to continue to operate the PV Sites in the manner envisaged by the PV Site Leases and in the manner contemplated by the Borrower Material Contracts to which it is a party, (iii) the benefit of all easements, wayleaves and other rights necessary to continue to operate the PV Sites in the manner envisaged by the PV Site Leases and in accordance with the Borrower Material Contracts to which it is a party and (iv) good title to use any other assets (including Intellectual Property) necessary or desirable to continue to operate the PV Sites in the manner envisaged by the PV Site Leases and in accordance with the Borrower Material Contracts to which it is a party.
- (dd) Each OpCo Borrower shall ensure that it has and will continue to materially comply with all tenant covenants in the PV Site Leases including the payment of all rents (where applicable) and shall use all commercially reasonable endeavours to enforce all landlord covenants on the PV Site Leases that need to be performed.
- (ee) In the event that any landlord takes steps to commence forfeiture proceedings under any of the PV Site Leases, the relevant Borrower shall apply for relief from forfeiture of any

of the PV Site Leases, to the extent permitted by, and in accordance with the terms of, the relevant PV Site Leases and shall notify the Facility Agent of such proceedings.

- (ff) Each Borrower shall comply with any Directives of the Council of the European Union applicable to that Borrower or the use and operation of the relevant PV Site in relation to the purchase, or securing, of goods and services in a manner prescribed by such Directives.
- (gg) Each Borrower shall take all such steps as are reasonably available to it to protect, maintain and pursue its rights, remedies and claims under the Borrower Transaction Documents to which it is a party.
- (hh) Each Borrower shall ensure that transactions with any person (including related parties) are to be on arm's length terms and for full market value, other than certain permitted exceptions.
- (ii) Each Borrower shall procure that each PV Site is developed, operated and maintained in all material respects in accordance with good industry practice, its constitutional documents, the Financial Model and any related business plan and the Operating Budget.
- (jj) Each Borrower shall protect, keep and maintain in good repair, working order and condition the material PV Site Assets (including intellectual property rights) and, to the extent relevant, permit the Facility Agent and the Technical Adviser and each of their respective representatives to enter and view the state and condition of the PV Site Assets upon giving reasonable notice to the relevant OpCo Borrower.
- (kk) At its own cost and expense each Borrower shall enforce, institute, continue or defend all proceedings affecting the material PV Site Assets, its state or condition or continued use or value so as to preserve to the fullest extent the value of the Security Interests created by the Borrower Security Documents.
- (ll) Each Borrower shall operate and maintain the Borrower Accounts in accordance with Borrower Account Bank procedures and the Borrower Transaction Documents (including the Borrower Priorities of Payments) and ensure that the Borrower Accounts are fully funded to the required amount as more particularly set out in the Borrower Cash Management Agreement and the Borrower Loan Agreement.
- (mm) If one or more Borrowers become aware that they are not going to meet their obligations to pay interest and repay principal under the Borrower Loan Agreement on the next Loan Interest Payment Date, any Borrower may:
 - (i) enter into and/or draw a subordinated loan under a Subordinated Agreement(s) with Parent HoldCo provided that:
 - (A) any subordinated loan made pursuant to such Subordinated Agreement is subject to the Borrower Subordination Deed;
 - (B) any subordinated loan made pursuant to a Subordinated Agreement is for an amount which is not less than an amount equal to the shortfall in interest and principal due and payable under this Agreement by the Borrowers on the next Loan Interest Payment Date; and
 - (C) the loan proceeds of such subordinated loan made pursuant to the Subordinated Agreement are paid directly into the Receivable Bank Account; and/or

- (ii) increase its share capital and/or share premium by permitting its Holding Company to increase its contributions in its share capital and/or share premium in an amount which is not less than an amount equal to shortfall in interest and principal due and payable under this Agreement by the Borrowers on the next Loan Interest Payment Date provided that those contributions following receipt by the relevant Borrower are immediately transferred into the Receivable Bank Account; and

in either case, use such funds to pay the shortfall on the next Loan Interest Payment Date. Any excess funds resulting from this provision shall be applied in accordance with the Borrower Priorities of Payment on the relevant Loan Interest Payment Date and (if applicable) any subsequent Loan Interest Payment Date provided that such amounts shall not be used to fund a Distribution.

- (iii) If, on or before a Financial Covenant Calculation Date, one or more Borrowers become aware that there has been or there is likely to have been a breach of the Debt Service Cover Ratio on the immediately preceding Loan Interest Payment Date, any Borrower may:

- A) enter into, and/or draw a subordinated loan under, a Subordinated Agreement with Parent HoldCo provided that any subordinated loan made pursuant to such Subordinated Agreement is subject to the Borrower Subordination Deed; and/or

- B) increase its share capital and/or share premium by permitting its Holding Company to increase its contributions in its share capital and/or share premium,

in either case, before the immediately following Reserves Adjustment Date and in an amount (the "**Cure Amount**") equal to an amount which, if deemed to be added to the Cashflow or Projected Cashflow (as applicable) as at the relevant Loan Interest Payment Date would have meant that the Debt Service Cover Ratio would have been at least 1.1:1.0 and provided that such Cure Amount is transferred into the Debt Service Reserve Account on or prior to the Reserve Adjustment Date and the DSR Target Amount is increased by such Cure Amount, then, for the purposes of the immediately preceding Loan Interest Payment Date, no breach of the Debt Service Cover Ratio shall be deemed to have taken place.

- (iv) The Borrowers may exercise their cure rights in accordance with the Borrower Loan Agreement no more than five times in total and no more than in respect of two consecutive Loan Interest Payment Dates.

"Borrower Priorities of Payments" means the Borrower Pre-Acceleration Priority of Payments and the Borrower Post-Acceleration Priority of Payments.

"Holding Company" means, in relation to a person, any other person in respect of which it is a Subsidiary.

"Subsidiary" or **"subsidiary"** means a subsidiary within the meaning of section 1159 of the Companies Act 2006 and in interpreting those provisions for the purposes of the Transaction Documents, a company is to be treated as a member of a subsidiary even if its shares are registered in the name of (i) a nominee, or (ii) any party holding security over those shares, or that secured party's nominee.

Negative Undertakings

- (a) No Borrower shall make any acquisitions or investments (other than Permitted Investments) except in accordance with any Operating Budget.
- (b) No OpCo Borrower shall engage in any business or activities other than the acquisition, construction, ownership, financing, operation or maintenance of the PV Sites.
- (c) The Parent Borrower shall not engage in any business or activities other than the acquisition, financing and ownership of the OpCo Borrowers.
- (d) No Borrower shall sell, lease, transfer, discount, factor, assign or otherwise dispose of, by a single transaction or a series of transactions, whether related or not, and whether voluntary or involuntary, all or any part of any of its assets (including the PV Site Leases) or shares, other than any disposal expressly permitted or required by the relevant Borrower Transaction Documents; which is a Permitted Disposal; of worn, damaged or defective assets which have been replaced; of assets that have become obsolete and are no longer required in order to carry out the relevant PV Site to which they relate; and/or of Tax Losses.
- (e) Except as otherwise permitted no Borrower shall create or permit to subsist any security interest over any of its assets; and no Borrower shall sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by the Parent Borrower, any OpCo Borrower or any Major Project Party; sell, transfer or otherwise dispose of any of its receivables on recourse terms; enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or enter into any other preferential arrangement having a similar effect, in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.
- (f) No Borrower shall, make any loans or otherwise grant any form of credit to any person other than for certain specific exceptions.
- (g) No Borrower shall, have any Financial Indebtedness outstanding other than Permitted Financial Indebtedness.
- (h) No Borrower shall, enter into any agreements other than the Borrower Transaction Documents or agreements expressly contemplated by the Borrower Transaction Documents; agreements entered into on arm's length terms in implementation of and consistent with the Operating Budget; any agreement previously approved in writing by the Facility Agent; any agreement entered into on arm's length terms in the ordinary course of business which does not require payments to be made in excess of the tolerances in respect of the Operating Budget; or any agreements replacing any expired Borrower Material Contracts where such replacement agreement is on arm's length terms available at the time of replacement, and with a counterparty, in each case, acceptable to the Facility Agent.
- (i) No Borrower shall, enter into any arrangement or transaction with any of its affiliates other than the Borrower Transaction Documents, any transaction expressly contemplated under the Borrower Transaction Documents, transactions in the ordinary course of business on arm's length terms or transactions approved by the Facility Agent.
- (j) No Borrower shall, except as expressly permitted under the relevant Borrower Transaction Documents: purchase, reduce, cancel, repay or redeem any of its share capital and/or share premium or any option over its share capital and/or share premium (other than in connection with, or for the purpose of making, any Distribution in accordance

with the Borrower Loan Agreement; redeem, reduce, cancel, repay, purchase or transfer any loans or loan stock (other than in connection with, or for the purpose of making a permitted Distribution)); issue any shares or grant any right to acquire or be issued any shares; alter the nature of, or any rights attaching to, any of its shares; and/or issue any voting capital.

- (k) No Borrower shall, amend or vary any of its constitutional documents.
- (l) No Borrower shall, dispose of any Tax losses, credit, relief or allowance available to it unless such disposal is to any Borrower resident for Tax in the same jurisdiction and in the same Tax group; or such disposal is to any other person and the Facility Agent is satisfied that such Borrower will, on or prior to such disposal, receive full cash value consideration and the Borrower's financial position (on a current and projected cash-flow and profit basis) will not be materially and adversely affected as a consequence of such disposal.
- (m) No Borrower shall, make, pay or permit a Distribution unless the Distribution is paid using funds held in its Distribution Account. Nothing shall prevent any Borrower making or receiving intercompany loans (or share capital) or repayments of intercompany loans (or share capital) as expressly contemplated by this Agreement and the relevant Borrower Subordination Deed.
- (n) Except as otherwise permitted, the Parent Borrower shall not, and shall procure that no OpCo Borrower shall transfer any amounts in or to the Distribution Account unless:
 - (i) the transfer of funds to the Distribution Account takes place on a date falling within the 20 Business Days period following a Financial Covenant Calculation Date, or if the ratios have not been finally determined on a Financial Covenant Calculation Date, within the 20 Business Day period following final determination of such ratios;
 - (ii) the Parent Borrower has given the Facility Agent at least three Business Days' notice of the amount of the proposed transfer to the Distribution Account;
 - (iii) to the extent that any amount to be transferred into the Distribution Account is to be used by an OpCo Borrower to reduce capital, the Parent Borrower has requested in writing the consent of the Facility Agent to reduce the share capital provided that if the Facility Agent does not respond within five Business Days, such consent is deemed to be granted;
 - (iv) the relevant transfer to the Distribution Account is made from credit balances in the Receivable Bank Account and uses funds available for that purpose in accordance with the Borrower Pre-Acceleration Priority of Payments;
 - (v) no Default has occurred and is continuing on the date of transfer or would result from the making of such Distribution;
 - (vi) the credit balance on the Debt Service Reserve Account on the Distribution Date is equal to or greater than the DSR Required Amount and all payments to the Cash Trap Reserve Account and the Maintenance Reserve Account have been made in accordance with the Borrower Pre-Acceleration Priority of Payments;
 - (vii) the Debt Service Cover Ratio set out in the most recent Forecast is equal to or greater than 1.20:1 (and for the purposes of calculating this ratio not including any amounts resulting from an equity cure made pursuant to the Borrower Loan Agreement);

- (viii) the Loan Life Cover Ratio set out in the most recent Forecast is, and will be after making the relevant Distributions, equal to or greater than 1.20:1 (and for the purposes of calculating this ratio not including any amounts resulting from an equity cure made pursuant to the Borrower Loan Agreement);
- (ix) all amounts due and payable on the Loan Interest Payment Date have been paid; and
- (x) no Borrower has exercised its equity cure rights pursuant to the Borrower Loan Agreement on either of the previous two Loan Interest Payment Dates,

(the "**Distribution Conditions**").

- (o) Prior to making any Distributions, the directors of the Parent Borrower shall consider the working capital requirements of the Parent Borrower and each OpCo Borrower and retain in the General Account of each OpCo Borrower (by transfer to such account if required) such amount as they may consider is prudent in order to meet such working capital requirements.
- (p) No Borrower shall without the prior written consent of the Facility Agent, change its financial year end.
- (q) No Borrower shall open or maintain any bank accounts other than the Borrower Accounts without the prior written consent of the Facility Agent.
- (r) No Borrower shall enter into any Treasury Transactions without the consent of the Facility Agent.
- (s) Except as expressly permitted or required by the Borrower Transaction Documents, no Borrower shall give, incur or allow to be outstanding any guarantee in respect of any person.
- (t) No Borrower shall change its residence for Tax purposes or be a member of a group for the purposes of section 43 Value Added Tax Act 1994 with any person other than the other Borrowers and Parent HoldCo.
- (u) The Parent Borrower shall not, and shall procure that no Borrower shall, establish or maintain an "establishment" (as that expression is used in the EU Insolvency Regulation) in any jurisdiction other than the United Kingdom.
- (v) No Borrower shall, directly or indirectly, use the proceeds of the Loan, or lend, contribute or otherwise make available such proceeds to any other Borrower, Affiliate, joint venture partner or other Person (an "**Associated Person**"), to: (i) fund or facilitate any activities or business of, with or related to any Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or (ii) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Notes, whether as Noteholder, agent, advisor or otherwise).

"**Sanctions**" means any economic or financial sanctions or trade embargoes administered or enforced by the relevant sanctions authority of the European Union, the United Kingdom, the United States or the United Nations Security Council.

- (w) Each Borrower shall ensure that (so far as it is aware, having made all reasonable enquiries) no Person, country or territory that is a subject of Sanctions will have any property interest in (A) any funds repaid or remitted by a Borrower or (B) any of the PV

Sites; or any participation in or derive any other financial or economic benefit from any of the Projects.

- (x) No Borrower shall engage in any conduct that might reasonably be foreseen to cause it to become a subject of Sanctions.
- (y) No Borrower nor any of its or their Associated Persons shall, directly or indirectly, either in private business dealings or in dealings with the public sector, offer, give, receive or agree to offer, give or receive (either itself or in agreement with others) any payment, gift or other advantage with respect to any matters envisaged by the Borrower Transaction Documents which would violate any anti-corruption laws or regulations applicable to it, including (without limitation) the United Kingdom's Bribery Act 2010 and the United States Foreign Corrupt Practices Act of 1977.
- (z) Each Borrower shall maintain in place adequate procedures to prevent any Associated Person of such Borrower from undertaking any activity referred to in paragraph (y) above.
- (aa) The Parent Borrower shall procure that there is no: (i) transfer of shares in any OpCo Borrower at any time, except in accordance with the Borrower Deed of Charge; or (ii) other direct change of ownership in respect of the OpCo Borrowers, without the prior written consent of the Controlling Party (such consent not to be unreasonably withheld or delayed).

PV Site Undertakings

Each Borrower shall duly and punctually perform, comply with and observe, in all material respects, its obligations under each Borrower Material Contract to which it is party.

- (a) Without the prior consent of the Facility Agent (such consent not to be unreasonably withheld or delayed), no OpCo Borrower will exercise any right to terminate or extend any of the PV Site Leases, nor amend, waive or vary (whether explicitly or impliedly) the terms of any of the PV Site Leases.
- (b) Each OpCo Borrower shall, obtain and maintain in full force and effect, each Authorisation necessary or desirable to enable it to lawfully enter into, exercise its rights and comply with its obligations under the Borrower Transaction Documents and the Borrower Material Contracts to which it is a party and for each OpCo Borrower to carry out the construction, operation and maintenance of the relevant Project in accordance with the Borrower Material Contracts, and shall at all times comply, in all material respects, with the requirements of such Authorisations.
- (c) The Borrowers shall co-operate with, and shall use all reasonable endeavours to ensure that each other party to the Borrower Material Contracts co-operates with each Adviser.
- (d) The Parent Borrower shall, subject to reasonable prior notice, ensure that representatives of the Finance Parties and the advisers are given such reasonable access during normal business hours to the site of a PV Site and the assets (in accordance with the provisions of the relevant PV Site Lease) and provided with all assistance and information reasonably required; entitled to inspect during normal business hours and take copies of the Parent Borrower's and each OpCo Borrower's books and records; and entitled to request and attend an annual update meeting with the Parent Borrower and each OpCo Borrower.

Borrower Accounts

The Parent Borrower has established and, pursuant to the Borrower Loan Agreement, agreed to maintain, in all cases at the Borrower Account Bank:

- (a) a receivable bank account in its name (the "**Receivable Bank Account**");
- (b) a cash trap reserve account in its name (the "**Cash Trap Reserve Account**");
- (c) an insurance and compensation proceeds in its name (the "**Insurance and Compensation Proceeds Account**");
- (d) a debt service reserve account in its name (the "**Debt Service Reserve Account**");
- (e) a distribution account in its name (the "**Distribution Account**");
- (f) an maintenance reserve account in its name (the "**Maintenance Reserve Account**"); and
- (g) a current general account in its own name (the "**Parent General Account**").

The above bank accounts are referred to in these Listing Particulars as the "**Borrower Accounts**".

Each OpCo Borrower has established and, pursuant to the Borrower Loan Agreement, agreed to maintain a current account at the General Account Bank in its own name (each, an "**OpCo General Account**").

Receivable Bank Account

The Borrower Cash Manager has sole signing rights in relation to the Receivable Bank Account.

On each Loan Interest Payment Date and Reserves Adjustment Date prior to acceleration of the Loan, the Borrower Cash Manager will withdraw any amounts credited to the Receivable Bank Account as at the immediately preceding Calculation Date or Financial Covenant Calculation Date, as the case may be, to apply those amounts in accordance with the Borrower Pre-Acceleration Priority of Payments.

Debt Service Reserve Account

On the Closing Date, the Parent Borrower deposited an amount equal to the DSR Target Amount in the Debt Service Reserve Account, out of the proceeds of the Borrower Loan made to the Borrowers on such date.

The Borrower Cash Manager has sole signing rights in relation to the Debt Service Reserve Account.

On each Reserves Adjustment Date prior to acceleration of the Borrower Loan:

- (a) the Borrower Cash Manager will withdraw amounts credited to the Debt Service Reserve Account in the event of any Tariff Shortfall, together with amounts standing to the credit of the Receivable Bank Accounts, to be applied in accordance with the Borrower Pre-Acceleration Priority of Payments on such Loan Interest Payment Date; and
- (b) the Borrower Cash Manager will credit to the Debt Service Reserve Account amounts referred to in paragraphs (l) and (m) of the Borrower Pre-Acceleration Priority of Payments,

in each case subject to and in accordance with the terms of the Borrower Cash Management Agreement.

On or about the Closing Date, the Borrower Cash Manager may invest amounts standing to the credit of the Debt Service Reserve Account in Authorised Investments subject to and in accordance with the terms of the Borrower Cash Management Agreement.

In certain other circumstances, on any Calculation Date, there is a Tariff Shortfall, then the Borrower Cash Manager shall utilise funds standing to the credit of the Debt Service Reserve Account in or towards payment of items in the Borrower Pre-Acceleration Priority of Payments in the order specified therein Borrower Pre-Acceleration Priority of Payments in the order specified therein Maintenance Reserve Accumulation Amounts are due). (See "*Resources Available to the Issuer and the Borrowers – Release of Debt Service Reserve*" above.)

Cash Trap Reserve Account

The Borrower Cash Manager has sole signing rights in relation to the Cash Trap Reserve Account.

On each Reserves Adjustment Date on which a DSCR Trigger or LLCR Trigger has occurred and is continuing, the Borrower Cash Manager will, subject to available funds, transfer amounts standing to the credit of the Receivable Bank Account to the Cash Trap Reserve Account, subject to and in accordance with the provisions of the Borrower Cash Management Agreement (including, without limitation, the Borrower Pre-Acceleration Priorities of Payments).

If, on the immediately preceding Financial Covenant Calculation Date, the Forecast states that the DSCR Target Condition has been met in respect of a DSCR Trigger (if any), the LLCR Target Condition has been met in respect of an LLCR Trigger (if any) and:

- (a) no other DSCR Trigger or LLCR Trigger has occurred and is continuing; and
- (b) no Loan Event of Default has occurred and is continuing,

then the Borrower Cash Manager will be required, on or before the next following Loan Interest Payment Date, to transfer an amount equal to the amount of principal, interest and any other amounts due in respect of the Loan on such Loan Interest Payment Date (or, in the event that there is a shortfall, the balance standing to the credit of the Cash Trap Reserve Amount, excluding any Right to Buy Termination Amounts) from the Cash Trap Reserve Account (excluding any Right to Buy Termination Amounts) to the Receivable Bank Account.

For the avoidance of doubt, each such amount so transferred will be applied in accordance with the Borrower Pre-Acceleration Priority of Payments on the Loan Interest Payment Date immediately following such transfer or, if a Borrower Acceleration Notice is served after such transfer but before such Loan Interest Payment Date, in accordance with the Borrower Post-Acceleration Priority of Payments.

Furthermore, if on any date after the occurrence of a Loan Event of Default, an administrator, administrative receiver or receiver and manager of one or more OpCo Borrowers has been appointed under the terms of the Borrower Deed of Charge and remains appointed (for these purposes, a "**Representative**"), such Representative shall be entitled to instruct the Borrower Cash Manager to use funds standing to the credit of the Cash Trap Reserve Account in or towards payment of any operating expenses it deems necessary or desirable, if and to the extent that such payment is required to preserve the assets of such OpCo Borrower.

Maintenance Reserve Account

On each Maintenance Reserve Accumulation Date, an amount equal to the Maintenance Reserve Accumulation Amount will, to the extent of available funds, be transferred by the Borrower Cash Manager from the Receivable Bank Account to the Maintenance Reserve Account in accordance with and subject to the Borrower Pre-Acceleration Priority of Payments.

In certain circumstances, on the Calculation Date falling on 20 February 2035, the amount standing to the credit of the Maintenance Reserve Account will be released to Receivable Bank Account.

Otherwise, amounts standing to the credit of the Maintenance Reserve Account may only be applied in or towards paying the Replacement Cost.

For each of the above releases, see "*Resources Available to the Issuer and the Borrowers – Release of Maintenance Reserve*" above.

Insurance and Compensation Account

Each Borrower shall ensure that all Insurance Proceeds (other than Insurance Proceeds payable under or in respect of third party liability Insurance and business interruption Insurance) and Compensation Proceeds and Right to Buy Termination Amounts received by it are paid directly into the Insurance and Compensation Proceeds Account.

Distribution Account

If no Loan Event of Default is continuing the Parent Borrower may pay any amounts that are to be declared or paid as Distributions into the Distribution Account, to the extent that there are sufficient funds available for this purpose in accordance with the operation of the Borrower Pre-Acceleration Priority of Payments. The Parent Borrower may not withdraw any amounts standing from the Receivable Bank Account to the credit of the Distribution Account unless all of the Distribution Conditions (as specified in the Borrower Loan Agreement have been satisfied).

If a Loan Event of Default has occurred and is continuing (and without prejudice to the other restrictions on the Borrowers contained in the Borrower Transaction Documents):

- (i) the Parent Borrower may not withdraw or request the withdrawal of any amount from the Distribution Account; and
- (ii) the Borrower Security Trustee (or the Borrower Cash Manager acting on its behalf) may instruct the Borrower Account Bank to make withdrawals from, and apply amounts standing to the credit of, the Distribution Account for any purpose for which moneys in any Borrower Account may be applied.

Subject to the above, the Parent Borrower has sole signing rights in relation to the Distribution Account and may withdraw amounts standing to the credit of, and operate, the Distribution Account at any time.

Parent General Account

Each Borrower has agreed to ensure that any amount received by it, other than an amount required to be paid into any other Borrower Account under the Borrower Loan Agreement, is paid into its General Account.

If no Loan Event of Default is continuing (and without prejudice to the other restrictions on the Borrowers contained in the Borrower Transaction Documents), the Parent Borrower will, no later than the fifth Business Day before each Calculation Date, subject to available funds, transfer amounts standing to the credit of the Parent General Account to the Receivable Bank Account, subject to retention of a reasonable amount to cover the Parent Borrower's operating expenses for the following Loan Interest Period, such amount not to exceed the amount provided for operating expenses in the Operating Budget, plus a contingency amount of up to 5 per cent. of such operating expenses amount.

If a Loan Event of Default is continuing:

- (a) no Borrower may withdraw or request the withdrawal of any amount from the Parent General Account; and

- (b) the Borrower Security Trustee (or the Borrower Cash Manager acting on its behalf) may make withdrawals from, and apply amounts standing to the credit of, a Parent General Account for any purpose for which moneys in any Borrower Account may be applied including the transfer of funds to the Receivable Bank Account pursuant to clause (a) above as if no Loan Event of Default had occurred.

OpCo General Account

If no Loan Event of Default is continuing and without prejudice to the other provisions of this Agreement and the other Borrower Transaction Documents, each OpCo Borrower will, no later than the fifth Business Day before each Calculation Date, subject to available funds, transfer amounts standing to the credit of its OpCo General Account to the Receivable Bank Account, subject to retention of a reasonable amount to cover such OpCo Borrower's operating expenses for the following Loan Interest Period, such amount not to exceed the amount provided for operating expenses in the Operating Budget, plus a contingency amount of up to 5 per cent. of such operating expenses amount;

If a Loan Event of Default has occurred and is continuing:

- (a) no OpCo Borrower may withdraw or request the withdrawal of any amount from its OpCo General Account; and
- (b) the Borrower Security Trustee (or the Borrower Cash Manager acting on its behalf) may instruct the General Account Bank to make withdrawals from, and apply amounts standing to the credit of, the OpCo General Accounts for any purpose for which moneys in any Borrower Account may be applied including the transfer of funds to the Receivable Bank Account pursuant to the above as if no Loan Event of Default had occurred.

Authorised Investments

From time to time, the Borrower Cash Manager shall, pursuant to instructions from the Parent Borrower, or the Borrower Agent acting on their behalf, invest amounts standing to the credit of the Debt Service Reserve Account, the Maintenance Reserve Account and the Cash Trap Reserve Account in Authorised Investments.

"Authorised Investment" means:

- (a) the Specified Authorised Investment and Replacement Specified Authorised Investments;
- (b) sterling gilt edged securities; or
- (c) sterling demand or time deposits, certificates of deposit and short term debt obligations (including commercial paper),

provided that:

- (i) in the case of Authorised Investments to be made using amounts standing to the credit of the Debt Service Reserve Account or the Cash Trap Reserve Account, such investments have a maturity date falling no later than the next following Loan Interest Payment Date (provided that where such investment is to be made by a Borrower from moneys standing to the credit of a Borrower Account, such investments may mature, and the proceeds in relation thereto may be credited to the relevant Borrower Account, on a date falling after the next succeeding Loan Interest Payment Date but not more than six months from the date on which such investment is made, where immediately following the making of such investment the aggregate of the cash balance of the relevant Borrower Account and the proceeds scheduled to be repaid pursuant to any Authorised Investments made

using monies standing to the credit of such Borrower Account which mature on or before the next succeeding Loan Interest Payment Date would be greater than or equal to such amount as is due and payable from such Borrower Account on the next succeeding Loan Interest Payment Date);

- (ii) in the case of Authorised Investments to be made using amounts standing to the credit of the Maintenance Reserve Account, such investments may be redeemed at the option of the relevant Borrower upon not more than five Business Days' notice without the incurrence by such Borrower of any additional cost or penalty;
- (iii) in all cases, the short-term unsecured, unguaranteed and unsubordinated debt obligations of the issuing or guaranteeing entity or the entity with which the demand or time deposits are made (being an authorised institution under the Financial Services and Markets Act 2000) are rated at the time of investment at least P-1 (short term) and A3 (long-term) by Moody's and A-1 (short term) and A- (long-term) by S&P; and
- (iv) in all cases, interest thereon is payable without withholding or deduction for or on account of tax.

Loan Events of Default

The Borrower Loan Agreement contains standard events for a full recourse facility that may lead to a default and acceleration of amounts outstanding (each a "**Loan Event of Default**").

These include, among others:

- (a) non-payment by a Borrower on the due date of any amount payable pursuant to a Borrower Transaction Document at the place and in the currency in which it is expressed to be payable unless, other than in relation to payments into the Cash Trap Reserve Account, the Maintenance Reserve Account and the Debt Service Reserve Account:
 - (i) its failure to pay is caused by:
 - (A) administrative or technical error; or
 - (B) a Disruption Event; and
 - (ii) payment is made within:
 - (A) (in the case of paragraph (a)(i)(A) above) five Business Days of its due date; or
 - (B) (in the case of paragraph (a)(i)(B) above) ten Business Days of its due date.
- (b) any representation made by a Borrower, the Borrower Agent or the Parent HoldCo in the Borrower Transaction Documents or any other document delivered by or on behalf of any Borrower or, as applicable, the Borrower Agent under or in connection with any Borrower Transaction Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made unless remedied within 30 Business Days (or such longer period as the Controlling Party may permit) of the earlier of (i) the Facility Agent giving notice to the Borrower Agent and (if applicable) the relevant Borrower and (ii) the Borrower Agent or, if applicable, the relevant Borrower becoming aware of the failure to comply;

- (c) any Financial Indebtedness owed by any Group Entity is: (i) not paid when due, nor within any originally applicable grace period; (ii) declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); (iii) or any commitment for any Financial Indebtedness given by any Group Entity is cancelled or suspended by a creditor as a result of an event of default (however described); or (iv) any creditor of any Group Entity becomes entitled to declare any Financial Indebtedness owed by any Group Entity due and payable prior to its specified maturity as a result of an event of default (however described). No Loan Event of Default will occur if such Financial Indebtedness is less than £50,000 or if such Financial Indebtedness is Subordinated Debt which is subordinated to all Debt Service in accordance with the Borrower Subordination Deed, or is owed by a Borrower to another Borrower;
- (d) a borrower does not comply with any provision of the Transaction Documents (other than those referred to under paragraph (a) above, and such failure to comply causes or is reasonably likely to cause a Material Adverse Effect, unless such failure is remedied within 30 Business Days (or such longer period as the Controlling Party may permit) of the earlier of (i) the Controlling Party giving notice to the Borrower Agent and (if applicable) the relevant Borrower and (ii) the Borrower Agent or, if applicable, the relevant Borrower becoming aware of the failure to comply;
- (e) any Group Entity becomes subject to insolvency proceedings or is unable to pay its debts as they fall due, suspends or threatens to suspend making payments on any of its debts or, because of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors (other than a Finance Party, with respect to amounts owing to it under the Transaction Documents) with a view to rescheduling any of its indebtedness;
- (f) any expropriation, attachment, sequestration, execution or other enforcement action affects any asset or assets of a Group Entity having an aggregate value of £500,000 and is not discharged within 21 days, unless such process is frivolous or vexatious or contested in good faith and is discharged, stayed or dismissed within 21 days of commencement;
- (g) an OpCo Borrower not being or ceasing to be a fully-owned subsidiary of the Parent Borrower;
- (h) the Parent Borrower is not or ceases to be a wholly-owned Subsidiary of Parent HoldCo other than in accordance with the Borrower Transaction Documents;
- (i) it becomes unlawful for a Borrower to perform any of its obligations under the Transaction Documents;
- (j) any material part of any one of the PV Sites is compulsorily purchased or the applicable local authority makes an order for the compulsory purchase of all or any material part of any PV Site or if all or substantially all of the assets, or all or any shares of, a Group Entity in circumstances which would or could reasonably be expected to have a Material Adverse Effect, are nationalised, expropriated (lawfully or unlawfully), compulsorily acquired, taken, confiscated or seized, (including by a regulatory act), in each case, without compensation, by any government or any other governmental or public sector agency or body;
- (k) any material or large part of the PV Sites, PV Site Assets or PV Site Leases is destroyed or damaged and in the reasonable opinion of the Controlling Party, taking into account the amount and timing of receipt of the proceeds of insurance effected in accordance with the terms of this Agreement, the destruction or damage has or is reasonably expected to have a Material Adverse Effect;

- (l) on any Loan Interest Payment Date, the financial covenants, being the Debt Service Cover Ratio as at each Loan Interest Payment Date not being less than 1.1:1.0; and the Loan Life Cover Ratio as at each Loan Interest Payment Date not being less than 1.1:1.0, are not satisfied;
- (m) any corporate action, legal proceedings or other procedure or step is taken in relation to any Group Entity being any of, a suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise), a composition, compromise, assignment or arrangement with any creditor of any Group Entity as a result of such Group Entity encountering financial difficulties, the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any Group Entity or any of its assets, or enforcement of any Security Interest over any assets of any Group Entity, or any analogous procedure or step is taken in any jurisdiction. This shall not apply in cases where, in the reasonable opinion of the Facility Agent, the application for administration or winding-up petition is frivolous or vexatious or contested in good faith and is discharged, stayed or dismissed within 21 days of commencement;
- (n) a Borrower or the Borrower Agent repudiates a Borrower Transaction Document or evidences an intention to repudiate a Borrower Transaction Document;
- (o) in relation to Borrower Material Contracts a Borrower does not (excluding EPC Contracts): (A) comply with any material provision or repudiates or evidences an intention to repudiate a Borrower Material Contract; (B) the material obligations of a Borrower under any Borrower Material Contract are not or cease to be legal, valid, binding and enforceable; (C) a representation or warranty given by a Borrower under any Borrower Material Contract to which it is party is incorrect; (D) a Borrower Material Contract is terminated (otherwise than as permitted and subject to any applicable Direct Agreement); and such action has or is reasonably expected to have a Material Adverse Effect, but no Loan Event of Default under paragraphs (A), (C) or (D) will occur if:
 - (i) liquidated damages or compensation is the prescribed remedy for the failure to comply, breach of warranty or misrepresentation under, or termination of, the relevant Borrower Material Contract and the required amount of liquidated damages or compensation is paid by the relevant party within the period provided for in the relevant Borrower Material Contract; and
 - (ii) the relevant Borrower is in compliance with its obligations in relation to Insurance Proceeds or Compensation Proceeds and the Borrower Accounts to the extent applicable to such liquidated damages or compensation, but no Loan Event of Default will occur under paragraphs (A) or (D) will occur if:
 - (iii) the failure to comply is capable of remedy and is remedied to the Facility Agent's reasonable satisfaction within the cure period provided for in the relevant Borrower Material Contract; or
 - (iv) within 30 Business Days of the occurrence of such events and circumstances, the relevant Borrower Material Contract is replaced by another agreement or agreements with the same person or any other person or persons, in each case, reasonably acceptable to the Facility Agent;
- (p) any Borrower Security Document is not in full force and effect or does not create in favour of the Borrower Security Trustee or the Finance Parties the Security Interests which it is expressed to create with the ranking and priority it is expressed to have;

- (q) any claim, litigation, dispute, arbitration or administrative proceeding (not being of a frivolous or vexatious nature) of or before any court, arbitral body, agency or other Competent Authority is started or threatened in writing against a Borrower which, if adversely determined, could reasonably be expected to have, a Material Adverse Effect;
- (r) any Insurance is not, or ceases to be, in full force and effect at any time when it is required to be in effect or any insurer avoids or suspends, or becomes entitled to avoid or suspend, any Insurance or any claim under it or otherwise to reduce its liability under any Insurance or any insurer of any Insurance is not bound, or ceases to be bound, to meet its obligations in full under any Insurance; or any insurer of any Insurance ceases or threatens to cease to pay its debts as they fall due, unless the relevant Borrower has put in place, within 30 days (or such longer period as the Facility Agent may permit) of such events and circumstances replacement insurance(s) which comply with the requirements of the Borrower Loan Agreement or if they would not result in a Material Adverse Effect;
- (s) a Borrower does not have, or ceases to have, title to or the right to possess and its PV Site, any buildings or fixtures on the relevant PV Site or any easements, wayleaves, or rights of access, use, possession, occupation and cabling necessary to continue to operate the PV Sites in the manner envisaged by the PV Site Leases and in accordance with the Borrower Transaction Documents and the Borrower Material Contracts to which it is a party and such a loss of rights (whether alone or in aggregate) will or is reasonably likely to result in a Material Adverse Effect;
- (t) a Borrower abandons operation of a PV Site or a number of PV Sites which would or is reasonably likely to result in a Material Adverse Effect;
- (u) the operation of a PV Site or any substantial part of a PV Site is suspended (other than in accordance with the Borrower Transaction Documents) for (i) a continuous period of 60 days; or (ii) three or more periods which in aggregate exceed 90 days in any 12 month period provided that no Loan Event of Default shall occur to the extent that the Borrower receives or is entitled to receive payments under the Borrower Material Contracts and/or Insurance Proceeds during such period of suspension or if such a suspension would not or it is reasonably likely that it would not cause a Material Adverse Effect;
- (v) a Borrower receives any lawful notification from any Competent Authority requiring it to cease or suspend operation of a PV Site or a number of PV Sites or the business of that Borrower or any substantial part of its PV Site or PV Sites or business for a continuous period exceeding 30 days and such an action would or is reasonably likely to result in a Material Adverse Effect;
- (w) any one or more events occur or circumstances arise which, in the opinion of the Facility Agent (acting reasonably), has or could reasonably be expected to have a Material Adverse Effect; and
- (x) on or before the date specified in the Borrower Loan Agreement, the Borrowers shall ensure that they provide the Facility Agent (acting on the instructions of the Controlling Party) with all documents and other evidence listed as conditions subsequent deliverables.

For these purposes, "**Disruption Event**" means either or both of:

- (a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the facility granted under the Borrower Loan Agreement (or otherwise in order for the transactions contemplated by the Transaction Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the parties to the Borrower Loan Agreement (the "**BLA Parties**"); or

- (b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a BLA Party preventing that, or any other BLA Party:
 - (i) from performing its payment obligations under the Transaction Documents; or
 - (ii) from communicating with other BLA Parties in accordance with the terms of the Transaction Documents,and which (in either such case) is not caused by, and is beyond the control of, the BLA Party whose operations are disrupted.

The occurrence of certain Loan Events of Default (including those described in paragraphs (h) and (i) above) are, in certain circumstances, limited by a materiality provision.

If a Loan Event of Default occurs and is continuing, the Facility Agent shall (only if so directed by the Controlling Party), by notice to the Borrower Agent (copied to the other Finance Parties and the Parent HoldCo) (a "**Borrower Acceleration Notice**"), (a) immediately cancel the commitment; (b) declare that all or part of the Loan, together with accrued interest, and all other amounts accrued or outstanding under the Transaction Documents, be immediately due and payable, whereupon they shall become immediately due and payable; (c) declare that all or part of the loan may become payable on demand; (d) exercise (or direct the Borrower Security Trustee to exercise) any of its rights under the Transaction Documents; (e) declare that no withdrawals be made from any Borrower Account; and/or (f) take any steps contemplated in any Direct Agreement.

In each of these circumstances, there will not be an automatic event of default under the Notes.

In the Borrower Loan Agreement, and these Listing Particulars, a "**Default**" is a Loan Event of Default or any event or circumstance specified above or in the Borrower Loan Agreement which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Transaction Documents or any combination of the foregoing) be a Loan Event of Default (provided that, where such Loan Event of Default or such event or circumstance is subject to a materiality condition or threshold, no Default will be deemed to have occurred unless such materiality condition is satisfied or such threshold is reached).

Facility Agent

Pursuant to the Borrower Loan Agreement, each of the Issuer, the Borrower Security Trustee and the Controlling Party has appointed the Facility Agent to act as its agent under and in connection with the Transaction Documents. Each such party has authorised the Facility Agent to exercise the rights, powers, authorities and discretions specifically given to the Facility Agent under or in connection with the Transaction Documents, together with any other incidental rights, powers, authorities and discretions.

Subject to the provisions of the Borrower Loan Agreement, the Facility Agent shall:

- (a) promptly seek instructions from the Controlling Party in relation to any exercise any right, power, authority or discretion vested in it as Facility Agent and act in accordance with any instructions given to it by the Controlling Party (or, if so instructed by the Controlling Party, refrain from exercising any right, power, authority or discretion vested in it as Facility Agent); and
- (b) in the absence of instructions from the Controlling Party, not exercise any right, power, authority or discretion vested in it as Facility Agent pursuant to any Borrower Transaction Document;

- (c) not be liable for any act (or omission) if it acts (or refrains from taking any action) in accordance with an instruction of the Controlling Party; and
- (d) in the absence of any instructions from the Controlling Party, not be liable for any failure to act or failure to exercise any right, power, authority or discretion vested in it pursuant to any Borrower Transaction Document.

The Facility Agent shall be entitled (but not obliged) to make, grant or take any amendment, waiver, action or consent without seeking or obtaining the consent of the Controlling Party if such matter relates solely to: (i) the signing of Borrower Deeds of Accession; (ii) amendments, waivers or actions that the Facility Agent reasonably believes to be of a purely mechanical or clerical nature; (iii) the correction of manifest errors; or (iv) other decisions, consents, amendments, directions, waivers or any right that the Borrower Transaction Documents expressly state may be made by the Facility Agent without consent of the Controlling Party.

Borrower Agent

The Borrowers appoint the Borrower Agent to act as their agent, on their behalf, to perform any act, exercise any discretion or receive any notice or information, as agent of and on behalf of all of the Borrowers and the Borrower Agent shall be deemed to represent to the Finance Parties that it is doing so with the authority and knowledge of the Borrowers, (the "**Borrower Agent**").

Upon the request of the Noteholder Representative, and not more than once in every 12 calendar month period, the Borrower Agent will attend a meeting with the Noteholder Representative and procure that at least two directors of the Sponsors attend the meeting.

"**Sponsors**" means Armstrong Energy Income Limited.

Governing law

The Borrower Loan Agreement and any non-contractual obligations arising out of it are governed by English law.

3. **Borrower Deed of Charge**

To provide security for the Borrowers' obligations under the Borrower Loan Agreement and the other Borrower Transaction Documents, the Borrowers (each a "**Chargor**") have, on the Closing Date, entered into the Borrower Deed of Charge with, among others, the Borrower Security Trustee, the Issuer Security Trustee, the Facility Agent, the Borrower Agent and the Borrower Secured Creditors. A summary of the material terms of the Borrower Deed of Charge is set out below. The summary does not purport to be complete and is subject to the provisions of the Borrower Deed of Charge.

The "**Borrower Secured Creditors**" are the Issuer, the Borrower Security Trustee, any receiver appointed by the Borrower Security Trustee pursuant to the Borrower Security Documents, the Borrower Account Bank, the Borrower Cash Manager, the Facility Agent and any party that accedes to the Borrower Deed of Charge as a secured creditor pursuant to the provisions thereof.

Borrower Security

Each Chargor has granted the following security, to be held by the Borrower Security Trustee for itself and on trust for the benefit of the Borrower Secured Creditors:

- (a) first fixed security of all of its right, title, benefit and interest, present and future, in, to and under each of the Transaction Documents to which it is a party;

- (b) a first fixed charge of all of its rights, title, benefit and interest, present and future, in, to and under each Borrower Account in which it has any right, title, benefit or interest and each other bank account (if any) in which such Borrower may at any time have or acquire any right, title, benefit or interest (in respect of which it should be noted that such charges over the General Accounts are likely to take effect as floating charges, since the relevant Borrowers will have the ability to withdraw funds from such accounts in the absence of, among other things, a Loan Event of Default);
- (c) a first fixed charge of all of all of its right, title, benefit and interest, present and future in, to and under any Authorised Investment (including, without limitation, the Specified Authorised Investment and any Replacement Specified Authorised Investment) purchased using monies standing to the credit of the Reserve Accounts; and
- (d) a first fixed charge of all other investments.

Each Chargor has also granted the following security, to be held by the Borrower Security Trustee for itself and on trust for the benefit of the Borrower Secured Creditors:

- (a) an assignment by way of first fixed security of all of its right, title, benefit and interest, present and future, in, to and under the SPAs, the O&M Contracts including any related side letters, the Power Purchase Agreements, the PV Site Leases, the Direct Agreements, the Management Services Agreement, the Asset Management Agreements, the insurance policies (the "**Specific Borrower Material Contracts**") and any side letters with the O&M contractors or any other contract designated in writing as a "Borrower Material Contract" by the Controlling Party and the Borrower Agent from time to time (each a "**Borrower Material Contract**");
- (b) by way of first fixed security of all its right, title, benefit and interest, present and future, in, to and under its insurance policies;
- (c) a first fixed charge in and to the Leasehold Property and all fixtures, fittings, plant, machinery, manuals and other chattels, all guarantees and warranties in respect of and all easements, licences and other rights relating to the Leasehold Property;
- (d) a first fixed security of all of its rights, title, benefit and interest, present and future, in and under all Equipment, present and future;
- (e) a first fixed security all of its right, title, benefit and interest, present and future, in, and under: (i) any intellectual property; (ii) any monetary claims and all rights associated with the same; (iii) any goodwill and uncalled capital; and (iv) its right, title, benefit and interest, present and future, in, to and under any manufacturers' warranties; and
- (f) an assignment by way of first fixed security in all of its right, title, benefit and interest, present and future, in, to and under (i) each of the Subordinated Agreements to which such Chargor is a party and (ii) any Subordinated Debt, in each case, including, without limitation, all rights to receive payment of any amounts which may become payable to such Chargor thereunder and all payments received by such Chargor thereunder, all rights to serve notices and/or make demands thereunder and/or to take such steps as are required to cause payments to become due and payable thereunder and all rights of action in respect of any breach thereof and all rights to receive damages or obtain relief in respect thereof and the right to receive any proceeds.

Furthermore, the Parent Borrower, with full title guarantee, charges by way of first fixed charge all of its rights, title and interest in and to the Specific Shares in favour of the Borrower Security Trustee.

In addition, each Borrower has granted to the Borrower Security Trustee, for itself and on trust for the benefit of the Borrower Secured Creditors, a first floating charge over all its assets and the undertaking which are not otherwise effectively subject to a fixed charge or assignment by way of security, as described above. From and including the date when the Facility Agent delivers a Borrower Acceleration Notice to the Borrowers, subject to any prohibition or restriction imposed by applicable law, the floating charge granted pursuant to the Borrower Deed of Charge will crystallise so as to become fixed charges.

Security which is expressed to be fixed in nature may take effect as floating security depending on the degree of control which the secured party is given over the relevant assets and the degree to which the secured party actually exercises such control.

Furthermore, the Chargors acknowledge and consent to the proposed assignments by way of security as contemplated as a condition subsequent under the Borrower Loan Agreement and in substantially the form of the Parent HoldCo Charge over Subordinated Debt, whereby the Parent HoldCo will assign absolutely, by way of security for the payment and performance of the Borrower Secured Obligations, to the Borrower Security Trustee all its right, title, benefit and interest under the Subordinated Agreements to which it is party and any Subordinated Debt to which it is entitled, including, without limitation, (i) all rights to receive payment of any amounts which may become payable to Parent HoldCo, (ii) all payments received by the Parent HoldCo and (iii) all rights to serve notices and/or make demands and (iv) and all rights to take such steps as are required to cause payments to become due and payable (v) all rights of action in respect of any breach (vi) all rights to receive damages or obtain relief and (viii) the proceeds of any of the foregoing.

Enforcement

The Borrower Deed of Charge sets out the circumstances upon which and the procedures by which the Borrower Security Trustee may take steps to enforce the Borrower Security granted pursuant to the Borrower Deed of Charge. Such security will become immediately enforceable, and the power of sale and other powers shall be exercisable by the Borrower Security Trustee, at any time following the delivery by the Facility Agent of a Borrower Acceleration Notice to the Borrower Agent.

However, the Borrower Deed of Charge provides that, for so long as the Loan is outstanding, the Borrower Security Trustee will not, and will not be bound to, take any steps to enforce the Borrower Security unless it has been directed to do so by the Issuer Security Trustee, acting in accordance with the provisions of the Issuer Deed of Charge, and it has been indemnified and/or secured and/or prefunded to its satisfaction against all liabilities which may be incurred by it in connection with such enforcement.

Borrower Post-Acceleration Priority of Payments

Following the delivery by the Facility Agent of a Borrower Acceleration Notice to the Borrower Agent, all monies paid to or received or recovered by or on behalf of the Borrowers or the Borrower Security Trustee or any receiver appointed on its behalf will (if not already received by the Borrower Security Trustee) be paid to and held by the Borrower Security Trustee on trust to apply the same (save to the extent required otherwise by applicable law) in accordance with the Borrower Post-Acceleration Priority of Payments. See further "*Resources available to the Issuer and the Borrowers – Borrower Post-Acceleration Priority of Payments*".

Delegation by the Borrower Security Trustee

The Borrower Deed of Charge provides that the Borrower Security Trustee may, whenever it thinks expedient in the interests of the Borrower Secured Creditors, delegate to any person or persons all or any of the trusts, rights, powers, duties, authorities and discretions vested in it by the Borrower Deed of Charge or any of the other Transaction Documents. Any such delegation may

be made upon such terms and conditions and subject to such regulations (including power to sub-delegate) as the Borrower Security Trustee may think fit in the interests of the Borrower Secured Creditors. The Borrower Security Trustee is required to exercise reasonable care in the selection of such delegate, but will not be bound to supervise the proceedings of, or be responsible for any loss, costs, liability or expenses incurred by any misconduct or default on the part of, such delegate.

No enforcement by Borrower Secured Creditors

Pursuant to the terms of the Borrower Deed of Charge, each of the Borrower Secured Creditors (other than the Borrower Security Trustee and any receiver) has agreed that only the Borrower Security Trustee may enforce the security created by the Borrower Deed of Charge.

Modification and waiver

The Borrower Deed of Charge provides that the Borrower Security Trustee may, without the consent of any of the Borrower Secured Creditors:

- (a) concur with any person in making or sanctioning any modification or amendment to any of the Transaction Documents, provided that the Borrower Security Trustee is of the opinion that such modification would not be materially prejudicial to the interests of the Borrower Secured Creditors or which, in the Borrower Security Trustee's opinion, is made to correct a manifest error or is of a formal, minor or technical nature or an error established as such to the satisfaction of the Borrower Security Trustee; and
- (b) authorise or waive, on such terms and conditions (if any) as shall seem expedient to it, any proposed or actual breach of any of the covenants or provisions contained in or arising pursuant to any of the Transaction Documents.

Any such modification, authorisation or waiver will be binding on the Borrower Secured Creditors.

Directions of Issuer Security Trustee

The Borrower Deed of Charge provides that, when exercising its opinion and/or rights, benefits, power, trusts, authorities, discretions and obligations expressed to be granted by the Borrower Deed of Charge, the other Transaction Documents or by operation of law, the Borrower Security Trustee will, for so long as the Loan is outstanding, act only at the request or in accordance with the directions of the Issuer Security Trustee to the Borrower Security Trustee. The Borrower Deed of Charge further provides that the Borrower Security Trustee will not be bound to act unless it is first indemnified and/or secured and/or prefunded to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all liabilities which it may incur by acting upon such request or directions.

Fees, expenses and indemnity

Pursuant to the Borrower Deed of Charge, the Borrowers are required:

- (a) to pay to the Borrower Security Trustee an annual fee of such amount and on such Loan Interest Payment Dates as shall from time to time be agreed by the Borrowers and the Borrower Security Trustee;
- (b) to pay all other costs, charges and expenses (including legal and travelling expenses) (against production of invoices) which the Borrower Security Trustee or any persons appointed by it under the Borrower Deed of Charge may properly incur in connection with the Borrower Deed of Charge; and

- (c) to indemnify the Borrower Security Trustee and any receiver, attorney, manager, agent or delegate or other person appointed by it under the Borrower Deed of Charge in respect of all liabilities incurred by it in connection with:
 - (i) investigating any event which the Borrower Security Trustee, any party permitted to instruct the Borrower Security Trustee under the Borrower Deed of Charge or the Controlling Party reasonably believes is a Loan Event of Default or potential Loan Event of Default;
 - (ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
 - (iii) the execution of any of its trusts, powers, authorities and discretions hereunder or its functions in connection with its appointment under the Borrower Deed of Charge; or
 - (iv) any other matter or thing done or omitted in any way relating to the Borrower Deed of Charge and any of the other Transaction Documents to which the Borrower Security Trustee is a party,

save where the same arises as a result of the fraud, gross negligence or wilful default by such indemnified person.

Retirement and removal

Subject to the appointment of a successor security trustee, the Borrower Security Trustee is, pursuant to the Borrower Deed of Charge, entitled to retire after giving three months' notice in writing to the Borrowers. If within 60 days of having given notice of its intention to retire, the Borrower Agent has failed to appoint a replacement security trustee, the outgoing Borrower Security Trustee will be entitled to appoint its successor. The Borrower Agent may remove the Borrower Security Trustee or appoint a new Borrower Security Trustee by giving not less than three calendar months' prior written notice to the Chargors, provided the Borrower Agent has the approval, which must not be unreasonably withheld or delayed, of the Issuer Security Trustee (who must consult with the Borrower Secured Creditors) and is not obliged to provide such notice in the event that the Borrower Security Trustee is in breach of any of its obligations under the Borrower Deed of Charge or an event has occurred which would prevent the Borrower Security Trustee from performing its duties and obligations under the Borrower Deed of Charge. If U.S. Bank Trustees Limited retires or is removed as Issuer Security Trustee under the Issuer Deed of Charge or if U.S. Bank Trustees Limited retires or is removed as Note Trustee under the Trust Deed, then U.S. Bank Trustees Limited, in its capacity as Borrower Security Trustee, will be required to retire at the same time as the Issuer Security Trustee or, as applicable, the Note Trustee. In each case, the successor Borrower Security Trustee, the successor Issuer Security Trustee and the successor Note Trustee will be the same person or persons. In addition, the Borrower Security Trustee may, subject to conditions specified in the Borrower Deed of Charge, appoint a co-trustee to act jointly with it.

Additional provisions of the Borrower Deed of Charge

The Borrower Deed of Charge also contains a range of provisions limiting the scope of the Borrower Security Trustee's duties and liabilities. Without limitation, the Borrower Deed of Charge provides:

- (a) that the Borrower Security Trustee may rely on the advice of any lawyer, banker, valuer, surveyor, securities company, broker, auctioneer, accountant or other expert in the United Kingdom or elsewhere, howsoever obtained;

- (b) that the Borrower Security Trustee is not responsible for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or suitability of any of the Transaction Documents or any security;
- (c) that the Borrower Security Trustee may act or rely on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
- (d) that the Borrower Security Trustee may assume that no Loan Event of Default or potential Loan Event of Default has occurred and that each Borrower is observing and performing all its obligations under the Borrower Loan Agreement, unless the Borrower Security Trustee has actual knowledge or express notice to the contrary;
- (e) that the Borrower Security Trustee is not required to monitor or supervise the performance or observance by any Borrower or any other party of the provisions of the Transaction Documents;
- (f) that the Borrower Security Trustee has full power to determine all questions and doubts arising in relation to any of the provisions of the Borrower Deed of Charge and the other Transaction Documents and that every such determination shall be conclusive and binding on the Borrower Secured Creditors;
- (g) that each Borrower Secured Creditor will be solely responsible for making its own independent appraisal of and investigation into the financial condition, creditworthiness, affairs, status and nature of any Borrower and that the Borrower Security Trustee will not at any time have any responsibility for the same;
- (h) that the Borrower Security Trustee will not be liable or responsible for any loss, cost, damage, expense or inconvenience which may result from anything done or omitted to be done by it under the Borrower Deed of Charge or under any of the other Transaction Documents, except in the case of any gross negligence, wilful default or fraud of which the Borrower Security Trustee may be guilty in relation to its duties under the Borrower Deed of Charge or under any other Transaction Document; and
- (i) that the Borrower Security Trustee may accept without enquiry, requisition or objection such title as a Borrower may have to the Borrower Charged Property or any part and will not be required to investigate or make any enquiry into or be liable for any defect or failure in the right or title of such Borrower to the Borrower Charged Property or any part thereof.

Borrower Accounts

Save as described below, pursuant to the Borrower Deed of Charge, the Borrower Account Bank has agreed not to close any or all of the Borrower Accounts or to terminate the relationship between the Borrower Account Bank and the Borrowers, unless and until all amounts due, owing or incurred by the Borrowers to each of the Borrower Secured Creditors, whether actually or contingently, have been fully repaid or discharged.

The Borrower Account Bank is, however, entitled to close any or all of the Borrower Accounts or to terminate the relationship between the Borrower Account Bank and the Borrowers upon three months' prior written notice to the other parties to the Borrower Deed of Charge, provided that on the expiry of such notice:

- (a) the Borrowers have opened replacement Borrower Accounts with an Eligible Institution approved by the Borrower Security Trustee; and
- (b) the Borrower Security Trustee is satisfied that security has been created over such new Borrower Accounts in favour of the Borrower Security Trustee for the benefit of the

Borrower Secured Creditors, such that such new Borrower Accounts are subject to security equivalent to the security granted over the Borrower Accounts that are in existence on the Closing Date.

Governing law

The Borrower Deed of Charge and any non-contractual obligations arising out of it are governed by and construed in accordance with English law.

4. Parent HoldCo Share Charge

To provide further security for the Borrowers' obligations under the Borrower Loan Agreement and the other Borrower Transaction Documents, Parent HoldCo has, on the Closing Date, entered into the Parent HoldCo Share Charge with, among others, the Borrower Security Trustee. A summary of the material terms of the Parent HoldCo Share Charge is set out below. The summary does not purport to be complete and is subject to the provisions of the Parent HoldCo Share Charge.

Security

Armstrong Energy Income Limited (the "**Parent HoldCo**"), has granted a first fixed security of all of its right, title, benefit and interest, present and future, in, to and under its shares in the Parent Borrower, (the "**Parent HoldCo Charged Shares**") to be held by the Borrower Security Trustee for itself and on trust for the benefit of the Borrower Secured Creditors.

The security over the Parent HoldCo Charged Shares will become immediately enforceable, and the power of sale and other powers shall be exercisable by the Borrower Security Trustee, either

- (a) at any time following the delivery by the Facility Agent of a Borrower Acceleration Notice to the Borrower Agent; or
- (b) if there are no Loans outstanding, following a default in payment of any other Borrower Secured Obligation on its due date or within any applicable grace period following such due date stated in the relevant Transaction Document but subject always to any limited recourse provisions stated therein and to the applicable provisions of the Borrower Deed of Charge incorporated in the Parent HoldCo Share Charge; or
- (c) upon the occurrence of a Parent HoldCo Insolvency Event with respect to Parent HoldCo.

"Parent HoldCo Insolvency Event" means, with respect to the Parent HoldCo:

- (a) any application, notice, resolution or order is made, passed or given for or in connection with the winding up, liquidation, dissolution, administration or reorganisation of such Parent HoldCo;
- (b) Parent HoldCo becomes subject to any insolvency, reorganisation, receivership (whether relating to all or some only of its assets), liquidation, dissolution or other similar proceedings, whether voluntary or involuntary and whether or not involving insolvency;
- (c) Parent HoldCo assigns all or any of its assets for the benefit of its creditors generally (or any class thereof) or enters into any composition or arrangement with its creditors generally or any arrangement is ordered or declared by a court of competent jurisdiction whereby all or any of its affairs and/or assets are submitted to the control of, or protected from, its creditors;
- (d) Parent HoldCo becomes subject to any distribution of its assets in consequence of insolvency, reorganisation, liquidation, dissolution or administration; or

- (e) any event analogous to any of the foregoing shall occur in relation to such person or any of its assets in any jurisdiction.

Limited Recourse

The Parent HoldCo Share Charge provides that the sole recourse of the Borrower Security Trustee to Armstrong Energy Income Limited in respect of obligations owed by Parent HoldCo and/or the Borrowers to the Borrower Secured Creditors (or any of them) under the Transaction Documents shall be against the Parent HoldCo Charged Shares, provided that the liability of Parent HoldCo to the Borrower Security Trustee pursuant to the Parent HoldCo Share Charge:

- (a) shall be limited in aggregate to an amount equal to the amount recovered as a result of the sale or other disposal or final realisation of the Parent HoldCo Charged Shares pursuant to completion of the enforcement of the Security Interests constituted by the Parent HoldCo Share Charge; and
- (b) upon enforcement of any such Security Interests, shall be satisfied only from the proceeds of sale or other disposal or final realisation of the Parent HoldCo Charged Shares.

Other provisions

Save as described above, the provisions of the Parent HoldCo Share Charge in relation to (among other things): (a) the application of the proceeds of enforcement; (b) the Borrower Security Trustee's right to the benefit of indemnities; (c) the Borrower Security Trustee's right to delegate; and (d) the limitations on the liability of the Borrower Security Trustee, mirror those of the Borrower Deed of Charge (as to which, see "Borrower Deed of Charge" above). In the event that the Borrower Security Trustee ceases to act as such pursuant to the terms of the Borrower Deed of Charge, it shall also cease to act as Borrower Security Trustee under the Parent HoldCo Share Charge and any successor Borrower Security Trustee under the Borrower Deed of Charge shall also act as Borrower Security Trustee under the Parent HoldCo Share Charge.

5. Parent HoldCo Charge over Subordinated Debt

To provide further security for the Borrowers' obligations under the Borrower Loan Agreement and the other Borrower Transaction Documents, Parent HoldCo will, by no later than 31 January 2016, enter into the Parent HoldCo Charge over Subordinated Debt with, among others, the Borrower Security Trustee. A summary of the material terms of the Parent HoldCo Charge over Subordinated Debt is set out below. The summary does not purport to be complete and is subject to the provisions of the Parent HoldCo Charge over Subordinated Debt.

Security

Parent HoldCo, will grant a first fixed security by way of assignment all of its right, title, benefit and interest, present and future, in, to and under (i) each of the Subordinated Agreements to which it is a party and (ii) any Subordinated Debt, in each case, including, without limitation, all rights to receive payment of any amounts which may become payable to it thereunder and all payments received by it thereunder, all rights to serve notices and/or make demands thereunder and/or to take such steps as are required to cause payments to become due and payable thereunder and all rights of action in respect of any breach thereof and all rights to receive damages or obtain relief, and the right to receive any proceeds (the "**Parent HoldCo Charge over Subordinated Debt**"), to be held by the Borrower Security Trustee for itself and on trust for the benefit of the Borrower Secured Creditors.

The security over the Parent HoldCo Charge over Subordinated Debt will become immediately enforceable, and the power of sale and other powers shall be exercisable by the Borrower Security Trustee, either

- (a) at any time following the delivery by the Facility Agent of a Borrower Acceleration Notice to the Borrower Agent; or
- (b) if there are no Loans outstanding, following a default in payment of any other Borrower Secured Obligation on its due date or within any applicable grace period following such due date stated in the relevant Transaction Document but subject always to any limited recourse provisions stated therein and to the applicable provisions of the Borrower Deed of Charge incorporated in the Parent HoldCo Charge over Subordinated Debt; or
- (c) upon the occurrence of a Parent HoldCo Insolvency Event with respect to Parent HoldCo.

The Parent HoldCo Charge over Subordinated Debt will provide that the sole recourse of the Borrower Security Trustee to Parent HoldCo in respect of obligations owed by Parent HoldCo and/or the Borrowers to the Borrower Secured Creditors (or any of them) under the Transaction Documents shall be against the Parent HoldCo Charged Property, provided that the liability of Parent HoldCo to the Borrower Security Trustee pursuant to the Parent HoldCo Charge over Subordinated Debt:

- (a) shall be limited in aggregate to an amount equal to the amount recovered as a result of the sale or other disposal or final realisation of the Parent HoldCo Charged Property pursuant to completion of the enforcement of the Security Interests constituted by the Parent HoldCo Charge over Subordinated Debt; and
- (b) upon enforcement of any such Security Interests, shall be satisfied only from the proceeds of sale or other disposal or final realisation of the Parent HoldCo Charged Property.

Other provisions

Save as described above, the provisions of the Parent HoldCo Charge over Subordinated Debt in relation to (among other things): (a) the application of the proceeds of enforcement; (b) the Borrower Security Trustee's right to the benefit of indemnities; (c) the Borrower Security Trustee's right to delegate; and (d) the limitations on the liability of the Borrower Security Trustee, will mirror those of the Borrower Deed of Charge (as to which, see "Borrower Deed of Charge" above). In the event that the Borrower Security Trustee ceases to act as such pursuant to the terms of the Borrower Deed of Charge, it shall also cease to act as Borrower Security Trustee under the Parent HoldCo Share Charge and any successor Borrower Security Trustee under the Borrower Deed of Charge shall also act as Borrower Security Trustee under the Parent HoldCo Share Charge.

6. Borrower Subordination Deed

Ranking of Debt

Pursuant to the terms of the deed of subordination (the "**Borrower Subordination Deed**"), all or any liabilities of the Borrowers to either Parent HoldCo or any other Borrower (together the "**Subordinated Creditors**") are subordinated in right of payment (the "**Subordinated Debt**") to all the monies, obligations and liabilities which are or at any time may become due to any of the Borrower Secured Creditors comprising the Borrower Secured Obligations (the "**Senior Debt**").

Payment of any amount of the Subordinated Debt is conditional upon each Borrower having irrevocably paid in full all of the Senior Debt except where: (i) the Distribution Conditions in the Borrower Loan Agreement permitting certain distribution payments if the specified conditions are met; or (ii) required pursuant to the other Transaction Documents or the relevant subordinated agreement, being any document evidencing or recording the terms of any Subordinated Debt or other Financial Indebtedness owed by a Subordinated Creditor to another Subordinated Creditor (a "**Subordinated Agreement**") the terms of which cannot be amended, waived or released without the prior written consent of the Borrower Security Trustee and the Facility Agent.

Undertakings

Under the Borrower Subordination Deed, Parent HoldCo and the Borrowers have undertaken in their individual capacities, amongst other things, not to allow any Subordinated Debt to be discharged, not to allow any Subordinated Debt to be reduced, redeemed or transferred, and not take any action which will or is reasonably likely to impair the priority intended to be achieved by the Borrower Subordination Deed.

Non-Permitted Payments

If a Subordinated Creditor receives a payment or distribution in respect of any Subordinated Debt from another Subordinated Creditor or any other source other than as allowed under the Borrower Subordination Deed or if a Subordinated Creditor receives the proceeds of any enforcement of any Security Interest against financial loss for any Subordinated Debt, save to the extent that it would be ineffective or prohibited by law, each Subordinated Creditor must in such circumstance hold the amount received by it on trust for the Borrower Secured Creditors and pay the amount promptly to the Borrower Security Trustee.

Subordination on Insolvency

If, amongst other things, any Group Entity is unable to pay its debts, suspends or threatens to suspend making payments, or commences negotiations with one or more of its creditors (other than a Finance Party) with a view to rescheduling any of its indebtedness, or if any corporate action or proceedings are taken in relation to a suspension of payments, winding-up or appointment of a liquidator or administrator, the Subordinated Debt will be subordinate in right of payment to the Senior Debt, the Borrower Security Trustee and/or Facility Agent may claim, enforce, prove for any Subordinated Debt and do anything which they see fit to recover the Subordinated Debt. Each Subordinated Creditor must at its own expense take whatever action the Borrower Security Trustee and/or the Facility Agent may require.

No Enforcement

Until the Borrower Secured Obligations have been discharged (the "**Subordinated Period**"), no Subordinated Creditor shall, amongst other things, accelerate or enforce the Subordinated Debt, or initiate insolvency or reorganisation proceedings against a Borrower.

In such circumstances, the relevant Subordinated Creditor must hold all payments received by it in respect of any Subordinated Debt on trust for the Borrower Secured Creditors, promptly pay such amount to the Borrower Security Trustee and direct the liquidator or other relevant person to do the same.

Governing Law

The Borrower Subordination Deed and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law.

6. **EPC Contracts**

Background

Each of the OpCo Borrowers has entered into at least one EPC contract with an EPC contractor. See "*Other principal contracts*" above for further details on the parties to the EPC Contracts. In most cases, the EPC contracts are for more than one solar PV installation. Save for the EPC Contract between PV Trading OpCo Borrower and Going Solar Commercial Limited dated 25 February 2011, the EPC Contracts are all in a similar form. Below is a description of the typical terms contained in the EPC Contracts.

The EPC Contracts are for the design, execution and completion of various solar PV installations. The EPC contractor agrees to complete the solar PV installations by the relevant time for completion. All of the solar PV installations are completed and operational.

Contract price

The contract price in each EPC Contract is a lump sum (as adjusted in accordance with the contract) and generally calculated at a price per kWp.

Guaranteed performance

Each EPC Contract contains provisions guaranteeing a certain level of performance of the solar PV installations. There is a performance testing regime after completion. If the guaranteed levels are not met, the EPC contractor is liable for performance liquidated damages. In most contracts, if a minimum standard is not met the OpCo Borrower has the option to either reject the works or accept them for a reduced price.

The articles and conditions of the EPC Contract between PV Trading OpCo Borrower and Going Solar Commercial Limited do not set out any performance testing regime after completion and/or the specific remedies for a failure to meet any performance guarantees.

Provisional, mid term and financial acceptance tests

All of the solar PV installations are completed. The performance and testing regime is described in the paragraphs immediately above.

Indemnities and liability of EPC contractors

There are typical indemnities from the EPC contractor in respect of liability for third party death and personal injury, and third party property damage.

Term and termination

All of the solar PV installations are completed. See the paragraph below in relation to the defects liability periods.

Defects liability period

Once the works were completed, there followed a period of at least 12 months (the "*defects liability period*" or "*maintenance period*"), during which the EPC contractor is obliged to rectify, at its cost, any defects in the works notified at completion or during this period. After the expiry of the defects liability period (which has occurred in all cases), the EPC contractor remains liable for defects in the works but is not obliged to come back and rectify them at its own cost.

At the end of the defects liability period/maintenance period, the EPC contractor is to assign manufacturing warranties for the modules and inverters to the OpCo Borrower and the OpCo Borrower's rights shall then be against the manufacturer and not the EPC contractor. The position in the EPC Contract between PV Trading OpCo Borrower and Going Solar Commercial Limited is that the EPC contractor's liability to PV Trading OpCo Borrower in respect of any defects in the solar panels and/or inverters for the works and/or (once it has been installed by the EPC contractor) the panel support framework (save for any defects which have only arisen through the error, omission or default of the EPC contractor in the installation of such solar panels, inverters and/or panel support framework) is limited to such amounts payable for such defects pursuant to the product guarantees that are to be provided by the applicable key sub-contractors/suppliers under the EPC Contract or their respective supply contracts in respect of same.

Liability of the EPC contractor

EPC Contracts other than PV Trading OpCo Borrower and Going Solar Commercial Limited

The EPC Contracts contain limitations on the EPC contractor's liability. These are by reference to either a monetary value or a percentage of the contract price. There are typical exclusions from the limitations on liability, for example, for liability for death and personal injury, fraud, fraudulent misrepresentation and wilful default and certain third party indemnities. There is no exclusion of liability for any liability where and to the extent the EPC contractor makes recovery from its insurances or where the EPC contractor should have made such recovery.

Subject to certain exceptions, each EPC Contract also includes a provision preventing recovery by the parties of certain specified losses, such as those for loss of goodwill; loss of business; loss of business opportunity; loss of anticipated saving; loss or corruption of data or information; loss of profit; or special, indirect or consequential damage suffered by the other party.

PV Trading OpCo Borrower and Going Solar Commercial Limited EPC Contract

For the EPC Contract between PV Trading OpCo Borrower and Going Solar Commercial Limited the Contractor's total aggregate liability (save in respect to death or personal injury caused by the Contractor's negligence) is subject to a cap and the liabilities of the Contractor that are met out of any insurance proceeds shall not be taken into account in determining when this cap is exceeded. Delay liquidated damages are within the limitation on liability.

Governing Law

The EPC Contracts are all governed and construed in accordance with English law.

7. **O&M Contracts**

Background

Save as set out at "*Other principal contracts*" above, each OpCo Borrower has entered into at least one O&M Contract, pursuant to which the O&M contractor agrees to operate and maintain the solar PV installations. In most cases, the O&M Contracts are for more than one solar PV installation. The O&M Contracts are all in a similar form. Below is a description of the typical terms contained in the O&M Contracts.

Service fee

There is an annual service fee, usually on a per kWp basis. The fee is typically subject to indexation (although sometimes limited to increases only). In some O&M Contracts there is a price review mechanism.

The fee is payable quarterly in arrears.

Guaranteed performance

The O&M contractor is responsible for remedying system failures, where the actual output is less than 90% of the expected output. There are a limited number of events outside of the O&M contractor's control which are carved out from the definition of a system failure.

The cost of all work and parts necessary to correct a system failure shall be borne by the O&M contractor save where it is due to a defective module or inverter, in which case the O&M contractor is required to make best efforts to claim under the manufacturer's warranty and the O&M contractor may use any funds received from the manufacturer to offset the O&M contractor's costs in remedying a system failure.

If the O&M contractor fails to remedy a system failure, the OpCo Borrower may elect to appoint a third party to rectify the system failure. The O&M contractor is required to pay the cost incurred in appointing and employing an alternative contractor and any resulting loss of revenue incurred by the OpCo Borrower as a result of the system failure on demand.

The O&M contractor is responsible for ensuring that each solar PV installation meets or exceeds the Minimum Acceptable Service Level from the date of the Final Certification for that solar PV installation for the term. For these purposes, "**Minimum Acceptable Service Level**" refers to the O&M contractor's obligation to (i) not have more than 2 system failures; (ii) have an average response time for a system failure within a specified number of days; and (iii) make a visit to any system failure and report to the relevant OpCo Borrower with corrective actions within a specified number of days.

If the O&M contractor fails to meet the Minimum Acceptable Service Level, the OpCo Borrower may terminate the agreement or offer part of the services to a third party and the parties are required to make best efforts to agree a revised contract price reflecting the reduced scope of services to be performed by the O&M contractor. The O&M Contract between UK Green Power Generation OpCo Borrower and Solar Monitoring and Maintenance Limited dated 10 January 2013 does not contain the right to offer services to a third party.

Term and termination

The term for the O&M Contract between UK Wind Energy Generation OpCo Borrower and Ethical Power Limited expires on 8 August 2036. The terms for the other O&M Contracts are approximately 25 years for each solar PV installation, save for the O&M Contracts between Clean Power Generation OpCo Borrower, Future Energy Generation OpCo Borrower, Low Carbon and Trading OpCo Borrower, Renewable Energy Generation OpCo Borrower, Renewable Green Power OpCo Borrower, UK Green Power OpCo Borrower, UK Wind Energy Generation OpCo Borrower, PV Trading OpCo Borrower and Solar Monitoring Maintenance Limited, and the O&M Contracts between Distributed Solar Energy OpCo Borrower; UK Wind Energy Generation OpCo Borrower, Progressive Energies OpCo Borrower and Solar Capital Limited, respectively, which are all for a five year term.

All O&M Contracts contain provisions for termination as a result of O&M contractor default, OpCo Borrower default, prolonged force majeure and either party becoming insolvent, amongst other things.

Liability of the O&M contractor

The O&M contractor's total liability is limited to the amount accruing as due to the O&M contractor in the preceding six or 12 months, depending on the O&M Contract. There is no exclusion of liability for any liability where and to the extent the O&M contractor makes recovery from its insurances or where the O&M contractor should have made such recovery.

There are typical exclusions from the limitations on liability, for example, for liability for death and personal injury, and fraud and fraudulent misrepresentation.

Each O&M Contract also includes a provision preventing recovery by the parties of certain specified losses, such as those for loss of goodwill; loss of business; loss of business opportunity; loss of anticipated saving; loss or corruption of data or information; loss of profit; or special, indirect or consequential damage suffered by the other party.

Governing Law

The O&M Contracts are each governed by and construed in accordance with English law.

8. **PV Leases**

References to 'tenant' in this paragraph 7 is to the relevant OpCo Borrower being the tenant of the PV Lease.

A. Social Housing PV Leases

There are approximately 200 Social Housing PV Leases each with capacity between 2 kWp and 3.68 kWp vested in the respective tenants.

Term

The term for which the Social Housing PV Leases are granted is generally not less than 25 years, expiring in 2036 or 2037. For the most part they are leases of the airspace above various buildings providing social housing.

Security of Tenure / Renewal

The Social Housing PV Leases exclude the security of tenure provisions contained in the Landlord and Tenant Act 1954 and so do not contain a contractual right to renew the lease.

Rent

These Social Housing PV Leases generally either reserve a peppercorn rent or a percentage of the generation payment received by the tenant in respect of the PV system (excluding any income received by the tenant as a result of the export of electricity generated by the PV system to the electricity grid). The tenants are in turn generally obliged to provide electricity generated by the PV systems to the landlords of the PV Sites and their tenants free of charge, provided that the tenant may export any electricity not so used to the electricity grid.

Renewable Benefit Payments

The tenant is entitled to keep all FIT Payments for the generation and export of electricity from the PV system.

Forfeiture

The Social Housing PV Leases generally contain forfeiture rights for a breach of tenant covenants which have not been remedied within a specified period. The leases usually contain mortgagee protection provisions such that the landlord may not forfeit the Social Housing PV Lease without first affording a mortgagee opportunity to remedy the breach.

Termination Rights

Where the Social Housing PV Leases contain a landlord's termination right this is generally subject to the landlord making a compensation payment to the tenant (based on the kWp output of the PV system) which reduces during the term. Usually the Social Housing PV Leases are terminable by a mortgagee that has exercised its right to occupy the landlord's property, by reason of the landlord's default under its mortgage, in circumstances where the mortgagee is reasonably advised that the existence of the PV system is hampering the sale of the landlord's property; no compensation is payable by the mortgagee to the tenant in such circumstances. There are also certain termination rights granted to the social housing tenants in the event that they exercise their statutory right to buy their housing units from the landlord of the Social Housing PV Lease. If the PV Lease is terminated in these circumstances, the tenant generally either receives a compensation payment from the social housing tenant or the tenant can agree a sale of the PV system to the social housing tenant and a surrender of the Social Housing PV Lease.

Tenant Indemnity

If the PV equipment is damaged so that it does not generate electricity for a certain length of time, then the tenant is to compensate the landlord for the loss of electricity during this period and to indemnify it against any claims by an occupier in respect of the same.

Relocation / Removal

The landlord usually has a right to require the temporary relocation or removal of the PV system to enable it to undertake repairs and alterations to its property. In some instances, the landlord is not required to compensate the tenant, but is required to carry out the works as soon as reasonably practicable whereas in other instances, the landlord is obliged to make a compensation payment to the tenant, based on lost feed-in tariff payments, if the PV system is relocated or its use is suspended for a certain period.

Reinstatement Obligations

Usually at the end of the term or earlier termination the tenant is required to leave the PV system in situ. In some cases the tenant may be required to reinstate the premises, removing the PV system.

OpCo Borrower Indemnities

The tenant is obliged to indemnify the landlord against liabilities arising in connection with the use of the property or exercise of the rights. In some instances such liabilities are limited to those arising out of any breach of the tenant under the Social Housing PV Lease or are capped at a specified value.

Landlord obligations

The Social Housing PV Leases generally contain various obligations on the part of the landlord, intended to protect the operation of the PV Site, such as restrictions on building or planting that would shade the access of light to the PV Site.

Insurance

Where the landlord is obliged to insure its building, for the most part the tenant retains responsibility for insuring the PV Site and the PV system installed on it. The tenant must also put in place public liability insurance.

Alienation

Usually, the tenant must obtain the landlord's consent in order to charge the lease.

Termination Rights or Damage / Destruction

Should the building be destroyed or damaged and if it has not been reinstated within a set period, either party may terminate the lease. No compensation is payable to the tenant.

B. Domestic PV Leases

There are approximately 1655 Domestic PV Leases each with capacity between 2 kWp and 3.68 kWp vested in the respective tenants.

Term

The term for which the Domestic PV Leases are granted is generally not less than 25 years, expiring in 2036 or 2037. For the most part they are leases of the airspace above various domestic buildings.

Security of Tenure / Renewal

The Domestic PV Leases exclude the security of tenure provisions contained in the Landlord and Tenant Act 1954. Some of the Domestic PV Leases contain a contractual right to renew the lease.

Rent

Generally these leases reserve a nominal rent and the tenants are in turn generally obliged to provide electricity generated by the PV systems to the landlords of the PV Sites free of charge, in most cases provided that the tenant may export any electricity not so used to the electricity grid.

Renewable Benefit Payments

The tenant is usually expressly entitled to keep all FIT Payments for the generation and export of electricity from the PV system.

Forfeiture

The Domestic PV Leases generally contain forfeiture rights for a breach of tenant covenants which have not been remedied within a specified period. Some of the leases contain mortgagee protection provisions such that the landlord may not forfeit the Domestic PV Lease without first affording a mortgagee opportunity to remedy the breach. A number of the leases contain a landlord's right to forfeit the lease on the grounds of the tenant's insolvency.

Termination Rights

A number of the Domestic PV Leases contain a landlord's termination right which is subject to the landlord making a compensation payment to the tenant (with the relevant figure being expressed to be set out in the relevant Domestic PV Lease). Usually the Domestic PV Leases are terminable by a mortgagee that has exercised its right to occupy the landlord's property, generally provided that certain conditions are met, such as that the mortgagee is reasonably advised that the existence of the PV systems is hampering the sale of the landlord's property.

Relocation / Removal

The landlord usually has a right to require the temporary relocation or removal of the PV system to enable it to undertake repairs and alterations to its property and the exercise of this right is often subject to making a compensation payment to the tenant.

Reinstatement Obligations

Generally the tenant is not obliged to reinstate the premises by removing the PV system at the end of the term or earlier termination of the Domestic PV Lease unless required to do so by the landlord or mortgagee in possession (where such rights are exercisable). On termination the apparatus becomes the property of the landlord.

OpCo Borrower Indemnities

The majority of the Domestic PV Leases contain indemnities given by the tenant in favour of the landlord against certain liabilities arising in connection with the tenant's occupation of the property and the rights granted. In some instances such liabilities are limited in certain ways, such

as to those liabilities arising out of any breach of the tenant under the Domestic PV Lease and/or are capped at a specified value.

Landlord Obligations

The Domestic PV Leases generally contain various obligations on the part of the landlord, intended to protect the operation of the PV Site, such as restrictions on building or planting that would shade the access of light to the PV Site.

Insurance

Where the landlord is obliged to insure its building, for the most part the tenant retains responsibility for insuring the PV Site and the PV system installed on it.

Termination Rights or Damage / Destruction

Should the building be destroyed or damaged and it has not been reinstated within a set period, either party may terminate the lease. No compensation is payable to the tenant.

C. Commercial PV Leases

There are approximately 30 Commercial PV Leases each with capacity between 20 kWp and 500 kWp vested in the respective tenants.

Term

The term for which the Commercial PV Leases are granted is generally not less than 25 years, expiring between 2034 and 2039. For the most part they are leases of the airspace above various commercial buildings, including poultry rearing sheds. There is also a Commercial PV Lease relating to a ground-mounted PV system.

Security of Tenure / Renewal

The majority of the Commercial PV Leases exclude the security of tenure provisions contained in the Landlord and Tenant Act 1954. A number of the Commercial PV Leases contain a contractual right to renew the lease.

Rent

These leases generally reserve a nominal rent, although in some cases an additional or alternative rental payment mechanism is contained in the Commercial PV Lease based on the electrical output of the PV system. In most of the Commercial PV Leases the tenant is obliged to provide electricity generated by the PV system to the landlords of the PV Site and generally this is in return for a heavily subsidised specified fee. Where no rent is payable, the landlord does not generally pay for electricity. In relation to the leases of the poultry sheds, rent is payable by the tenant in most of the leases, however the landlord also receives free electricity. The tenant is generally permitted to export any electricity not so used by the landlord to the electricity grid.

Renewable Benefit Payments

The tenant is usually (although not always) expressly entitled to keep all FIT Payments for the generation and export of electricity from the PV system.

Forfeiture

The Commercial PV Leases generally contain forfeiture rights for non-payment of rent or a breach of tenant covenants. Less than half of the Commercial PV Leases contain mortgagee protection

provisions such that the landlord may not forfeit the lease without first affording a mortgagee opportunity to remedy the breach and some of them can be forfeited on the tenant's insolvency.

Termination Rights

A number of the Commercial PV Leases contain rights for the landlord to terminate the lease in certain circumstances, including in the event that the landlord intends to redevelop its property. Often (but not in all cases) the exercise of such rights is subject to the landlord making a compensation payment to the tenant. The figure paid generally is based on either of the following two calculations: (i) a fixed sum set out in the relevant Commercial PV Lease (which reduces during the term) multiplied by a fixed kWp or the kWp recorded at the date of termination or (ii) the net present value of the PV system multiplied by the remaining years of the lease and subject to an agreed FIT inflation and discount figure. Such payment generally decreases as the lease term passes and does not take into account any renewal rights of the tenant.

Relocation / Removal

A material proportion of the Commercial PV Leases contain rights for the landlord to require the temporary relocation or removal of the PV system to enable it to undertake repairs and alterations to its property. In some instances, the landlord is not required to compensate the tenant, but is required to carry out the works within an agreed timetable or as soon as practicable. In other instances, the impetus on the landlord to carry out the works expediently is achieved by a compensation payment, based on lost FIT income, becoming payable by the landlord if the PV system is relocated or its use is suspended for a certain amount of time.

Reinstatement obligations

Usually at the end of the term or earlier termination the tenant is required to leave the PV system in situ and the ownership of the equipment passes to the landlord. In other cases the tenant may be required to reinstate the premises, removing the PV system.

OpCo Borrower Indemnities

The majority of the Commercial PV Leases contain indemnities given by the tenant in favour of the landlord against certain liabilities arising in connection with the tenant's occupation of the property and the rights granted. In some instances such liabilities are limited in certain ways, such as to those liabilities arising out of any breach of the tenant under the Commercial PV Lease and/or are capped at a specified value.

Landlord obligations

The Commercial PV Leases generally contain various obligations on the part of the landlord, intended to protect the operation of the PV Site, such as restrictions on building or planting that would shade the access of light to the PV Site.

Insurance

The landlord is generally (but not always) obliged to insure its building and for the most part the tenant retains responsibility for insuring the PV Site and the PV system installed on it. The landlord is obliged to reinstate the building in most of the leases.

Termination rights or damage/destruction

Should the building be destroyed or damaged and if it has not been reinstated within a set period, either party may terminate the lease. No compensation is payable to the tenant.

Alienation

A small number of the leases prohibit charging or require landlord's consent to charge.

9. **Asset Management Agreements**

Background

Each OpCo Borrower has entered into an Asset Management Agreement with the Parent Borrower (as consultant), pursuant to which the Parent Borrower agrees to provide consultancy services to the OpCo Borrower. The Asset Management Agreements are all in a similar form. Below is a description of the typical terms contained in the Asset Management Agreements.

Consultancy Services

The consultancy services provided by the Parent Borrower to each OpCo Borrower include procurement and maintenance of insurance, reporting of Ofgem, billing the PPA Counterparties or FIT Licensees as appropriate in relation to electricity produced by each installation, administering O&M Contracts in relation to installations owned by each OpCo Borrower, company administration and reporting. The consultancy services will be provided by the consultant from the effective date of the Asset Management Agreement, which is the date of financial close of the Borrower Loan Agreement.

Duration

Each Asset Management Agreement continues for 23 and a half years from the effective date (the "**Minimum Period**") and upon expiry of the Minimum Period, shall renew for a period of twelve months (the "**Renewal Period**") and such renewal shall occur at the end of each Renewal Period unless such Asset Management Agreement is terminated in accordance with its terms.

Consultancy Fees

Consultancy fees are payable and are made up of an administration fee and a performance related annual management fee.

The administration fee is an annual fee, calculated as £30.55 for each kWp of baseline installed capacity of the installations owned by the contracting OpCo Borrower. The administration fee is invoiced no less than 15 days before each quarter end.

The performance related annual management fee is an annual fee calculated with reference to the EBDA Yield (annual earnings before depreciation and amortisation divided by the total gross subscription monies received by the Parent Borrower). The Parent Borrower will be paid 100% of the EBDA Yield between 6.5% and 9% and 50% of the value that the EBDA Yield exceeds 9%.

All consultancy fees are exclusive of VAT.

Performance of the Consultancy Services

The Parent Borrower warrants that the consultancy services will be performed to service levels defined in the Asset Management Agreement. Generally, the service levels require Ofgem reporting, tax filings and other company filings to be made by the relevant due date and the PPA Counterparties to be invoiced in accordance with the terms of the relevant PPA or the FIT Licensee to be invoiced, management accounts to be sent to the relevant parties within 25 days of the relevant quarter end and statutory accounts to be circulated to all directors of the OpCo Borrower within three months of the relevant period end.

The OpCo Borrower and the Parent Borrower must each appoint a representative to meet at least twice a year to monitor and review the performance of the Asset Management Agreement.

The OpCo Borrower may terminate the Asset Management Agreement if the Parent Borrower fails to meet service levels and (where such failure is remediable) fails to remedy such failure within 20 business days of having been notified of such failure, or where the Borrower Agent fails to achieve the services levels four times in any twelve month period.

Limitation of Liability

The Parent Borrower's liability to an OpCo Borrower under an Asset Management Agreement in any year is capped at the administration fee payable to the Parent Borrower in such year, save where liability cannot be limited by law, or arises as a result of the wilful default of the Parent Borrower under the Asset Management Agreement.

Governing Law

Each Asset Management Agreement is governed by and construed in accordance with English law.

10. **Management Services Agreement**

Background

The Parent Borrower has entered into a Management Services Agreement with the Borrower Corporate Administrator in its capacity as the consultant (the "**Consultant**"), pursuant to which the Consultant agrees to provide consultancy services to the Parent Borrower. Below is a description of the Management Services Agreement.

Consultancy services

The consultancy services provided by the Consultant to the Parent Borrower and each OpCo Borrower include procurement and maintenance of insurance, reporting to Ofgem, billing the PPA Counterparties or FIT Licensees as appropriate in relation to electricity produced by each installation, administering O&M Contracts in relation to installations owned by each OpCo Borrower, company administration and reporting. The Consultancy Services will be provided by the Consultant from the effective date of the Management Services Agreement, which is the date of financial close of the Borrower Loan Agreement.

Duration

The Management Services Agreement continues for 23 and a half years from the effective date (the "**Minimum Period**") and upon expiry of the Minimum Period, shall renew for a period of twelve months (the "**Renewal Period**") and such renewal shall occur at the end of each Renewal Period unless the Management Services Agreement is terminated in accordance with its terms.

Consultancy Fees

The Parent Borrower shall pay the Consultant consultancy fees which are made up of a start-up fee, an administration fee, a performance related annual management fee and a performance fee.

The start-up fee is the sum of £388,000 inclusive of VAT, to be invoiced within 30 days of the effective date of the Management Services Agreement.

The administration fee is the annual amount of £435,460, calculated on the basis of the baseline installed capacity of 14.254 MWp and at the rate of £30.55 for each kWp. Where there is an increase in installed capacity above the baseline installed capacity, the administration fee shall

increase by £30.55 per each kWp of installed capacity. However, if there is a reduction in installed capacity below the baseline installed capacity, the administration fee will remain at £435,460.

The performance related annual management fee is an annual fee calculated with reference to the EBDA Yield (annual earnings before depreciation and amortisation divided by the total gross subscription monies received by the Parent Borrower). The Consultant will be paid 100% of the EBDA Yield between 6.5% and 9% and 50% of the value that the EBDA Yield exceeds 9%.

The performance fee is an incentive for the Consultant to provide services that maximise the overall performance of the Parent Borrower and minimise the installation and capital cost, and is a performance based fee per installation payable if the Parent Borrower shareholders vote in favour of an exit from the Parent Borrower, calculated in accordance with a mechanism set out in the Management Services Agreement.

All consultancy fees with the exception of the start-up fee are exclusive of VAT.

Performance of the consultancy services

The Consultant warrants that the consultancy services will be performed to service levels defined in the Management Services Agreement. Generally, the service levels require Ofgem reporting, tax filings and other company filings to be made by the relevant due date and the PPA Counterparties to be invoiced in accordance with the terms of the relevant PPA or the FIT Licensees to be invoiced, management accounts to be sent to the relevant parties within 25 days of the relevant quarter end and statutory accounts to be circulated to all directors of the Parent Borrower or OpCo Borrower within three months of the relevant period end.

The Parent Borrower and the Consultant must each appoint a representative to meet at least twice a year to monitor and review the performance of the Management Services Agreement.

The Parent Borrower may terminate the Management Services Agreement if the Consultant fails to meet service levels and (where such failure is remediable) fails to remedy such failure within 20 business days of having been notified of such failure, or where the Consultant fails to achieve the services levels four times in any twelve month period.

Limitation of liability

The Consultant's liability to the Parent Borrower under the Management Services Agreement in any year is capped at the administration fee payable to the Consultant in such year, save where liability cannot be limited by law, or arises as a result of the wilful default of the Consultant under the Management Services Agreement.

Governing law

The Management Services Agreement is governed by and construed in accordance with English law.

11. Direct Agreements (O&M Contract)

Each of the O&M contractors has entered into a direct agreement with, among others, the Issuer, the relevant OpCo Borrower and the Borrower Security Trustee (together the "**Direct Agreements (O&M Contract)**") in relation to the O&M Contract to which it is a party.

Save for where indicated, the Direct Agreements (O&M Contract) are on substantially the same terms, the key terms of which are as follows:

Consent to Security

Under the Direct Agreements (O&M Contract), the relevant O&M contractor has formally consented to the security interests and assignments created or contemplated over the relevant OpCo Borrower's rights under the relevant O&M Contract by the Borrower Deed of Charge.

Nothing in the Direct Agreements (O&M Contract) prejudices the rights of the Borrower Security Trustee to appoint an administrative receiver, receiver or receiver and manager or administrator or otherwise enforce security pursuant to the Borrower Deed of Charge.

Pursuant to the Direct Agreements (O&M Contract), the Borrower Security Trustee has no obligations under the relevant O&M Contract.

No Termination Without Notice

Under the Direct Agreements (O&M Contract), the relevant O&M contractor has agreed not to exercise any rights to terminate the relevant O&M Contract, unless it has:

- (a) given written notice to each of the relevant OpCo Borrower, the Issuer and the Borrower Security Trustee, stating the proposed date of termination, the grounds for termination (and suggested remedies) and the details of any amount owed to it by the relevant OpCo Borrower;
- (b) afforded the Issuer and the Borrower Security Trustee 30 days to:
 - (i) provide notice (a "**Confirmation Notice**") as to whether it intends to exercise a Step-In (as defined below); and
 - (ii) pay all those outstanding liabilities of the relevant OpCo Borrower to the relevant O&M contractor under the relevant O&M Contract as notified in an amount equal to the lesser of:
 - (A) such outstanding liabilities; and
 - (B) a sum equal to three months' service fee payable to the O&M contractor under the OPC Contract; and
- (c) (where a Confirmation Notice has been served) afforded the Issuer, the Borrower Security Trustee and any Representative (as defined below) a further 90 days, from the service of such Confirmation Notice, to remedy the relevant breach and exercise a Step-In (as defined below).

Where no Confirmation Notice is served and no Step-In has occurred, the O&M contractor is free to exercise any right to terminate under the relevant O&M Contract (as applicable) after the expiry of 30 days (where no Confirmation Notice is served in accordance with (b)(i) above or the amount referred to in (b)(ii) above has not been paid) or 90 days (where there is no Step-In in accordance with (c) above). Neither the Issuer nor the Borrower Security Trustee shall incur any liability for any failure by it to serve a Confirmation Notice or a failure to take any action committed to in a Confirmation Notice.

Step-in Rights

Pursuant to the Direct Agreements (O&M Contract), the relevant O&M contractor has acknowledged that an administrative receiver, receiver, or receiver and manager or administrator of the relevant OpCo Borrower, a nominee directly or indirectly owned or controlled by the Issuer or the Borrower Security Trustee, or the Issuer itself (a "**Representative**") may, by written notice from the Issuer or the Borrower Security Trustee (upon instruction from the Issuer) to the O&M

contractor (and following payment by such Representative of all outstanding financial liabilities of the relevant OpCo Borrower to the relevant O&M contractor in respect of the relevant O&M Contract), assume all of the relevant OpCo Borrower's rights and obligations under the relevant O&M Contract (such assumption constituting a "**Step-In**") until and including the earlier of: (a) a date falling 10 Business Days after that Representative gives written notice to the O&M contractor that its assumption of the relevant OpCo Borrower rights and obligations under the relevant O&M Contract shall no longer apply (a "**Step-Out**"), (b) the date of any permitted transfer of the benefit and/or burden of the relevant O&M Contract and (c) the date of expiry or termination in the ordinary course of the relevant O&M Contract (such period of time being the "**Step-In Period**").

During any Step-In Period, the relevant O&M contractor shall not terminate the relevant O&M Contract solely on the grounds that: (a) a Representative has been appointed or the Borrower Security Trustee has otherwise enforced any security interest created in the Borrower Deed of Charge, or (b) the Relevant OpCo Borrower is or may become insolvent or have a liquidator, administrator or receiver appointed over it or any of its assets.

In addition, the relevant O&M contractor will, during a Step-in Period, deal with the Issuer and/or any Representative and not the relevant OpCo Borrower as if the Issuer and/or such Representative were the relevant OpCo Borrower for the purposes of such relevant O&M Contract. Any payment or performance by the Issuer or Representative during a Step-In Period in accordance with the relevant O&M Contract shall be a good discharge of the relevant OpCo Borrower's obligations under that agreement. The relevant O&M contractor may exercise any relevant right or remedy against the relevant OpCo Borrower under the relevant O&M Contract (including termination) if the Issuer and/or the Representative fails to discharge any liability or perform any obligations which arise during that Step-In Period, as if such failure were the relevant OpCo Borrower's failure. However, the relevant O&M contractor shall have no direct rights in respect of such failure against the Issuer and/or such Representative.

Following a Step-Out, the relevant O&M contractor shall be entitled to terminate the relevant O&M Contract immediately if the circumstances giving rise to the termination notice provided by the Contractor have not been remedied or any further right to terminate has arisen during the Step-In Period and has not been remedied in accordance with the terms of the relevant O&M Contract (as applicable).

Transfer

At any time and from time to time during any Step-In Period or in connection with any enforcement action, the Representative may, under the terms of the Direct Agreements (O&M Contract), procure the transfer of the rights and liabilities of the relevant OpCo Borrower under any relevant O&M Contract to the extent permitted by the terms of the same.

The Direct Agreements (O&M Contract) provide that if the Borrower Security Trustee assigns or transfers its rights and obligations under the Borrower Deed of Charge to a successor security trustee or mortgagee, then the relevant O&M contractor shall, at the cost of the relevant OpCo Borrower, on the written request of the Borrower Security Trustee or the Representative, as the case may be, enter into a direct agreement with such replacement security trustee as the Borrower Security Trustee shall notify to such O&M contractor in writing, on the same or substantially the same terms as the Direct Agreements (O&M Contract), subject to agreement by the replacement security trustee with its terms.

In the case of any permitted sale or disposal of the relevant PV Site by the Borrower Security Trustee or any Representative pursuant to the powers conferred by the Borrower Deed of Charge, the relevant O&M contractor shall, pursuant to the terms of the Direct Agreements (O&M Contract) on the request of the Borrower Security Trustee (or such Representative) enter into:

- (a) any such further agreement as the Borrower Security Trustee may reasonably require so as to ensure (to the extent permitted by the same) that the benefit (and burden) of the relevant O&M Contract can pass to the purchaser; and
- (b) a direct agreement with such purchaser, on the same or substantially the same terms as the Direct Agreements (O&M Contract), subject to agreement by the purchaser with its terms.

Contractor's Undertakings

Under the terms of the Direct Agreements (O&M Contract), the relevant O&M contractor has agreed and undertaken to the Borrower Security Trustee, among others, that:

- (a) it will not exercise any right of set-off or deduction or counterclaim against the relevant OpCo Borrower so as to reduce performance or any monies payable by the O&M contractor to the relevant OpCo Borrower under the relevant O&M Contract (as applicable) at any time when the contractual suspension referred to under "*No termination without notice*" above is in effect or during any Step-In Period;
- (b) it will not petition for or vote in favour of any resolution to take any other action for or which may lead to the administration, winding-up or dissolution of the relevant OpCo Borrower, save in circumstances where the contractual suspension referred to under "*No termination without notice*" above has fallen away as a result of no Confirmation Notice having been served or no Step-In having occurred;
- (c) it will not petition for or vote in favour of any resolution to take any other action for or which may lead to the administration, winding-up or dissolution of the Issuer;
- (d) any delay by an OpCo Borrower in enforcing its rights under the relevant O&M Contract shall not affect the O&M contractor's obligations under the relevant O&M Contract or the relevant Direct Agreements (O&M Contract); and
- (e) it will not, except with the prior written consent of the Borrower Security Trustee:
 - (i) agree to or make any material amendment or variation of the relevant O&M Contract (as applicable); nor
 - (ii) assign all or any benefit, right or interest under the relevant O&M Contract or any part thereof nor sell nor otherwise dispose of the benefit of all or any part of its benefits, rights or interest in or to the relevant O&M Contract or any part thereof.

Limited Recourse

Each party (other than the relevant OpCo Borrower) to the Direct Agreements (O&M Contract) has agreed that the sole recourse in respect of any payment obligation to the OpCo Borrower will be against all assets that are subject to Security Interests granted or purported to be granted by the OpCo Borrower under the Borrower Deed of Charge (the "**Borrower Charged Property**").

Each party (other than the Issuer) to the Direct Agreements (O&M Contract) has agreed that the sole recourse in respect of any payment obligation to the Issuer will be against all assets that are subject to Security Interests granted or purported to be granted by the Issuer under the Issuer Deed of Charge (the "**Issuer Charged Property**").

The relevant O&M contractor shall not have any greater liability to each of the parties to the relevant Direct Agreements (O&M Contract) or the Representative (where applicable) than it

would have had if the parties were named as a joint employer under the relevant O&M Contract (as applicable).

Governing Law

The Direct Agreements (O&M Contracts) and any non-contractual obligations arising out of them are governed by English law.

12. Share Purchase Agreements

The Parent Borrower has acquired:

- (a) 100% of the entire issued share capital of the Renewable Energy Generation OpCo Borrower, UK Green Power Generation OpCo Borrower, Zero Carbon Power OpCo Borrower, Clean Power Generation OpCo Borrower, Renewable Energy Trading OpCo Borrower, Low Carbon Generation and Trading OpCo Borrower, Creative Solar Solutions OpCo Borrower, Renewable Green Power OpCo Borrower, UK Wind Energy Generation OpCo Borrower, Natural Energy Generation OpCo Borrower, Distributed Solar Energy OpCo Borrower, Future Energy Generation OpCo Borrower, Carbon Saving Generation OpCo Borrower, Green Electricity Generation OpCo Borrower, PV Generation OpCo Borrower and Progressive Energies OpCo Borrower pursuant to the terms of the SPAs. See "*Transaction Overview – Share Purchase Agreements*".
- (b) 100% of the entire issued share capital of the PV Trading OpCo Borrower as follows:
 - (i) 7.37% of the A Ordinary 1p Shares from TT Nominees pursuant to a stock transfer form dated 17 September 2015; and
 - (ii) 92.63% of the A Ordinary 1p Shares and 100% of the B Ordinary 1p Shares pursuant to the terms of the relevant SPA.

Each of the SPAs was entered into on substantially the same terms, and in each instance:

- (a) the consideration was payable in cash;
- (b) the sellers gave warranties relating to:
 - (i) their authority and capacity to enter into each of the SPAs; and
 - (ii) in relation to the shares of the OpCo Borrower; and
- (c) the liability of the sellers was capped at the amount of the consideration payable under each SPA.

13. Direct Agreement (Management Services Agreement)

Consent to Security

Under the direct agreement relating to the Management Services Agreement entered into on the Closing Date (the "**Direct Agreement (Management Services Agreement)**"), the Consultant has formally consented to the security interests and assignments created or contemplated over the Parent Borrower's rights under the Management Services Agreement by the Borrower Deed of Charge.

Nothing in the Direct Agreement (Management Services Agreement) prejudices the rights of the Borrower Security Trustee to appoint an administrative receiver, receiver or receiver and manager or administrator or otherwise enforce security pursuant to the Borrower Deed of Charge.

Pursuant to the Direct Agreement (Management Services Agreement), the Borrower Security Trustee has no obligations under the Management Services Agreement.

No Termination Without Notice

Under the Direct Agreement (Management Services Agreement), the Consultant has agreed not to exercise any rights to terminate the Management Services Agreement, unless it has:

- (a) given written notice to each of the Parent Borrower, the Issuer and the Borrower Security Trustee, stating the proposed date of termination, the grounds for termination (and suggested remedies) and the details of any amount owed to it by the Parent Borrower;
- (b) afforded the Issuer and the Borrower Security Trustee 30 days to:
 - (i) provide notice (a "**Confirmation Notice**") as to whether it intends to exercise a Step-In (as defined below); and
 - (ii) pay all those outstanding liabilities of the Parent Borrower to the Consultant under the Management Services Agreement; and
- (c) (where a Confirmation Notice has been served) afforded the Issuer, the Borrower Security Trustee and any Representative (as defined below) a further 90 days, from the service of such Confirmation Notice, to remedy the relevant breach and exercise a Step-In (as defined below).

Where no Confirmation Notice is served and no Step-In has occurred, the Consultant is free to exercise any right to terminate under the Management Services Agreement (as applicable) after the expiry of 30 days (where no Confirmation Notice is served in accordance with (b)(i) above or the amount referred to in (b)(ii) above has not been paid) or 90 days (where there is no Step-In in accordance with (c) above). Neither the Issuer nor the Borrower Security Trustee shall incur any liability for any failure by it to serve a Confirmation Notice or a failure to take any action committed to in a Confirmation Notice.

Step-in Rights

Pursuant to the Direct Agreement (Management Services Agreement), the Consultant has acknowledged that an administrative receiver, receiver, or receiver and manager or administrator of the Parent Borrower, a nominee directly or indirectly owned or controlled by the Issuer or the Borrower Security Trustee, or the Issuer itself (a "**Representative**") may, by written notice from the Issuer or the Borrower Security Trustee (upon instruction from the Issuer) to the Consultant (and following payment by such Representative of all outstanding financial liabilities of the Parent Borrower to the Consultant in respect of the Management Services Agreement), assume all of the Parent Borrower's rights and obligations under the Management Services Agreement (such assumption constituting a ("**Step-In**") until and including the earlier of: (a) a date falling 10 Business Days after that Representative gives written notice to the Consultant that its assumption of the Parent Borrower rights and obligations under the Management Services Agreement shall no longer apply a ("**Step-Out**"), (b) the date of any permitted transfer of the benefit and/or burden of the Management Services Agreement and (c) the date of expiry or termination in the ordinary course of the Management Services Agreement (such period of time being the "Step-In Period").

During any Step-In Period, the Consultant shall not terminate the Management Services Agreement solely on the grounds that: (a) a Representative has been appointed or the Borrower Security Trustee has otherwise enforced any security interest created in the Borrower Deed of Charge, or (b) the Parent Borrower is or may become insolvent or have a liquidator, administrator or receiver appointed over it or any of its assets.

In addition, the Consultant will, during a Step-in Period, deal with the Issuer and/or any Representative and not the Parent Borrower as if the Issuer and/or such Representative were the Parent Borrower for the purposes of such Management Services Agreement. Any payment or performance by the Issuer or Representative during a Step-In Period in accordance with the Management Services Agreement shall be a good discharge of the Parent Borrower's obligations under that agreement. The Consultant may exercise any relevant right or remedy against the Parent Borrower under the Management Services Agreement (including termination) if the Issuer and/or the Representative fails to discharge any liability or perform any obligations which arise during that Step-In Period, as if such failure were the Parent Borrower's failure. However, the Consultant shall have no direct rights in respect of such failure against the Issuer and/or such Representative.

Following a Step-Out, the Consultant shall be entitled to terminate the Management Services Agreement immediately if the circumstances giving rise to the termination notice provided by the Consultant have not been remedied or any further right to terminate has arisen during the Step-In Period and has not been remedied in accordance with the terms of the Management Services Agreement (as applicable).

Transfer

At any time and from time to time during any Step-In Period or in connection with any enforcement action, the Representative may, under the terms of the Direct Agreement (Management Services Agreement), procure the transfer of the rights and liabilities of the Parent Borrower under any Management Services Agreement to the extent permitted by the terms of the same.

The Direct Agreement (Management Services Agreement) provides that if the Borrower Security Trustee assigns or transfers its rights and obligations under the Borrower Deed of Charge to a successor security trustee or mortgagee, then the Consultant shall, at the cost of the Parent Borrower, on the written request of the Borrower Security Trustee or the Representative, as the case may be, enter into a direct agreement with such replacement security trustee as the Borrower Security Trustee shall notify to such Consultant in writing, on the same or substantially the same terms as the Direct Agreement (Management Services Agreement), subject to agreement by the replacement security trustee with its terms.

In the case of any permitted sale or disposal of the PV Sites by the Borrower Security Trustee or any Representative pursuant to the powers conferred by the Borrower Deed of Charge, the Consultant shall, pursuant to the terms of the Direct Agreement (Management Services Agreement) on the request of the Borrower Security Trustee (or such Representative) enter into:

- (a) any such further agreement as the Borrower Security Trustee may reasonably require so as to ensure (to the extent permitted by the same) that the benefit (and burden) of the Management Services Agreement can pass to the purchaser; and
- (b) a direct agreement with such purchaser, on the same or substantially the same terms as the Direct Agreement (Management Services Agreement), subject to agreement by the purchaser with its terms.

Consultant's Undertakings

Under the terms of the Direct Agreement (Management Services Agreement), the Consultant has agreed and undertaken to the Borrower Security Trustee that:

- (a) it will not exercise any right of set-off or deduction or counterclaim against the Parent Borrower so as to reduce performance or any monies payable by the Consultant to the Parent Borrower under the Management Services Agreement (as applicable) at any time

without having first given the Parent Borrower, the Issuer and the Borrower Security Trustee at least 30 days' prior written notice;

- (b) it will not take any bankruptcy, insolvency or liquidation proceedings or any corporate action or other steps or legal proceedings for the administration, winding-up, dissolution or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee, liquidator, sequestrator or similar officer of the Parent Borrower or of any or all of the Parent Borrower's assets;
- (c) any delay by an Parent Borrower in enforcing its rights under the Management Services Agreement shall not affect the Consultant's obligations under the Management Services Agreement or the Direct Agreement (Management Services Agreement); and
- (d) it will not, except with the prior written consent of the Borrower Security Trustee:
 - (i) agree to or make any material amendment or variation of the Management Services Agreement (as applicable); nor
 - (ii) assign all or any benefit, right or interest under the Management Services Agreement or any part thereof nor sell nor otherwise dispose of the benefit of all or any part of its benefits, rights or interest in or to the Management Services Agreement or any part thereof.

Limited Recourse

Each party (other than the Parent Borrower) to the Direct Agreement (Management Services Agreement) has agreed that the sole recourse in respect of any payment obligation of the Parent Borrower is against all assets that are subject to Security Interests granted or purported to be granted by the Parent Borrower under the Borrower Deed of Charge (the "Borrower Charged Property").

Each party (other than the Issuer) to the Direct Agreement (Management Services Agreement) agrees that the sole recourse in respect of any payment obligation to the Issuer will be against all assets that are subject to Security Interests granted or purported to be granted by the Issuer under the Issuer Deed of Charge (the "Issuer Charged Property").

The Consultant shall not have any greater liability to each of the parties to the Direct Agreement (Management Services Agreement) or the Representative (where applicable) than it would have had if the parties were named as a joint employer under the Management Services Agreement (as applicable).

Assignments and Transfer

Under the Direct Agreement (Management Services Agreement), the Issuer may not assign or transfer all or part of its rights, benefits or obligations without the prior written consent of the Borrower Security Trustee in accordance with the Borrower Deed of Charge, but the Issuer may assign its rights under the Direct Agreement (Management Services Agreement) without consent to the Issuer Security Trustee pursuant to the provisions of the Issuer Deed of Charge.

Governing Law

The Direct Agreement (Management Services Agreement) and any non-contractual obligations arising out of it are governed by English law.

14. **Issuer Cash Management Agreement**

On the Closing Date, the Issuer entered into a cash management agreement with the Issuer Security Trustee, the Issuer Cash Manager, the Issuer Account Bank and the Calculation Agent (the "**Issuer Cash Management Agreement**"), pursuant to which the Issuer appointed Elavon Financial Services Limited (in its capacity as Issuer Cash Manager) to be its agent to provide certain cash management services in respect of the Issuer Transaction Account (the "**Issuer Cash Management Services**"). The Issuer Cash Manager has undertaken with the Issuer that, in performing the services to be performed and in exercising its discretion under the Issuer Cash Management Agreement, the Issuer Cash Manager is required to perform such responsibilities and duties diligently and in conformity with the Issuer's obligations with respect to the transaction and that it is obliged to comply with any directions, orders and instructions which the Issuer or the Issuer Security Trustee may from time to time give to the Issuer Cash Manager in accordance with the provisions of the Issuer Cash Management Agreement, the Trust Deed and the Issuer Deed of Charge.

Calculation of Amounts and Payments

Under the terms of the Issuer Cash Management Agreement, the Issuer Cash Manager's main function is to apply the amounts received by the Issuer in making the payments contemplated in the applicable Issuer Priorities of Payments.

On each Calculation Date, the Issuer Cash Manager is required to calculate, the various amounts available and required to pay interest and principal due on the Notes on the relevant Note Interest Payment Date and all other amounts then payable by the Issuer and the amounts available to make such payments. In addition, the Issuer Cash Manager will calculate in respect of the immediately following Note Interest Payment Date and the Notes, the Outstanding Principal Amount of each of the Notes.

Reports and Records

At least one Business Day prior to each Calculation Date, the Issuer Cash Manager will provide or make available an Investor Report based on the form set out in the Issuer Cash Management Agreement (the "**Investor Report**") to the Noteholders through its website, which is located at www.usbank.com/abs.

The Issuer Cash Manager will maintain records to reflect all transactions carried out by or in respect of the Issuer Transaction Account, and make such records available to the Issuer and the Issuer Security Trustee at any reasonable time during office hours on reasonable notice.

Cash Management Fee

The Issuer has paid to the Issuer Cash Manager a cash management fee as agreed between the Issuer and the Issuer Cash Manager in a fee letter dated on the Closing Date.

Indemnification by the Issuer

In accordance with and subject to the provisions of the Issuer Cash Management Agreement, the Issuer, subject to the relevant Issuer Priority of Payments, shall from time to time on demand of the Issuer Cash Manager indemnify on a full and after tax basis and hold harmless the Issuer Cash Manager against any liabilities, actions, proceedings, claims, demands and properly incurred costs or expenses which the Issuer Cash Manager has incurred in direct consequence of the Issuer Cash Management Agreement or as a direct result of the performance of the functions and services provided for thereunder, as a result of the gross negligence, wilful default or fraud of the Issuer or any of its directors, employees, officers, agents or controlling persons.

Termination of Appointment of the Issuer Cash Manager

The Issuer may terminate the Issuer Cash Manager's appointment upon not less than three months' written notice or immediately upon the occurrence of a termination event, including, among other things:

- (a) a failure by the Issuer Cash Manager to make when due a payment required to be made by the Issuer Cash Manager on behalf of the Issuer pursuant to the terms of the Issuer Cash Management Agreement;
- (b) a default in the performance of any of any of its material duties, obligations, covenants or services under the Issuer Cash Management Agreement which continues unremedied for ten Business Days;
- (c) a petition is presented or an effective resolution passed for its winding up or the appointment of an administrator, or similar official; or
- (d) the Borrower Cash Manager resigns or its appointment under the Borrower Cash Management Agreement is terminated.

In addition, the Issuer Cash Manager may resign as Issuer Cash Manager upon not less than three months' written notice of resignation to each of the other parties to the Issuer Cash Management Agreement provided that:

- (a) a successor cash manager shall have been appointed by the Issuer on the expiry of such notice with the prior written consent of the Issuer Security Trustee; and
- (b) the Issuer Security Trustee is satisfied that security equivalent to the existing security created by the Issued Deed of Charge has been created in respect of any new cash management agreement.

Pursuant to the Issuer Cash Management Agreement, the Issuer Cash Manager (or its successor, as the case may be) will always be the same entity as that appointed to be the Borrower Cash Manager (or its successor, as the case may be).

Governing law

The Issuer Cash Management Agreement and any non-contractual obligations arising out of it are governed by English law.

15. Borrower Cash Management Agreement

On the Closing Date, the Borrowers entered into the Borrower Cash Management Agreement with the Borrower Security Trustee, the Borrower Cash Manager, the Borrower Account Bank and the Calculation Agent, pursuant to which the Borrowers appointed Elavon Financial Services Limited as Borrower Cash Manager to be their agent to provide certain cash management services in respect of the Borrower Accounts (the "**Borrower Cash Management Services**"). The Borrower Cash Manager has undertaken to the Borrowers that, in performing the services to be performed and in exercising its discretion under the Borrower Cash Management Agreement, the Borrower Cash Manager will perform such responsibilities and duties diligently and in conformity with the Borrowers' obligations with respect to the transaction and that it will comply with any directions, orders and instructions which the Borrower or the Borrower Security Trustee may from time to time give to the Borrower Cash Manager in accordance with the provisions of the Borrower Cash Management Agreement, the Borrower Loan Agreement and the Borrower Deed of Charge.

Calculation of Amounts and Payments

Under the terms of the Borrower Cash Management Agreement, the Borrower Cash Manager's primary function is to apply amounts received by the Borrowers in accordance with the applicable Borrower Priorities of Payments.

In order to discharge its obligations to record accounts received, the Borrower Cash Manager is entitled to receive a Forecast duly completed by the Borrower Agent at least one Business Day prior to each Calculation Date.

On each Calculation Date, the Borrower Cash Manager is required to calculate the various amounts available and required to pay interest and principal due on the Loan on the relevant Loan Interest Payment Date and all other amounts then payable by the Borrowers and the amounts available to make such payments.

On the Financial Covenant Calculation Date the Borrower Cash Manager will calculate in respect of the immediately preceding Loan Interest Payment Date and the applicable Borrower Priorities of Payments: (i) DSR Target Amount and the amount required, if any, to bring the balance of the Debt Service Reserve Account to the DSR Target Amount; (ii) if a DSCR Trigger or an LLCR Trigger has occurred and the DSCR Target Condition or, as applicable, LLCR Target Condition has not been met, the amounts available to be transferred to the Cash Trap Reserve Account; (iii) the amounts available to pay the Borrower Corporate Administrator; and (iv) if the Distribution Conditions have been met, the amount available to be transferred to the Distribution Account.

Authorised Investments

The Borrower Cash Manager shall, from time to time, pursuant to instructions received from the Parent Borrower or the Borrower Agent on behalf of the Parent Borrower, subject to and in accordance with the Borrower Cash Management Agreement, invest amounts standing to the credit of the Parent Borrower Reserve Accounts in Authorised Investments held for and on behalf of the Parent Borrower or in the name of the Parent Borrower.

Reports and Records

The Borrowers will deliver to the Borrower Cash Manager, or procure that the Borrower Cash Manager has delivered to it, such information, reports and evidence as it may reasonably require in order for it to perform its services under the Borrower Cash Management Agreement, and the identity and payment details of the recipients of such payments. The Borrowers will provide any such information, reports and evidence in a form which the Borrower Cash Manager reasonably requests.

Cash Management Fee

The Borrowers have paid to the Borrower Cash Manager a cash management fee as agreed between the Borrower Cash Manager and the Borrowers pursuant to the Borrower Cash Management Agreement and set out in a fee letter dated on the Closing Date.

Indemnification by the Borrowers

In accordance with and subject to the provisions of the Borrower Cash Management Agreement, the Borrowers will, subject to the relevant Borrower Priority of Payments, from time to time on demand indemnify and hold harmless the Borrower Cash Manager against any liabilities, actions, proceedings, claims, demands and properly incurred costs or expenses which the Borrower Cash Manager incurs as direct consequence of the Borrower Cash Management Agreement or as a direct result of the performance of the functions and services provided for thereunder, except as a result of the gross negligence, wilful default or fraud of the Borrower Cash Manager or any of its directors, employees, officers, agents or controlling persons.

Termination of Appointment of the Borrower Cash Manager

The Borrowers may terminate the Borrower Cash Manager's appointment upon not less than three months' written notice or immediately upon the occurrence of a termination event, including, among other things:

- (a) a failure by the Borrower Cash Manager to make when due a payment required to be made by the Borrower Cash Manager on behalf of the Borrowers pursuant to the terms of the Borrower Cash Management Agreement;
- (b) a default in the performance of any of any of its material duties, obligations, covenants or services under the Borrower Cash Management Agreement which continues unremedied for ten Business Days;
- (c) a petition is presented or an effective resolution passed for its winding up or the appointment of an administrator, or similar official; or
- (d) the Issuer Cash Manager resigns or its appointment under the Issuer Cash Management Agreement is terminated.

In addition, the Borrower Cash Manager may resign as Borrower Cash Manager upon not less than three months' written notice of resignation to each of the other parties to the Borrower Cash Management Agreement provided that:

- (a) a successor cash manager shall have been appointed by the Borrowers on the expiry of such notice with the prior written consent of the Borrower Security Trustee; and
- (b) the Borrower Security Trustee is satisfied that security equivalent to the existing security created by the Borrower Deed of Charge has been created in respect of any new cash management agreement.

Pursuant to the Borrower Cash Management Agreement, the Borrower Cash Manager (or its successor, as the case may be) will always be the same entity as that appointed to be the Issuer Cash Manager (or its successor, as the case may be).

Governing law

The Borrower Cash Management Agreement and any non-contractual obligations arising out of it are governed by English law.

USE OF PROCEEDS

The estimated gross proceeds from the issue of the Notes will be £29,500,000. On the Closing Date, the Issuer, subject to and in accordance with the terms of the Borrower Loan Agreement, advanced the Loan to the Borrowers.

The proceeds of the Loan were used by the Borrowers:

- (a) to pay certain costs, fees and expenses payable by the Borrowers on or about the Closing Date (including, without limitation, advisory fees);
- (b) to pay to the Lender, pursuant to the Borrower Loan Agreement the Initial Transaction Fee;
- (c) to deposit £1,063,000 in the Debt Service Reserve Account; and
- (d) to fund the acquisition of Green Electricity Generation OpCo Borrower, PV Generation OpCo Borrower, Progressive Energies OpCo Borrower and PV Trading OpCo Borrower.

The expenses to be paid in relation to the admission by the London Stock Exchange of the Notes to trading are estimated to be £7,500. The total expenses of the issue are estimated to be up to £1,700,000.00. The estimated total net proceeds from the issue of the Notes were £27,800,000, approximately.

THE ISSUER

Introduction

The Issuer was incorporated in England and Wales on 20 July 2015 under registered number 9693502 as a public company with limited liability under the Companies Act 2006. The registered office of the Issuer is at 35 Great St. Helen's, London EC3A 6AP and its contact telephone number is +44 (0) 20 7398 6300. The Issuer is organised as a special purpose vehicle and its activities are limited accordingly. The Issuer has no subsidiaries. The entire share capital of the Issuer is held by or on behalf of the Share Trustee on trust for charitable purposes under the terms of the Issuer Share Trust Deed and none of the Borrowers owns, directly or indirectly, any of the share capital of the Issuer.

Principal Activities

The Issuer may, in accordance with its articles of association and the Companies Act 2006, amongst other things, lend money and give credit, secured and unsecured, borrow or raise money and secure the payment of money and grant security over its property for the performance of its obligations or the payment of money. The Issuer was established for the limited purposes of issuing the Notes, granting the Loan and certain related transactions described elsewhere in these Listing Particulars.

The Issuer has not commenced operations and has not engaged, since its incorporation, in any activities other than those incidental to its incorporation and registration as a public limited company under the Companies Act 2006; the authorisation of the issue of the Notes and of the other documents and matters referred to or contemplated in these Listing Particulars and matters which are incidental or ancillary to the foregoing.

The activities of the Issuer will be restricted by the Conditions and will be limited to the issue of the Notes, the granting of the Loan, the exercise of related rights and powers and the other activities described in these Listing Particulars (see further Condition 5 (*Undertakings*)).

Directors and Secretary

The directors of the Issuer and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|-------------------------------|---|----------------------|
| SFM Directors Limited | 35 Great St. Helen's London EC3A 6AP | Corporate Director |
| SFM Directors (No. 2) Limited | 35 Great St. Helen's London EC3A 6AP | Corporate Director |
| Claudia Wallace | 35 Great St. Helen's London EC3A 6AP | Director |

The company secretary of the Issuer is SFM Corporate Services Limited, a company incorporated in England and Wales (registered number 3920255), whose business address is 35 Great St. Helen's, London EC3A 6AP. The directors of SFM Directors Limited (registered number 3920254) and SFM Directors (No. 2) Limited (registered number 4017430) as at the date of these Listing Particulars and their principal activities are as follows:

| Name | Business Address | Principal Activities |
|-------------------|---|-----------------------------|
| Robert Berry | 35 Great St. Helen's London EC3A 6AP | Director |
| John Paul Nowacki | 35 Great St. Helen's London EC3A 6AP | Director |
| Claudia Wallace | 35 Great St. Helen's London EC3A 6AP | Director |
| Vinoy Nursiah | 35 Great St. Helen's London EC3A 6AP | Director |
| Helena Whitaker | 35 Great St. Helen's London EC3A 6AP | Director |
| Debra Parsall | 35 Great St. Helen's London EC3A 6AP | Director |
| Michael Drew | 35 Great St. Helen's London EC3A 6AP | Company Secretary |
| Jennifer Jones | 35 Great St. Helen's London EC3A 6AP | Company Secretary |
| Aline Sternberg | 35 Great St. Helen's London EC3A 6AP | Company Secretary |

Capitalisation Statement

The capitalisation of the Issuer as at the date of these Listing Particulars is as follows:

Share Capital

| Issued Share Capital | Value of each Share | Share Fully | Paid-up Share Capital |
|-----------------------------|----------------------------|--------------------|------------------------------|
| (£) | (£) | Paid-up | (£) |
| 50,000 | 1 | 50,000 | 50,000 |

All of the issued shares (being 50,000 all of which are fully paid) in the Issuer are held by the Share Trustee.

Except as set out above, the Issuer has no outstanding loan capital, borrowings, indebtedness or contingent liabilities and the Issuer has not created any mortgages or charges nor has it given any guarantees as at the date of these Listing Particulars.

None of Parent HoldCo, the Parent Borrower, the OpCo Borrowers nor any other party involved in the issue of the Notes or the advance of the Loan owns directly or indirectly any of the share capital of the Issuer and none of Parent HoldCo, the Parent Borrower, the OpCo Borrowers nor any other party involved in the issue nor any company connected with the them can direct the Issuer and none of such companies has any control, direct or indirect, over the Issuer.

Financial Information

The Issuer will publish annual reports and accounts. Since the date of its incorporation, the Issuer has not commenced operations and no financial statements have been made up as at the date of these Listing Particulars. Reports and accounts published by the Issuer will, when published, be available for inspection during normal office hours at the specified office of the Paying Agent.

THE PARENT HOLDCO

4 Introduction

The Parent HoldCo was incorporated in England and Wales on 5 March 2013 under registered number 08430843 as a private company with limited liability under the Companies Act 2006. The registered office of the Parent HoldCo is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH and its contact telephone number is 0207 749 2400. The Parent HoldCo holds the entire issued share capital of the Parent Borrower.

Principal Activities

The principal activity of Parent HoldCo is the production of electricity. The Parent HoldCo was established for the limited purposes of holding shares in the Parent Borrower, entering into the Borrower Deed of Charge and the Parent HoldCo Share Charge and certain related transactions described elsewhere in these Listing Particulars.

Directors and Secretary

The directors of the Parent HoldCo and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|--------------------------------|
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Company Secretary and Director |
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |

Capitalisation Statement

The capitalisation of the Parent HoldCo as at the date of in these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|------------------|---------------------------|--------------------------|---------------------|-------------------------|
| A Ordinary Share | 39,600 | 0.01 | Yes | 39,600 |
| B Ordinary Share | 4.20 | 0.01 | Yes | 4.20 |

THE PARENT BORROWER

Introduction

The Parent Borrower was incorporated in England and Wales on 12 June 2013 under registered number 08567239 as a private company with limited liability under the Companies Act 2006. The registered office of the Parent Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH and its contact telephone number is 0207 749 2400. The Parent Borrower holds the entire issued share capital of the OpCo Borrowers. The entire issued share capital of the Parent Borrower is legally and beneficially owned by the Parent HoldCo.

Principal Activities

The principal activity of the Parent Borrower is the production of electricity. The Parent Borrower was established for the limited purposes of holding shares in the OpCo Borrowers, entering into the Borrower Loan Agreement and certain related transactions described elsewhere in these Listing Particulars.

Directors and Secretary

The directors of the Parent Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|--------------------------------|
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Company Secretary and Director |
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7 TH | Director |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7 TH | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7 TH | Director |

Capitalisation Statement

The capitalisation of the Parent Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|----------------|---------------------------|--------------------------|---------------------|-------------------------|
| Ordinary Share | 1.00 | 1.00 | Yes | 1.00 |

All of the issued shares (being as set out in the table above) in the Parent Borrower are held by Parent HoldCo.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

THE OPCO BORROWERS

THE RENEWABLE ENERGY GENERATION OPCO BORROWER

Introduction

The Renewable Energy Generation OpCo Borrower was incorporated in England and Wales on 12 January 2011 under registered number 07489910 as a private company with limited liability under the Companies Act 2006. The registered office of the Renewable Energy Generation OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the Renewable Energy Generation OpCo Borrower is held by the Parent Borrower.

Principal Activities

The principal activity of the Renewable Energy Generation OpCo Borrower is the production of electricity. The Renewable Energy Generation OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the Renewable Energy Generation OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|---|----------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England, GL53 7 TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7 TH | Director |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7 TH | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7 TH | Director |

Capitalisation Statement

The capitalisation of the Renewable Energy Generation OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|------------|---------------------------|--------------------------|---------------------|----------------------------|
| A 1P Share | 11,000.01 | 0.01 | Yes | 11,000.01 |

All of the issued shares (being as set out in the table above) in the Renewable Energy Generation OpCo

Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

There has been no significant change in the financial or trading position of the Renewable Energy Generation OpCo Borrower since 31 December 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the Renewable Energy Generation OpCo Borrower since the date of its last published accounts.

THE UK GREEN POWER GENERATION OPCO BORROWER

Introduction

The UK Green Power Generation OpCo Borrower was incorporated in England and Wales on 19 January 2011 under registered number 07498904 as a private company with limited liability under the Companies Act 2006. The registered office of the UK Green Power Generation OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the UK Green Power Generation OpCo Borrower is held by the Parent Borrower.

Principal Activities

The principal activity of the UK Green Power Generation OpCo Borrower is the production of electricity. The UK Green Power Generation OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the UK Green Power Generation OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|-----------------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7 TH | Director |

Capitalisation Statement

The capitalisation of the UK Green Power Generation OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|---------------------|---------------------------|--------------------------|---------------------|----------------------------|
| Ordinary 1P Share | 12,339.25 | 0.01 | Yes | 12,339.25 |
| A Ordinary 1P Share | 0.01 | 0.01 | Yes | 0.01 |

All of the issued shares (being as set out in the table above) in UK Green Power Generation OpCo Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

There has been no significant change in the financial or trading position of the UK Green Power Generation OpCo Borrower since 31 December 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the UK Green Power Generation OpCo Borrower since the date of its last published accounts.

THE ZERO CARBON POWER OPCO BORROWER

Introduction

The Zero Carbon Power OpCo Borrower was incorporated in England and Wales on 19 January 2011 under registered number 07498747 as a private company with limited liability under the Companies Act 2006. The registered office of the Zero Carbon Power OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the Zero Carbon Power OpCo Borrower is held by the Parent Borrower.

Principal Activities

The principal activity of the Zero Carbon Power OpCo Borrower is the production of electricity. The Zero Carbon Power OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the Zero Carbon Power OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|----------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, | Director |

| | | |
|----------------|--|----------|
| | England GL53 7TH | |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |

Capitalisation Statement

The capitalisation of the Zero Carbon Power OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up £ | Paid-up Share Capital £ |
|---------------------|---------------------------|--------------------------|--------------------------|-------------------------|
| A Ordinary 1P Share | 10,000 | 0.01 | Yes | 10,000 |
| Ordinary 1P Share | 0.01 | 0.01 | Yes | 0.01 |

All of the issued shares (being as set out in the table above) in the Zero Carbon Power OpCo Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

There has been no significant change in the financial or trading position of the Zero Carbon Power OpCo Borrower since 30 March 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the Zero Carbon Power OpCo Borrower since the date of its last published accounts.

THE CLEAN POWER GENERATION OPCO BORROWER

Introduction

The Clean Power Generation OpCo Borrower was incorporated in England and Wales on 12 January 2011 under registered number 07489877 as a private company with limited liability under the Companies Act 2006. The registered office of the Clean Power Generation OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the Clean Power Generation OpCo Borrower is held by the Parent Borrower.

Principal Activities

The principal activity of the Clean Power Generation OpCo Borrower is the production of electricity. The Clean Power Generation OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the Clean Power Generation OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|----------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Company Secretary |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |

Capitalisation Statement

The capitalisation of the Clean Power Generation OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|---------------------|---------------------------|--------------------------|---------------------|----------------------------|
| A Ordinary 1P Share | 19,860.01 | 0.01 | Yes | 19,860.01 |

All of the issued shares (being as set out in the table above) in the Clean Power Generation OpCo Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

There has been no significant change in the financial or trading position of the Clean Power Generation OpCo Borrower since 30 March 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the Clean Power Generation OpCo Borrower since the date of its last published accounts.

THE RENEWABLE ENERGY TRADING OPCO BORROWER

Introduction

The Renewable Energy Trading OpCo Borrower was incorporated in England and Wales on 06 January 2011 under registered number 07483846 as a private company with limited liability under the Companies Act 2006. The registered office of the Renewable Energy Trading OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the Renewable Energy Trading OpCo Borrower is held by the Parent Borrower.

Principal Activities

The principal activity of the Renewable Energy Trading OpCo Borrower is the production of electricity. The Renewable Energy Trading OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the Renewable Energy Trading OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|-----------------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Company Secretary |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |

Capitalisation Statement

The capitalisation of the Renewable Energy Trading OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|------------|---------------------------|--------------------------|---------------------|----------------------------|
| A 1P Share | 19,800.01 | 0.01 | Yes | 19,800.01 |

All of the issued shares (being as set out in the table above) in the Renewable Energy Trading OpCo Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

There has been no significant change in the financial or trading position of the Renewable Energy Trading OpCo Borrower since 31 December 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the Renewable Energy Trading OpCo Borrower since the date of its last published accounts.

THE LOW CARBON GENERATION AND TRADING OPCO BORROWER

Introduction

The Low Carbon Generation and Trading OpCo Borrower was incorporated in England and Wales on 12 January 2011 under registered number 07490099 as a private company with limited liability under the Companies Act 2006. The registered office of the Low Carbon Generation and Trading OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the Low Carbon Generation and Trading OpCo Borrower is held by the Parent Borrower.

Principal Activities

The principal activity of the Low Carbon Generation and Trading OpCo Borrower is the production of electricity. The Low Carbon Generation and Trading OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the Low Carbon Generation and Trading OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|----------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, | Company Secretary |

| | | |
|---------------|--|----------|
| | England GL53 7 TH | |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |

Capitalisation Statement

The capitalisation of the Low Carbon Generation and Trading OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|------------|---------------------------|--------------------------|---------------------|----------------------------|
| A 1P Share | 19,860.01 | 0.01 | Yes | 19,860.01 |

All of the issued shares (being as set out in the table above) in the Low Carbon Generation and Trading OpCo Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

There has been no significant change in the financial or trading position of the Low Carbon Generation and Trading OpCo Borrower since 31 December 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the Low Carbon Generation and Trading OpCo Borrower since the date of its last published accounts.

THE CREATIVE SOLAR SOLUTIONS OPCO BORROWER

Introduction

The Creative Solar Solutions OpCo Borrower was incorporated in England and Wales on 12 January 2011 under registered number 07489981 as a private company with limited liability under the Companies Act 2006. The registered office of the Creative Solar Solutions OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the Creative Solar Solutions OpCo Borrower is held by the Parent Borrower.

Principal Activities

The principal activity of the Creative Solar Solutions OpCo Borrower is the production of electricity. The Creative Solar Solutions OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the Creative Solar Solutions OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|----------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Company Secretary |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |

Capitalisation Statement

The capitalisation of the Creative Solar Solutions OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|---------------------|---------------------------|--------------------------|---------------------|----------------------------|
| A Ordinary 1P Share | 19,800.01 | 0.01 | Yes | 19,800.01 |

All of the issued shares (being as set out in the table above) in the Creative Solar Solutions OpCo Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

There has been no significant change in the financial or trading position of the Creative Solar Solutions OpCo Borrower since 31 December 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the Creative Solar Solutions OpCo Borrower since the date of its last published accounts.

THE PV TRADING OPCO BORROWER

Introduction

The PV Trading OpCo Borrower was incorporated in England and Wales on 21 June 2010 under registered number 07290229 as a private company with limited liability under the Companies Act 2006. The registered office of the PV Trading OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the PV Trading OpCo Borrower is

held by the Parent Borrower.

Principal Activities

The principal activity of the PV Trading OpCo Borrower is the production of electricity. The PV Trading OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the PV Trading OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|----------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Company Secretary |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |

Capitalisation Statement

The capitalisation of the PV Trading OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|---------------------|---------------------------|--------------------------|---------------------|----------------------------|
| A Ordinary 1P Share | 12,505.76 | 0.01 | Yes | 12,505.76 |
| B Ordinary 1P Share | 53 | 0.01 | Yes | 53 |

All of the issued shares (being as set out in the table above) in the PV Trading OpCo Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

There has been no significant change in the financial or trading position of the PV Trading OpCo Borrower since 30 June 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the PV Trading OpCo Borrower since the date of its last published accounts.

THE RENEWABLE GREEN POWER OPCO BORROWER

Introduction

The Renewable Green Power OpCo Borrower was incorporated in England and Wales on 29 June 2011 under registered number 07687853 as a private company with limited liability under the Companies Act 2006. The registered office of the Renewable Green Power OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the Renewable Green Power OpCo Borrower is held by the Parent Borrower.

Principal Activities

The principal activity of the Renewable Green Power OpCo Borrower is the production of electricity. The Renewable Green Power OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the Renewable Green Power OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|---|-----------------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. | Director |

Capitalisation Statement

The capitalisation of the Renewable Green Power OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|--------------|-----------------------------------|----------------------------------|----------------------------|------------------------------------|
| | | | | |

| | | | | |
|-------------------|-------|------|-----|-------|
| Ordinary 1P Share | 9,822 | 0.01 | Yes | 9,822 |
|-------------------|-------|------|-----|-------|

All of the issued shares (being as set out in the table above) in the Renewable Green Power OpCo Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

There has been no significant change in the financial or trading position of the Renewable Green Power OpCo Borrower since 30 June 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the Renewable Green Power OpCo Borrower since the date of its last published accounts.

THE CARBON SAVING GENERATION OPCO BORROWER

Introduction

The Carbon Saving Generation OpCo Borrower was incorporated in England and Wales on 29 June 2011 under registered number 07687844 as a private company with limited liability under the Companies Act 2006. The registered office of the Carbon Saving Generation OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the Carbon Saving Generation OpCo Borrower is held by the Parent Borrower.

Principal Activities

The principal activity of the Carbon Saving Generation OpCo Borrower is the production of electricity. The Carbon Saving Generation OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the Carbon Saving Generation OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|-----------------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Company Secretary |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, | Director |

| | | |
|--|------------------|--|
| | England GL53 7TH | |
|--|------------------|--|

Capitalisation Statement

The capitalisation of the Carbon Saving Generation OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|-------------------|---------------------------|--------------------------|---------------------|----------------------------|
| Ordinary 1P Share | 19,696.40 | 0.01 | Yes | 19,696.40 |

All of the issued shares (being as set out in the table above) in the Carbon Saving Generation OpCo Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

There has been no significant change in the financial or trading position of the Carbon Saving Generation OpCo Borrower since 30 June 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the Carbon Saving Generation OpCo Borrower since the date of its last published accounts.

THE NATURAL ENERGY GENERATION OPCO BORROWER

Introduction

The Natural Energy Generation OpCo Borrower was incorporated in England and Wales on 14 July 2011 under registered number 07705651 as a private company with limited liability under the Companies Act 2006. The registered office of the Natural Energy Generation OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the Natural Energy Generation OpCo Borrower is held by the Parent Borrower.

Principal Activities

The principal activity of the Natural Energy Generation OpCo Borrower is the production of electricity. The Natural Energy Generation OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the Natural Energy Generation OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|----------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, | Director |

| | | |
|----------------|--|-------------------|
| | England GL53 7TH | |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Company Secretary |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |

Capitalisation Statement

The capitalisation of the Natural Energy Generation OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|-------------------|---------------------------|--------------------------|---------------------|----------------------------|
| Ordinary 1P Share | 19,697.42 | 0.01 | Yes | 19,697.42 |

All of the issued shares (being as set out in the table above) in the Natural Energy Generation OpCo Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

There has been no significant change in the financial or trading position of the Natural Energy Generation OpCo Borrower since 30 September 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the Natural Energy Generation OpCo Borrower since the date of its last published accounts.

THE DISTRIBUTED SOLAR ENERGY OPCO BORROWER

Introduction

The Distributed Solar Energy OpCo Borrower was incorporated in England and Wales on 14 July 2011 under registered number 07705719 as a private company with limited liability under the Companies Act 2006. The registered office of the Distributed Solar Energy OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the Distributed Solar Energy OpCo Borrower is held by the Parent Borrower.

Principal Activities

The principal activity of the Distributed Solar Energy OpCo Borrower is the production of electricity. The

Distributed Solar Energy OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the Distributed Solar Energy OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|----------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Company Secretary |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |

Capitalisation Statement

The capitalisation of the Distributed Solar Energy OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|-------------------|---------------------------|--------------------------|---------------------|----------------------------|
| Ordinary 1P Share | 19,697.39 | 0.01 | Yes | 19,697.39 |

All of the issued shares (being as set out in the table above) in the Distributed Solar Energy OpCo Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

There has been no significant change in the financial or trading position of the Distributed Solar Energy OpCo Borrower since 30 September 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the Distributed Solar Energy OpCo Borrower since the date of its last published accounts.

THE UK WIND ENERGY GENERATION OPCO BORROWER

Introduction

The UK Wind Energy Generation OpCo Borrower was incorporated in England and Wales on 19 January 2011 under registered number 07498730 as a private company with limited liability under the Companies Act 2006. The registered office of the UK Wind Energy Generation OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the UK Wind Energy Generation OpCo Borrower is held by the Parent Borrower.

Principal Activities

The principal activity of the UK Wind Energy Generation OpCo Borrower is the production of electricity. The UK Wind Energy Generation OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the UK Wind Energy Generation OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|----------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Company Secretary |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |

Capitalisation Statement

The capitalisation of the UK Wind Energy Generation OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|------------|---------------------------|--------------------------|---------------------|----------------------------|
| A 1P Share | 19,854.10 | 0.01 | Yes | 19,854.10 |

All of the issued shares (being as set out in the table above) in the UK Wind Energy Generation OpCo Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group

There has been no significant change in the financial or trading position of the UK Wind Energy Generation OpCo Borrower since 30 March 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the UK Wind Energy Generation OpCo Borrower since the date of its last published accounts.

THE FUTURE ENERGY GENERATION OPCO BORROWER

Introduction

The Future Energy Generation OpCo Borrower was incorporated in England and Wales on 14 July 2011 under registered number 07705753 as a private company with limited liability under the Companies Act 2006. The registered office of the Future Energy Generation OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the Future Energy Generation OpCo Borrower is held by the Parent Borrower.

Principal Activities

The principal activity of the Future Energy Generation OpCo Borrower is the production of electricity. The Future Energy Generation OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the Future Energy Generation OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|----------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Company Secretary |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |

Capitalisation Statement

The capitalisation of the Future Energy Generation OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|-------------------|---------------------------|--------------------------|---------------------|----------------------------|
| Ordinary 1P Share | 19,697.39 | 0.01 | Yes | 19,697.39 |

All of the issued shares (being as set out in the table above) in the Future Energy Generation OpCo Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

There has been no significant change in the financial or trading position of the Future Energy Generation OpCo Borrower since 30 September 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the Future Energy Generation OpCo Borrower since the date of its last published accounts.

THE GREEN ELECTRICITY GENERATION OPCO BORROWER

Introduction

The Green Electricity Generation OpCo Borrower was incorporated in England and Wales on 07 April 2011 under registered number 07596165 as a private company with limited liability under the Companies Act 2006. The registered office of the Green Electricity Generation OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the Green Electricity Generation OpCo Borrower is held by the Parent Borrower.

Principal Activities

The principal activity of the Green Electricity Generation OpCo Borrower is the production of electricity. The Green Electricity Generation OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the Green Electricity Generation OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|----------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, | Company Secretary |

| | | |
|---------------|--|----------|
| | England GL53 7TH | |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |

Capitalisation Statement

The capitalisation of the Green Electricity Generation OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|---------------------|---------------------------|--------------------------|---------------------|----------------------------|
| A Ordinary 1P Share | 6,000 | 0.01 | Yes | 6,000 |
| B Ordinary 1P Share | 4,001 | 0.01 | Yes | 4,001 |

All of the issued shares (being as set out in the table above) in the Green Electricity Generation OpCo Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

There has been no significant change in the financial or trading position of the Green Electricity Generation OpCo Borrower since 30 June 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the Green Electricity Generation OpCo Borrower since the date of its last published accounts.

THE PV GENERATION OPCO BORROWER

Introduction

The PV Generation OpCo Borrower was incorporated in England and Wales on 28 July 2011 under registered number 07721561 as a private company with limited liability under the Companies Act 2006. The registered office of the PV Generation OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the PV Generation OpCo Borrower is held by the Parent Borrower.

Principal Activities

The principal activity of the PV Generation OpCo Borrower is the production of electricity. The PV Generation OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the PV Generation OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|----------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Company Secretary |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |

Capitalisation Statement

The capitalisation of the PV Generation OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|---------------------|---------------------------|--------------------------|---------------------|----------------------------|
| A Ordinary 1P Share | 3,000 | 0.01 | Yes | 3,000 |
| B Ordinary 1P Share | 3,000 | 0.01 | Yes | 3,000 |

All of the issued shares (being as set out in the table above) in the PV Generation OpCo Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

There has been no significant change in the financial or trading position of the PV Generation OpCo Borrower since 30 September 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the PV Generation OpCo Borrower since the date of its last published accounts.

THE PROGRESSIVE ENERGIES OPCO BORROWER

Introduction

The Progressive Energies OpCo Borrower was incorporated in England and Wales on 07 April 2011 under registered number 07596186 as a private company with limited liability under the Companies Act 2006. The registered office of the Progressive Energies OpCo Borrower is at Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH. The entire issued share capital of the Progressive Energies OpCo Borrower is held by the Parent Borrower.

Principal Activities

The principal activity of the Progressive Energies OpCo Borrower is the production of electricity. The Progressive Energies OpCo Borrower was established for the purposes of developing the solar project, and operating the business of solar power production.

Directors and Secretary

The directors of the Progressive Energies OpCo Borrower and their respective business addresses and other principal activities are:

| Name | Business Address | Principal Activities |
|--------------------|--|----------------------|
| Robin Chamberlayne | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Alan Yazdabadi | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |
| Stephen Mahon | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Company Secretary |
| Andrew Newman | Delta Place, 27 Bath Road, Cheltenham, Gloucestershire, England GL53 7TH | Director |

Capitalisation Statement

The capitalisation of the Progressive Energies OpCo Borrower as at the date of these Listing Particulars is as follows:

Share Capital

| Share | Issued Share Capital £ | Value of each Share £ | Share Fully Paid-up | Paid-up Share Capital £ |
|---------------------|---------------------------|--------------------------|---------------------|----------------------------|
| A Ordinary 1P Share | 6,000 | 0.01 | Yes | 6,000 |
| B Ordinary 1P Share | 4,000 | 0.01 | Yes | 4,000 |

All of the issued shares (being as set out in the table above) in the Progressive Energies OpCo Borrower are held by the Parent Borrower.

Financial Information

The Parent Borrower will prepare consolidated audited annual reports and accounts for the Borrower Group.

There has been no significant change in the financial or trading position of the Progressive Energies OpCo Borrower since 30 September 2014, being the end of the financial period for which unaudited financial statements have been published.

There has been no material adverse change in the prospects of the Progressive Energies OpCo Borrower since the date of its last published accounts.

DESCRIPTION OF THE NOTES

The information set out below has been obtained from sources that the Issuer believes to be reliable and the Issuer accepts responsibility for correctly reproducing this information, but prospective investors are advised to make their own enquiries as to such procedures. In particular, such information is subject to any change in or reinterpretation of the rules, regulations and procedures of the Clearing Systems currently in effect, and investors wishing to use the facilities of any of the Clearing Systems are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Registrar, the Note Trustee, the Issuer Security Trustee, the Arranger, the Bookrunner, the Loans Arranger or any party to the Agency Agreement will have any responsibility for the performance by the Clearing Systems or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.

General

The Notes have been represented on issue by one or more Global Note Certificates in fully registered form without interest coupons. The Global Note Certificate has been deposited on the Closing Date with, and registered in the name of, a common depositary as nominee of Euroclear and Clearstream, Luxembourg (the "**Common Depositary**"). The Global Note Certificate has been issued in minimum denominations of GBP 100,000 and integral multiples of GBP 10,000 in excess thereof.

Holding of Beneficial Interests in Global Note Certificates

Ownership of beneficial interests in respect of the Global Note Certificate will be limited to persons that have accounts with Euroclear or Clearstream, Luxembourg ("**direct participants**") or persons that hold beneficial interests in the Global Note Certificate through participants ("**indirect participants**" and, together with direct participants, "**participants**"), including, as applicable, banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with Euroclear or Clearstream, Luxembourg either directly or indirectly. Indirect participants will also include persons that hold beneficial interests through such indirect participants. Beneficial interests in the Global Note Certificate will not be held in definitive form. Instead, Euroclear and Clearstream, Luxembourg, as applicable, will credit the participants' accounts with the respective interests beneficially owned by such participants on each of their respective book-entry registration and transfer systems. Ownership of beneficial interests in the Global Note Certificate will be shown on, and transfers of beneficial interests therein will be effected only through, records maintained by Euroclear or Clearstream, Luxembourg (with respect to the interests of their participants) and on the records of participants or indirect participants (with respect to the interests of their participants). The laws of some jurisdictions or other applicable rules may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may therefore impair the ability of persons within such jurisdictions or otherwise subject to the laws thereof to own, transfer or pledge beneficial interests in the Global Note Certificate.

Except as set forth below under "*Issuance of Definitive Note Certificates*", participants or indirect participants will not be entitled to have Notes registered in their names, will not receive or be entitled to receive physical delivery of Notes in definitive registered form and will not be considered the holders thereof under the Trust Deed. Accordingly, each person holding a beneficial interest in a Global Note Certificate must rely on the rules and procedures of Euroclear or Clearstream, Luxembourg, as the case may be, and indirect participants must rely on the procedures of the participant or indirect participants through which such person owns its beneficial interest in the relevant Global Note Certificate to exercise any rights and obligations of a holder of Notes under the Trust Deed.

Unlike legal owners or holders of the Notes, holders of beneficial interests in the Global Note Certificate will not have the right under the Trust Deed to act upon solicitations by the Issuer of consents or requests by the Issuer for waivers or other actions from Noteholders. Instead, a holder of a beneficial interest in the Global Note Certificate will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear or Clearstream, Luxembourg and, if applicable, their participants. There can be no

assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of beneficial interests in the Global Note Certificate to vote on any requested actions on a timely basis.

Similarly, upon the occurrence of a Note Event of Default under the Notes, holders of beneficial interests in the Global Note Certificate will be restricted to acting through Euroclear and Clearstream, Luxembourg unless and until Definitive Note Certificates are issued in accordance with the Conditions. There can be no assurance that the procedures to be implemented by Euroclear, and Clearstream, Luxembourg under such circumstances will be adequate to ensure the timely exercise of remedies under the Trust Deed.

Luxembourg's respective book-entry registration and transfer systems.

For further information regarding the purchase of beneficial interests in the Global Notes Certificate, see "*Transfer Restrictions*" below.

Although Euroclear and Clearstream, Luxembourg have agreed to certain procedures to facilitate transfer of beneficial interests in the Global Note Certificate among account holders of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Note Trustee, the Registrar, the Paying Agent or any of their respective agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective participants or account holders of their respective obligations under the rules and procedures governing their operations.

Payments on Global Notes

Each payment of interest on and repayment of principal of the Notes shall be made in accordance with the Agency Agreement.

Payments of any amounts owing in respect of the Global Note Certificate will be made by the Issuer, in sterling, to the Common Depositary for Euroclear or Clearstream, Luxembourg, or its nominee, which will distribute such payments to participants who hold beneficial interests in the Global Note Certificate in accordance with the procedures of Euroclear or Clearstream, Luxembourg.

Under the terms of the Trust Deed, the Issuer and the Note Trustee will treat the registered holders of the Global Note Certificate as the owner thereof for the purposes of receiving payments and for all other purposes.

Consequently, none of the Issuer, the Note Trustee or the Issuer Security Trustee or any agent of the Issuer or the Note Trustee has or will have any responsibility or liability for:

- (a) any aspect of the records of Euroclear and/or Clearstream, Luxembourg or any participant or indirect participant relating to or payments made on account of a beneficial interest in the Global Note Certificate or for maintaining, supervising or reviewing any of the records of Euroclear and/or Clearstream, Luxembourg or any participant or indirect participant relating to or payments made on account of a beneficial interest in the Global Note Certificate; or
- (b) Euroclear and/or Clearstream, Luxembourg or any participant or indirect participant.

The Note Trustee or the Issuer Security Trustee is entitled to rely on any certificate or other document issued by Euroclear and/or Clearstream, Luxembourg for determining the identity of the several persons who are for the time being the beneficial holders of any beneficial interest in the Global Note Certificate.

All such payments will be distributed without deduction or withholding for any taxes, duties, assessments or other governmental charges of whatever nature except as may be required by law. If any such deduction or withholding is required to be made, then neither the Issuer nor any other person will be obliged to pay additional amounts in respect thereof.

In accordance with the rules and procedures for the time being of Euroclear or, as the case may be, Clearstream, Luxembourg, after receipt of any payment by the Common Depositary or its nominee, the respective systems will promptly credit their participants' accounts with payments in amounts proportionate to their respective ownership of beneficial interests in the Global Note Certificate as shown in the records of Euroclear or of Clearstream, Luxembourg. The Issuer expects that payments by participants to owners of beneficial interests in the Global Note Certificate held through such participants or indirect participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers registered in "street name" or in the names of nominees for such customers. Such payments will be the responsibility of such participants or indirect participants. None of the Issuer, the Note Trustee, the Issuer Security Trustee, the Registrar, the Paying Agent or any other agent of the Issuer, the Note Trustee, the Issuer Security Trustee or the Registrar will have any responsibility or liability for any aspect of the records of Euroclear or Clearstream, Luxembourg relating to or payments made by Euroclear or Clearstream, Luxembourg on account of a participant's ownership of beneficial interests in the Global Note Certificate or for maintaining, supervising or reviewing any records relating to a participant's ownership of beneficial interests in the Global Note Certificate.

Book-Entry Ownership

The Global Note Certificate will have an ISIN and a Common Code and will be registered in the name of and deposited with the Common Depositary or its nominee, on behalf of Euroclear and Clearstream, Luxembourg.

Information Regarding Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg have informed the Issuer as follows:

Custodial and depository links have been established between Euroclear and Clearstream, Luxembourg to facilitate the initial issue of Global Note Certificate and secondary market trading of beneficial interests in the Global Note Certificate.

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

As Euroclear and Clearstream, Luxembourg act on behalf of their respective account holders only, who in turn may act on behalf of their respective clients, the ability of beneficial owners who are not account holders with Euroclear or Clearstream, Luxembourg to pledge interests in the Global Note Certificate, to persons or entities that are not account holders with Euroclear or Clearstream, Luxembourg, or otherwise take action in respect of interests in the Global Note Certificate may be limited.

The Issuer understands that under existing industry practices, if either the Issuer or the Note Trustee requests any action of owners of beneficial interests in the Global Note Certificate or if an owner of a beneficial interests in the Global Note Certificate desires to give instructions or take any action that a holder is entitled to give or take under the Trust Deed, Euroclear or Clearstream, Luxembourg, as the case may be, would authorise the direct participants owning the relevant beneficial interests to give instructions

or take such action, and such direct participants would authorise indirect participants to give or take such action or would otherwise act upon the instructions of such indirect participants.

Transfer and Transfer Restrictions

All transfers of beneficial interests in the Global Note Certificate will be recorded in accordance with the book-entry systems maintained by Euroclear or Clearstream, Luxembourg, as applicable, pursuant to customary procedures established by each respective system and its participants.

Each Global Note Certificate will bear a legend substantially identical to that appearing in paragraph (f) under "*Transfer Restrictions*" below. Until and including the 40th day after the later of the commencement of the offering of the Notes and the Closing Date (the "**Note Distribution Compliance Period**"), beneficial interests in the Global Note Certificate may be held only through Euroclear or Clearstream, Luxembourg.

Transfer of Global Note Certificates

The Global Note Certificate may be transferred by the Common Depositary only to a successor Common Depositary.

Issuance of Definitive Note Certificates

The Global Note Certificate will be exchanged for Definitive Note Certificates only if, 40 days or more after the Closing Date, any of the following circumstances apply:

- (a) either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no alternative clearing system satisfactory to the Note Trustee is in existence; or
- (b) as a result of any amendment to, or change in, the laws or regulations of England and Wales or any other jurisdiction or any political sub-division thereof or of any authority therein or thereof having the power to tax, or in the interpretation or administration of such laws or regulations, which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any deduction or withholding from any payment in respect of the Notes which would not be required if the Notes were in definitive registered form.

If Definitive Notes Certificates are issued in accordance with the Trust Deed, the Book-Entry Interests represented by the Global Note Certificate shall be exchanged by the Issuer for Definitive Note Certificates. The aggregate principal amount of the Definitive Note Certificates to be issued will be equal to the aggregate Outstanding Principal Amount of the Global Note Certificate at the date on which notice of such issue of Definitive Note Certificates is given to the Noteholders, subject to and in accordance with these Conditions, the Agency Agreement, the Trust Deed and such Global Note Certificate. The Definitive Note Certificates will be issued in registered form only, in the initial denomination of GBP 100,000 and integral multiples of GBP 10,000 in excess thereof.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of the Notes which, subject to completion and except for the text in italics, will be endorsed on each Definitive Note Certificate (if issued).

The issue of GBP 29,500,000 in aggregate principal amount of Secured RPI-linked Notes due 2035 (the "**Notes**") has been authorised by a resolution dated 10 December 2015 of TRFC 2015-1 PLC (the "**Issuer**").

The Notes are constituted by, are subject to, and have the benefit of, a trust deed dated 16 December 2015 (as amended or supplemented from time to time, the "**Trust Deed**" and the "**Closing Date**" respectively) between the Issuer and U.S. Bank Trustees Limited in its capacity as note trustee (in such capacity, the "**Note Trustee**", which expression includes all persons for the time being appointed as note trustee for the holders of the Notes (the "**Noteholders**") under the Trust Deed).

These terms and conditions (these "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed. The additional agreements entered into in relation to the Notes include:

- (i) an agency agreement dated on or about the Closing Date (as amended or supplemented from time to time, the "**Agency Agreement**") between the Issuer, the Note Trustee and Elavon Financial Services Limited in its separate capacities as paying agent, calculation agent and registrar in respect of the Notes (the "**Paying Agent**", "**Calculation Agent**" and "**Registrar**", respectively, which expressions shall include any successor paying agents, calculation agents or registrars as the case may be, appointed from time to time in connection with the Notes);
- (ii) the deed of charge dated on or about the Closing Date (as amended or supplemented from time to time, the "**Issuer Deed of Charge**") between, among others, the Issuer, the Note Trustee and U.S. Bank Trustees Limited as security trustee (the "**Issuer Security Trustee**", which expression includes any successor security trustee appointed from time to time as security trustee for the Noteholders under the Issuer Deed of Charge); and
- (iii) the cash management agreement dated on or about the Closing Date (as amended or supplemented from time to time, the "**Issuer Cash Management Agreement**") between, among others, the Issuer, Elavon Financial Services Limited as issuer cash manager (the "**Issuer Cash Manager**") which expression includes any successor issuer cash manager appointed from time to time as issuer cash manager under the Issuer Cash Management Agreement), the Note Trustee, the Issuer Security Trustee and the Calculation Agent.

The Noteholders are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Issuer Deed of Charge, the Issuer Cash Management Agreement, the Agency Agreement, the Corporate Services Agreement, the Subscription Agreement, Issuer Master Definitions Schedule and the Direct Agreements (the "**Issuer Transaction Documents**"). Copies of the Issuer Transaction Documents are available for inspection during normal business hours at the Specified Offices of the Paying Agent.

1. DEFINITIONS

For the purposes of these Conditions, defined terms used but not defined in these Conditions are as defined in the master definitions schedule signed for the purposes of identification by, among others, the Issuer, the Note Trustee, the Issuer Security Trustee, the Paying Agent, the Calculation Agent and the Registrar on or about the Closing Date (the "**Issuer Master Definitions Schedule**") (including by incorporation by reference from the Borrower Master Definitions Schedule referred to therein).

2. FORM, DENOMINATION AND TITLE

(a) Form and Denomination

The Notes are in registered form in nominal denominations of GBP 100,000 and integral multiples of GBP 10,000 in excess thereof (each nominal denomination, a "**Nominal Holding**" and each other denomination, an "**Authorised Holding**").

Upon issue, the Notes will be represented by the Global Note Certificate (as defined below). The Conditions are modified by certain provisions contained in the Global Note Certificate.

(b) Title

Title to the Notes will pass by transfer and registration in the Notes Register as described in Condition 3 (*Registration and Transfer*). The holder of any Note will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any other interest in it, any writing thereon by any person (other than a duly executed transfer thereof in the form endorsed thereon) or any notice of any previous theft or loss thereof; and no person will be liable for so treating the holder.

In these Conditions: "**person**" means any individual, company, corporation, firm, partnership, joint venture, association, unincorporated organisation, trust or other judicial entity, including, without limitation, any state or agency of a state or other entity, whether or not having separate legal personality; and "**Noteholder**" or "**holder**" means the person in whose name a Note is for the time being registered in the Notes Register (or, in the case of joint holders, the first named thereof) and the terms "**holders**" and "**Noteholders**" shall be construed accordingly.

The "**Global Note Certificate**" will be in registered form with a minimum denomination of GBP 100,000 and integral multiples of GBP 10,000 in excess thereof. The Global Note Certificate will be deposited with, and registered in the name of a common depositary for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream**") (together, the "Clearing Systems" and such common depositary being the "**Common Depositary**").

Ownership of beneficial interests in the Global Note Certificate will be limited to persons that have accounts with Euroclear or Clearstream or persons that may hold interests through such participants. Beneficial interests in the Global Note Certificate will be shown on, and transfers thereof will be effected through, records maintained in book-entry form by Euroclear, Clearstream and their participants as applicable.

The Global Note Certificate will be exchanged for Definitive Note Certificates only if, 40 days or more after the Closing Date, any of the following circumstances apply:

- (i) *either Euroclear or Clearstream is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no alternative clearing system satisfactory to the Note Trustee is in existence; or*
- (ii) *as a result of any amendment to, or change in, the laws or regulations of England and Wales or any other jurisdiction or any political sub-division thereof or of any authority therein or thereof having the power to tax, or in the interpretation or administration of such laws or regulations, which becomes effective on or after the Closing Date, the Issuer or the Paying Agent is or will be required to make any deduction or withholding from any payment in respect of*

the Notes which would not be required if the Notes were in definitive registered form.

If Definitive Notes Certificates are issued in accordance with the Trust Deed, the book-entry interests represented by the Global Note Certificate shall be exchanged by the Issuer for Definitive Note Certificates. The aggregate principal amount of the Definitive Note Certificates to be issued will be equal to the aggregate Outstanding Principal Amount of the Global Note Certificate at the date on which notice of such issue of Definitive Note Certificates is given to the Noteholders, subject to and in accordance with these Conditions, the Agency Agreement, the Trust Deed and the Global Note Certificate. The Definitive Note Certificates will be issued in registered form only, in the denomination of GBP 100,000 and integral multiples of GBP 10,000 in excess thereof.

(c) **Definitive Form**

Notes in definitive, fully registered form (each a "**Definitive Note Certificate**") in respect of a Noteholder's registered holding of Notes will be numbered serially with an identifying number which will be recorded on the relevant Definitive Note Certificate and in the register of Noteholders (the "**Notes Register**") which the Issuer will procure to be kept by the Registrar.

(d) **Third party rights**

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

3. **REGISTRATION AND TRANSFER**

(a) **Registration**

The Issuer will cause the Notes Register to be kept at the Specified Office of the Registrar and in accordance with the terms of the Agency Agreement in which will be entered the names and addresses of the Noteholders and the particulars of the Notes held by them and all transfers and redemptions of the Notes. Each Noteholder shall be entitled to receive only one Definitive Note Certificate in respect of its entire holding of Notes.

(b) **Transfer**

Each Note may, subject to the terms of the Agency Agreement and to Conditions 3(c) (*Formalities Free of Charge*), 3(d) (*Closed Periods*) and 3(e) (*Regulations Concerning Transfer and Registration*), be transferred in whole (but not in part) by lodging the relevant Definitive Note Certificate (with the endorsed form of application for transfer in respect thereof duly completed and signed by the holder or his attorney duly authorised in writing, or duly stamped where applicable) at the Specified Office of the Registrar or any Paying Agent. A Note may be registered only in the name of, and transferred only to, a named person or persons. No transfer of a Note will be valid unless and until entered on the Notes Register.

Transfers of beneficial interests in the Notes evidenced by the Global Note Certificate will be effected in accordance with the rules of the relevant Clearing System.

The Registrar will within five Business Days of any duly completed and signed application for the transfer of a Note, register the transfer in the Notes Register and make available for collection a new Definitive Note Certificate to the transferee at the Specified Office of the Registrar, or (at the risk and, if mailed at the request of the transferee or, as the case may be, the transferor otherwise than by ordinary mail, at the expense of the transferee or, as the case may be, the transferor) mail the Definitive Note Certificate by

uninsured mail to such address as the transferee or, as the case may be, the transferor may request.

(c) **Formalities Free of Charge**

Such transfer will be effected without charge subject to (i) the person making such application for transfer paying or procuring the payment of any taxes, duties and other governmental charges in connection therewith, (ii) the Registrar being satisfied with the documents of title and/or identity of the person making the application and (iii) such reasonable regulations as the Issuer may from time to time agree with the Registrar and the Note Trustee.

(d) **Closed Periods**

Neither the Issuer nor the Registrar will be required to register the transfer of any Note during the period of one Business Day immediately prior to the due date for any payment of principal or interest in respect of the Notes.

(e) **Regulations Concerning Transfer and Registration**

All transfers of Notes and entries on the Notes Register will be made subject to the detailed regulations concerning transfer of Notes (the "**Transfer Regulations**") scheduled to the Trust Deed. The regulations may be changed by the Issuer to reflect changes in legal requirements or in any other manner which is not prejudicial to the interests of Noteholders with the prior approval of the Registrar and the Note Trustee (such approval not to be unreasonably withheld or delayed).

(f) **Authorised Holdings**

No Note may be transferred unless the nominal principal amount (as at the Closing Date) of Notes transferred and (where not all of the Notes held by a holder are being transferred) the nominal principal amount (as at the Closing Date) of the balance of the Notes retained are Authorised Holdings.

4. **STATUS AND SECURITY**

(a) **Status**

The Notes constitute direct, unconditional, unsubordinated and secured obligations of the Issuer. The Notes will, at all times, rank *pari passu* among themselves, at least *pari passu* in right of payment with all other present and future unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

(b) **Transaction Security**

The Issuer Secured Obligations are secured in favour of the Issuer Security Trustee on trust for the benefit of the Noteholders and the other Issuer Secured Creditors upon and subject to the terms and conditions of the Issuer Deed of Charge. The Noteholders and the other Issuer Secured Creditors will share in the benefit of the security constituted by or pursuant to the Issuer Deed of Charge, upon and subject to the terms and conditions of the Issuer Deed of Charge.

(c) **Issuer Security Trustee**

Pursuant to the terms of the Issuer Deed of Charge, the Issuer Security Trustee is exempted from any liability in respect of the performance of, or any loss or theft or

reduction in the value of, the Issuer Charged Property, or from any obligation to insure the Issuer Charged Property and from any claim arising if and to the extent that any Issuer Charged Property is held in a Clearing System or in safe custody by a bank or custodian. The Issuer Security Trustee has no responsibility for the management, administration or evaluation of the Issuer Charged Property by any party or to supervise the administration of the Issuer Charged Property by any party and is entitled to rely on the certificates or notices of any relevant party without further enquiry. The Issuer Deed of Charge also provides that the Issuer Security Trustee shall accept, without further investigation, requisition or objection, such right, benefit, title and interest, if any, as the Issuer may have in and to any of the Issuer Charged Property and is not bound to make any investigation into the same or into the Issuer Charged Property in any respect. The Issuer Security Trustee has no responsibility for any failure, omission or defect in registering or filing or procuring registration or filing of or otherwise protecting or perfecting the Issuer Security or any of it. The Issuer Security Trustee has no responsibility for the value, sufficiency or enforceability of any of the Issuer Charged Property or the Issuer Security created in respect thereof.

(d) **Application of Proceeds upon Enforcement**

The Issuer Deed of Charge provides that the net proceeds of realisation of, or enforcement with respect to the Issuer Security over, the Issuer Charged Property shall be applied in accordance with Schedule 4 to the Issuer Deed of Charge.

5. **UNDERTAKINGS**

So long as any Note is outstanding (as defined in the Issuer Master Definitions Schedule), the Issuer shall perform the obligations set out below:

Authorisations and Compliance with Laws

(a) **Maintenance of Authorisations**

The Issuer shall continue and maintain all registrations, recordings, filings, consents, approvals and authorisations, which may at any time be required to be obtained or made in any relevant jurisdiction for the purposes of (i) the execution, delivery, validity and (subject to the Legal Reservations) the enforceability or performance by the Issuer of the Issuer Transaction Documents; and (ii) carrying on its business.

(b) **Compliance**

The Issuer shall comply in all respects with all laws to which it may be subject.

(c) **Variation of Constitutional Documents**

The Issuer will not effect any amendment or variation to its constitutional documents to the extent that doing so could reasonably be expected to materially and adversely affect the interests of the Noteholders under the Issuer Transaction Documents.

(d) **Further Acts**

So far as permitted by law, the Issuer shall at all times execute all such further documents and do all such further acts and things as may be necessary at any time or times in the opinion of the Note Trustee or the Issuer Security Trustee to give effect to the Issuer Transaction Documents.

(e) **Tax**

The Issuer shall pay and discharge any Tax imposed upon it or its assets within the time period allowed, unless such taxes are, in the opinion of the Issuer Security Trustee, being contested in good faith by the Issuer.

(f) **Books and Records**

The Issuer shall: (i) maintain all proper records and books of account as are required by law and as are necessary to give a true and fair view of the state of its affairs and to explain its transactions; and (ii) so far as permitted by applicable law, allow the Note Trustee, its professional advisors and anyone appointed by it to whom the Issuer has no reasonable objection, access to its books of accounts at all reasonable times during normal business hours upon reasonable notice, provided that such right of access shall be subject to any limitations imposed on the Issuer by law, any duty of secrecy or confidentiality, or governmental authority.

Restrictions on Business

(g) **Mergers**

The Issuer shall not amalgamate, merge, demerge or consolidate with or into any other person or undertake any corporate reorganisation or other reorganisation.

(h) **Change of Business**

The Issuer shall not make any change to the general nature of its business, trade or ordinary activities as they are conducted on the Closing Date.

(i) **Acquisitions and Investment**

The Issuer shall not acquire a company or any shares or securities or a business or undertaking (or, in each case, any interest in any of them) or incorporate a company.

Restrictions on Dealing with Assets and Securities

(j) **Negative Pledge**

The Issuer shall not create or permit to subsist any Security Interest upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) other than the Issuer Security.

(k) **Pari Passu Ranking**

The Issuer shall ensure that its obligations under the Notes at all times rank at least *pari passu* in right of payment with all its present and future unsubordinated obligations, except for obligations mandatorily preferred by law.

(l) **Joint Ventures**

The Issuer shall not enter into or permit to subsist any joint venture, partnership or similar arrangement with any person.

(m) **Disposals**

The Issuer shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, licence, transfer or otherwise dispose of any asset.

(n) **Notes Register**

The Issuer shall deliver or procure the delivery to the Note Trustee of an up-to-date copy of the Notes Register, certified as being a true, accurate and complete copy, at such times as the Note Trustee may reasonably require (it being deemed reasonable for the Note Trustee to require such updates at least twice per calendar year).

(o) **Information**

The Issuer shall give or procure to be given to the Note Trustee and the Issuer Security Trustee such opinions, certificates, information and evidence and afford the Note Trustee and the Issuer Security Trustee such facilities as the Note Trustee and the Issuer Security Trustee shall require and in such form as the Note Trustee and the Issuer Security Trustee shall require for the purpose of the discharge or exercise of the duties, trusts, powers, authorities and discretions vested in it under the Trust Deed or the Issuer Deed of Charge or by operation of law.

(p) **Compliance with the Issuer Transaction Documents**

The Issuer will observe and comply with the obligations contained in the Issuer Transaction Documents and in preserving and enforcing its rights shall act in accordance with the instructions of the Controlling Party. The Note Trustee shall be entitled to enforce the obligations of the Issuer under the Trust Deed (including the Conditions) and the Notes as if the same were contained in the Trust Deed which shall be read and construed as one document with the Notes..

Restrictions on Movement of Cash

(q) **Incurrence of Indebtedness**

The Issuer shall not incur or allow to remain outstanding any Financial Indebtedness, other than Financial Indebtedness incurred under or in accordance with the Issuer Transaction Documents.

(r) **Dividends**

The Issuer shall not declare or make any dividend.

(s) **Loans or credit**

The Issuer shall not be a creditor in respect of any Financial Indebtedness other than in the case of the Loan.

(t) **No guarantees or indemnities**

The Issuer shall not incur or allow to remain outstanding any guarantee in respect of any obligation of any person.

(u) **Hedging transactions**

The Issuer shall not enter into any derivative transaction in connection with protection against or benefit from fluctuation in any rate or price.

Miscellaneous

(v) **Change in Agents**

The Issuer shall give at least 14 days' prior notice to the Noteholders of any change by an Agent of its Specified Office or of any future appointment, resignation or removal of an Agent and not make any such appointment or removal without notifying the Note Trustee in advance.

6. **INTEREST**

(a) **Note Interest Payment Dates**

The Notes shall bear interest from (and including) the Closing Date and such interest will be payable semi-annually in arrear on 4 March and 4 September in each year commencing on 4 September 2016 and on the Final Maturity Date (each a "**Note Interest Payment Date**"). If any Note Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day (unless such Business Day falls in the next calendar month, in which event, it shall be the immediately preceding Business Day). No adjustment to the interest payable shall be made upon such a change to the day of actual payment.

The period beginning on (and including) the Closing Date and ending on (but excluding) the first Note Interest Payment Date and each successive period thereafter, beginning on (and including) a Note Interest Payment Date and ending on (but excluding) the next succeeding Note Interest Payment Date is called a "**Note Interest Period**".

Interest shall accrue on the Notes at the Rate of Interest, on the basis of the actual number of days in each Note Interest Period and a year of 365 days (or 366 days if the relevant Note Interest Period expires during a leap year). All interest payments will be subject to indexation in accordance with Condition 7 (*Payments and Indexation*).

(b) **Rate of Interest**

The rate of interest in respect of the Notes (the "**Rate of Interest**") for each Note Interest Period shall be 1.198 per cent per annum.

(c) **Default Interest**

(i) If any sum due and payable by the Issuer hereunder is not paid on the due date therefor in accordance with the provisions of Condition 7 (*Payments and Indexation*) or if any sum due and payable by the Issuer under any judgment of any court in connection herewith is not paid on the date of such judgment, the period beginning on such due date or, as the case may be, the date of such judgment and ending on the date upon which the obligation of the Issuer to pay such sum (the balance thereof for the time being unpaid being herein referred to as an "**unpaid sum**") is discharged shall be divided into successive periods, each of which, other than the first, shall start on the last day of the preceding such period and the duration of each of which shall, except as otherwise provided in this Condition 6(c)(i) (*Default Interest*), be selected by the Note Trustee, but shall in any event not be longer than one month.

- (ii) During each such period relating thereto as is mentioned in Condition 6(c)(i) above, an unpaid sum shall bear interest at a rate of 1.5%
- (iii) Any interest which shall have accrued under Condition 6(c)(ii) above, in respect of an unpaid sum, shall be due and payable and shall be paid by the Issuer at the end of the period by reference to which it is calculated or on such other dates as the Note Trustee may specify by written notice to the Issuer.

(d) **Cessation of Interest**

Each Note will cease to bear interest from the due date for final redemption unless, upon due surrender of the relevant Note, payment of principal is improperly withheld or refused. In such case, it will continue to bear interest at such rate (after as well as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Paying Agent or the Note Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment) in accordance with Condition 6(c) (*Default Interest*).

(e) **Role of Calculation Agent**

The Calculation Agent is required, pursuant to the terms of the Agency Agreement, to determine the amount of interest accruing on the Notes, from time to time.

7. **PAYMENTS AND INDEXATION**

(a) **Principal**

Payment of principal in respect of each Note will be made to the person shown as holder in the Notes Register at the close of business on the Record Date and subject to the surrender (or, in the case of part payment only, endorsement on) of the relevant Definitive Note Certificate at the Specified Office of the Registrar or of the Paying Agent.

Payments in respect of the Global Note Certificates will be paid in sterling to holders of interests in such Notes who hold such interests through Euroclear and/or Clearstream, Luxembourg (the "Clearing System Holders").

A Clearing System Holder shall receive payments in respect of its interest in the Global Note Certificate in accordance with Euroclear's or, as the case may be, Clearstream's rules and procedures. None of the persons from time to time shown in the records of Euroclear or Clearstream Luxembourg as the holder of a Note shall have any claim directly against the Issuer or the Note Trustee in respect of payments due on such Note whilst such Note is represented by the Global Note Certificate and the Issuer or the Note Trustee, as the case may be, shall be discharged by payment of the relevant amount to the registered holder of the Global Note Certificate.

(b) **Interest**

Payments of interest in respect of each Note will be made to the person shown as holder in the Notes Register at close of business on the Record Date.

(c) **Record Date**

"Record Date" means one Business Day before the due date for the relevant payment.

(d) **Indexation**

Each payment of interest and principal in respect of the Notes shall be in an amount determined by the Calculation Agent pursuant to Conditions 6 (*Interest*) or 8 (*Redemption*), as the case may be, multiplied by the Index Ratio applicable to the month on which the relevant amount is due to be paid, rounded, if necessary, to five decimal places (with 0.000005 being rounded upwards).

(e) **Payments**

Each payment in respect of the Notes pursuant to Conditions 6 (*Interest*) and 8 (*Redemption*) will be made by transfer to a sterling account maintained by the holder of the relevant Note with a bank in London, as notified by the holder to the Specified Office of the Paying Agent not less than one Business Day before the due date for any payment in respect of a Note. The Paying Agent will be entitled, at any time, to rely on the most recent such notification by the relevant holder.

Where payment is to be made by transfer to a sterling account, payment instructions (for value the due date, or, if the due date is not a Business Day, for value the next succeeding Business Day) will be initiated, in the case of principal, on the later of the due date for payment and the day on which the relevant Definitive Note Certificate is surrendered (or, in the case of part payment only, endorsed) and, in the case of interest and other amounts on the due date for payment.

Where payment is to be made by cheque, the cheque will be mailed, on the Business Day preceding the due date for payment or, in the case of payments referred to in Condition 8 (*Redemption*), on the Business Day on which the relevant Definitive Note Certificate is surrendered (or endorsed as the case may be) as specified in Condition 8 (*Redemption*) (at the risk and, if mailed at the request of the holder otherwise than by ordinary mail, expense of the holder).

Payments in respect of a Note represented by the Global Note Certificate will be made by transfer to a sterling account maintained by the holder thereof with a bank in London. Payment instructions will be initiated, in the case of principal, on the later of the due date for payment and the day on which the Global Note Certificate is surrendered (or endorsed, as applicable) and, in the case of interest and other amounts, on the due date for payment.

(f) **Determination of Index Ratio**

The Calculation Agent will, under and in accordance with the Agency Agreement and as soon as practicable after 11.00 a.m. (London time) on each Calculation Date, determine the Index Ratio.

For these purposes:

The "**Index Ratio**" applicable to any Note Interest Payment Date, will be the Index Figure applicable to the Calculation Date for such Note Interest Payment Date, divided by the Base Index Figure.

Where:

"**Calculation Date**" means, in respect of any Note Interest Payment Date, the date falling seven Business Days prior to the Loan Interest Payment Date (as defined in the Borrower Master Definitions Schedule) immediately preceding such Note Interest Payment Date.

"**Base Index Figure**" means, subject to Condition 7(h) (Changes in Circumstances Affecting *the Index*), 259.55161.

"**Index**" or "**Index Figure**" means, in relation to any relevant calculation month (as defined in Condition 7(h)(ii)), subject as provided in Condition 7(h)(i) below, the U.K. Retail Price Index (RPI) (for all items) published by the Office for National Statistics (January 1987 = 100) or any comparable index which may replace the U.K. Retail Price Index for the purpose of calculating the amount payable on repayment of the Reference Gilt.

The Index Figure applicable to a particular Calculation Date shall, subject as provided in Condition 7(h) and Condition 7(j), be determined in accordance with the following formula:

$$IFA = RPI_{m-3} + \frac{(Day\ of\ Calculation\ Date - 1)}{(Days\ in\ month\ of\ Calculation\ Date)} \times (RPI_{m-2} - RPI_{m-3})$$

and rounded to the nearest fifth decimal place.

"**IFA**" means the Index Figure for the applicable Calculation Date.

"**RPI_{m-3}**" means the Index Figure for the first day of the calendar month that is three months prior to the calendar month in which the applicable Calculation Date falls; 259.55161

"**RPI_{m-2}**" means the Index Figure for the first day of the calendar month that is two months prior to the calendar month in which the Calculation Date falls;

"**Reference Gilt**" has the meaning given to that term in Condition 8.

(g) **Application of Index Ratio**

Promptly upon determining the Index Ratio, the Calculation Agent shall calculate the amount of interest and principal payable on each Nominal Holding (the "**Nominal Interest Amount**" and "**Nominal Principal Amount**", respectively) for the relevant Note Interest Period.

The Nominal Interest Amount for each Note Interest Period shall be calculated by applying the Rate of Interest to the Outstanding Principal Amount of one Nominal Holding and multiplying such product by (i) the actual number of days in the Note Interest Period concerned divided by 365 (or 366 if the relevant Note Interest Payment Date falls in a leap year) and (ii) the Index Ratio for the next Note Interest Payment Date.

If a Nominal Interest Amount is required to be calculated for any period other than a Note Interest Period, it shall be calculated by applying the Rate of Interest to the Outstanding Principal Amount of one Nominal Holding and multiplying such product by (i) the actual number of days for which interest is to be paid, divided by 365 (or 366 if such period expires in a leap year) and (ii) the Index Ratio for the next Note Interest Payment Date.

The Nominal Principal Amount due at any time shall be calculated by multiplying (i) the amount of principal due in respect of one Nominal Holding under Condition 8 (*Redemption*) by (ii) the Index Ratio for the next Note Interest Payment Date.

Any result of a calculation of Nominal Interest Amount and Nominal Principal Amount shall be rounded to four decimal places (with the fifth decimal being rounded upwards).

The determination of the Index Ratio, the Nominal Interest Amount and the Nominal Principal Amount by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(h) **Changes in Circumstances Affecting the Index**

- (i) If at any time and from time to time the Index is changed by the substitution of a new base therefor, then with effect from the month from and including that in which such substitution takes effect or the first date from and including that on which such substitution takes effect, as the case may be, (1) the definition of "Index" and "Index Figure" in Condition 7(f) shall be deemed to refer to the new date or month in substitution for January 1987 (or, as the case may be, to such other date or month as may have been substituted therefor), and (2) the new Base Index Figure shall be the product of the existing Base Index Figure and the Index Figure for the date on which such substitution takes effect, divided by the Index Figure for the date immediately preceding the date on which such substitution takes effect.
- (ii) If the Index Figure relating to any month (the "**calculation month**") which is required to be taken into account for the purposes of the determination of the Index Figure for any Note Interest Payment Date is not published on or before the fourteenth Business Day before the Loan Interest Payment Date on which such payment is due (the "**date for payment**"), the Index Figure applicable for the relevant calculation month shall be (1) such substitute index figure (if any) as the Controlling Party (acting solely on the advice of the Indexation Adviser) considers to have been published by the United Kingdom Debt Management Office or the Bank of England, as the case may be, for the purposes of indexation of payments on the Reference Gilt or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by the Indexation Adviser provided that, in all cases, such substitute index figure has been approved by the Borrower Agent or (2) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 7(h)(i)) before the date for payment.

For these purposes:

The "**Controlling Party**" means either:

- (a) the then current Noteholder Representative, if one has been appointed; or
- (b) if a Noteholder Representative has not been appointed, the Note Trustee (acting upon the instructions of the Noteholders) in accordance with the Trust Deed.

The "**Indexation Adviser**" means any gilt-edged market maker or other adviser appointed by the Controlling Party under the Borrower Loan Agreement, provided that the identity of the Indexation Adviser has been approved by the Borrower Agent.

- (iii) If any of the provisions in Condition 7(h)(i) or (ii) apply, the Controlling Party will be entitled to appoint an Indexation Adviser.

(i) **Application of Changes in Circumstances Affecting the Index**

- (i) Where the provisions of Condition 7(h) apply, the determination of the Indexation Adviser as to the Index Figure applicable to the month in which the date for payment falls or the date for payment, as the case may be, shall be, in the absence of manifest error, conclusive and binding. If, an Index Figure having been applied pursuant to Condition 7(h)(ii), the Index Figure relating to the

relevant month or relevant calculation month, as the case may be, is subsequently published while the Loan remains outstanding, then:

- (A) in relation to a payment of principal or interest in respect of the Notes other than upon final redemption of the Notes, the principal or interest (as the case may be) next payable after the date of such subsequent publication shall be increased or reduced, as the case may be, by an amount equal to the shortfall or excess, as the case may be, of the amount of the relevant payment made on the basis of the Index Figure applicable by virtue of Condition 7(h)(ii) below or above the amount of the relevant payment that would have been due if the Index Figure subsequently published had been published on or before the fourteenth business day before the date for payment; and
- (B) in relation to a payment of principal or interest upon final repayment, no subsequent adjustment to amounts paid will be made.

(j) **Cessation of or Fundamental Changes to the Index**

- (i) If (1) the Index has ceased to be published or (2) any change is made to the coverage or the calculation of the Index which constitutes a fundamental change which would, in the reasonable opinion of the Controlling Party (acting solely on the advice of the Indexation Adviser) be materially prejudicial to the interests of the Issuer, the Facility Agent will be required, pursuant to the terms of the Borrower Loan Agreement, to give written notice of such occurrence to the Issuer, and the Borrower Agent and the Controlling Party (acting solely on the advice of the Indexation Adviser) together shall seek to agree for the purpose of the Loan and the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave Issuer in no better and no worse position than it would have been had the Index not ceased to be published or the relevant fundamental change not been made.
- (ii) If the Borrower Agent and the Controlling Party (acting solely on the advice of the Indexation Adviser) fail to reach agreement as mentioned above within 20 Business Days following the giving of notice as mentioned in Condition 7(j)(i), a bank or other person in London shall be appointed by the Borrower Agent and the Facility Agent under the terms of the Borrower Loan Agreement or, failing agreement on and the making of such appointment within 20 Business Days following the expiry of the initial 20 Business Day period referred to above, by the Controlling Party (acting solely on the advice of the Indexation Adviser) (in each case, such bank or other person so appointed being referred to as the "**Expert**"), to determine for the purpose of the Loan and Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer in no better and no worse position than it would have been had the Index not ceased to be published or the relevant fundamental change not been made. Any Expert so appointed shall act as an expert and not as an arbitrator and all reasonable fees, costs and expenses of the Expert and of any Indexation Adviser and of any of the Issuer and the Facility Agent in connection with such appointment shall be borne by the Issuer, unless the same have been paid by any of the Borrowers or the Borrower Agent.
- (iii) If the Index is adjusted or replaced by a substitute index as agreed by the Borrower Agent and the Controlling Party (acting solely on the advice of the Indexation Adviser) or as determined by the Expert pursuant to the foregoing paragraphs, as the case may be, references in these Conditions to the Index and to any Index Figure shall be deemed amended in such manner as the Calculation Agent or, if a Noteholder Representative has been appointed, the Noteholder

Representative (acting solely on the advice of the Indexation Adviser) and the Issuer agree are appropriate to give effect to such adjustment or replacement. Such amendments shall be effective from the date of such notification and binding upon the Issuer, the Calculation Agent and the other parties to the Transaction Documents.

- (iv) If any of the provisions of Condition 7(j)(i) apply, the Controlling Party will be entitled to appoint an Indexation Adviser, provided that the identity of the Indexation Adviser has been approved by the Borrower Agent.

(k) **Publication of Nominal Interest Amount and Nominal Principal Amount**

The Calculation Agent will cause the Index Ratio, Nominal Interest Amount and Nominal Principal Amount for each Note Interest Period and the relevant Note Interest Payment Date to be notified to the Note Trustee, the Issuer Cash Manager and the Noteholders as soon as possible after their determination but in no event later than the second Business Day thereafter in accordance with Condition 15 (*Notices*), in the case of the Noteholders. The Nominal Interest Amount so published may subsequently be amended (or appropriate alternative arrangements made (with the consent of the Note Trustee) by way of adjustment) without notice in the event of an extension or shortening of the relevant Note Interest Period. If the Notes become due and payable, the Index Ratio, principal and accrued interest payable in respect of the Notes shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this Condition but no publication of the Nominal Interest Amount so calculated need be made unless the Note Trustee requires otherwise.

(l) **Determination by Note Trustee**

If the Calculation Agent does not at any time for any reason so determine the Index Ratio or calculate the Nominal Interest Amount for a Note Interest Period or the Nominal Principal Amount for a Note Interest Payment Date, the Note Trustee (or a person appointed by it for the purpose) may, without liability therefor, do so and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, the Note Trustee, or such person appointed by it, shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. Any determination by the Note Trustee under this Condition, or person appointed by it, at the expense of the Issuer, for such purpose pursuant to this Condition, shall (in the absence of manifest error) be final and binding upon all parties and the Note Trustee shall have no liability to the Issuer or to Noteholders therefor.

(m) **Reference Banks and Calculation Agent**

The Issuer shall procure that, so long as any Notes are outstanding, there shall at all times be a Calculation Agent and Paying Agent for the purposes of the Notes. If the Calculation Agent or the Paying Agent is unable or unwilling to continue to act as the Calculation Agent or Paying Agent, or if the Calculation Agent fails duly to establish the Index Ratio for any Note Interest Period or to calculate the Nominal Interest Amount, the Issuer shall appoint a leading bank engaged in the London interbank market to act as such in its place. The Calculation Agent may not resign its duties without a successor having been so appointed.

(n) **Agents**

The names of the initial Paying Agent, Calculation Agent and Registrar and their Specified Offices are set out in the Agency Agreement. The Issuer reserves the right

under the Agency Agreement, at any time by giving to the Paying Agent, Calculation Agent and the Registrar at least 60 days' prior written notice, which notice shall expire at least 15 days before or, as applicable, after a due date for payment in respect of the Notes, to vary or terminate the appointment of the Paying Agent, the Calculation Agent or the Registrar and to appoint successor or additional Paying Agent, Calculation Agent or another Registrar, provided that it will at all times maintain:

- (i) a Paying Agent and Calculation Agent in London, United Kingdom; and
- (ii) a Registrar.

Notice of any such removal or appointment and of any change in the Specified Office of any Paying Agent, Calculation Agent or Registrar will be given to Noteholders in accordance with Condition 15 (*Notices*) as soon as practicable.

(o) **Payments Subject to Fiscal Laws**

All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

(p) **Delay in Payment**

Noteholders will not be entitled to any interest or other payment in respect of any delay in payment resulting from (i) the due date for payment not being a Business Day or (ii) a cheque mailed in accordance with this Condition 7 (*Payments and Indexation*) arriving after the due date for payment or being lost in the mail.

8. **REDEMPTION**

(a) **Redemption at maturity**

Unless previously redeemed in full and cancelled as provided below, the Issuer will redeem the Notes on the Note Interest Payment Date falling in 4 March 2035 (the "**Final Maturity Date**") at an amount equal to the aggregate Outstanding Principal Amount of the Notes, plus accrued but unpaid interest thereon, multiplied by the Index Ratio for the Final Maturity Date (the "**Final Redemption Amount**").

(b) **Mandatory redemption**

(i) The Issuer shall, on each Note Interest Payment Date falling before the Final Maturity Date and any service of an Issuer Acceleration Notice (as defined in Condition 11(b)), redeem each Note in instalments, at a price equal to:

- (A) the Nominal Principal Amount; multiplied by
- (B) the original Outstanding Principal Amount of such Note; divided by
- (C) the Nominal Holding,

together with accrued but unpaid interest thereon (subject to indexation in accordance with Condition 7 (*Payments and Indexation*)), such redemption being a "**Mandatory Scheduled Redemption**".

For the purposes of determining the Nominal Principal Amount, the principal due in respect of each Nominal Holding under this Condition 8(b)(i) on each Note Interest Payment Date shall be as follows:

| Note Interest Payment Date | Principal Due (per Nominal Holding of £100,000) | Note Interest Payment Date | Principal Due (per Nominal Holding of £100,000) |
|---------------------------------------|--|---------------------------------------|--|
| 4-Sep-16 | 1,914.18 | 4-Mar-26 | 1,111.53 |
| 4-Mar-17 | 746.77 | 4-Sep-26 | 4,109.35 |
| 4-Sep-17 | 2,866.02 | 4-Mar-27 | 1,193.22 |
| 4-Mar-18 | 865.51 | 4-Sep-27 | 4,236.03 |
| 4-Sep-18 | 2,987.51 | 4-Mar-28 | 1,304.79 |
| 4-Mar-19 | 988.75 | 4-Sep-28 | 4,370.11 |
| 4-Sep-19 | 3,108.45 | 4-Mar-29 | 1,422.78 |
| 4-Mar-20 | 1,115.96 | 4-Sep-29 | 4,505.85 |
| 4-Sep-20 | 3,247.36 | 4-Mar-30 | 1,544.66 |
| 4-Mar-21 | 1,251.78 | 4-Sep-30 | 4,644.36 |
| 4-Sep-21 | 3,385.39 | 4-Mar-31 | 1,672.16 |
| 4-Mar-22 | 1,391.55 | 4-Sep-31 | 4,793.33 |
| 4-Sep-22 | 3,530.45 | 4-Mar-32 | 1,822.32 |
| 4-Mar-23 | 1,258.91 | 4-Sep-32 | 4,909.08 |
| 4-Sep-23 | 3,678.58 | 4-Mar-33 | 1,918.55 |
| 4-Mar-24 | 966.51 | 4-Sep-33 | 5,064.55 |
| 4-Sep-24 | 3,810.35 | 4-Mar-34 | 2,060.96 |
| 4-Mar-25 | 1,039.99 | 4-Sep-34 | 5,227.39 |
| 4-Sep-25 | 3,961.39 | 4-Mar-35 | 1,973.57 |

In respect of each Note, the principal due in respect of a Nominal Holding in accordance with the above, multiplied by the original Outstanding Principal Amount of such Note and divided by the Nominal Holding (such product being the scheduled principal due in respect of such Note) shall be a "**Scheduled Note Amortisation Amount**" and a "**Note Amortisation Amount**" for such Note.

- (ii) If the Borrowers notify the Issuer that they are electing to prepay the Borrower Loan pursuant to Clause 7.3 (*Voluntary Prepayment of the Loan*) of the Borrower Loan Agreement (a "**Borrower Voluntary Prepayment**") or pursuant to Clause 7.4 (*Right of Replacement or Repayment and Cancellation in Relation to the Lender*) thereof (a "**Borrower Elected Prepayment**") or if the Issuer notifies the Borrowers of a requirement to prepay pursuant to Clause 7.1 (*Illegality*) thereof (a "**Lender Elected Prepayment**"), then the Issuer must, promptly on receipt of such notice of prepayment, in the case of a Borrower Voluntary Prepayment or a Borrower Elected Prepayment, or the giving of such notice, in the case of a Lender Elected Prepayment, give notice to the relevant Noteholders in accordance with Condition 15 (*Notices*) and to the Note Trustee and, within seven Business Days after receiving such prepayment, in the case of a Borrower Voluntary Prepayment or upon the next Note Interest Payment Date after receipt of such prepayment, in the case of a Borrower Elected Prepayment or a Lender Elected Prepayment, redeem each Note, at a price equal to:
- (A) the Nominal Principal Amount; multiplied by
 - (B) the Redemption Percentage determined in accordance with Condition 8(c)(ii), in the case of a Borrower Voluntary Prepayment or, in any other case, one; multiplied by

- (C) the original Outstanding Principal Amount of such Note; divided by
- (D) the Nominal Holding,

together with accrued but unpaid interest thereon (subject to indexation in accordance with Condition 7 (*Payments and Indexation*), such redemption being a "**Mandatory Prepayment Redemption**").

For the purposes of determining the Nominal Principal Amount, the principal due in respect of each Nominal Holding under this Condition 8(b)(ii) in respect of any prepayment by the Borrowers shall be the principal amount prepaid in respect of the Loan (excluding, for these purposes, any indexation in respect of such principal amount) multiplied by the Nominal Holding and divided by the aggregate original Outstanding Principal Amount of the Notes.

In respect of each Note, the principal due in respect of a Nominal Holding on prepayment of the Loan in accordance with the above, multiplied by the original Outstanding Principal Amount of such Note and divided by the Nominal Holding (such product being the principal due in respect of such Note on prepayment of the Loan) shall also be a "**Note Amortisation Amount**" for such Note.

- (iii) The Calculation Agent is required, pursuant to the Agency Agreement, to determine each Note Amortisation Amount for the purposes of this Condition 8(b).

(c) **Redemption at the Option of the Issuer**

- (i) On giving not more than 60 nor less than 30 days' notice to the relevant Noteholders in accordance with Condition 15 (*Notices*) and to the Note Trustee and provided that (i) on or prior to the Note Interest Payment Date on which such notice expires, no Issuer Acceleration Notice has been served and (ii) the Issuer has, immediately prior to giving such notice, certified (in accordance with Clause 7.14 of the Trust Deed) to the Note Trustee that it will have the necessary funds to pay all principal, premium (if any) and interest due in respect of the Notes on the relevant Note Interest Payment Date and to discharge all other amounts required to be paid by it on the relevant Note Interest Payment Date, the Issuer may redeem on any Note Interest Payment Date the whole of the Notes at a price equal to:

- (A) the Nominal Principal Amount; multiplied by,
- (B) the Redemption Percentage determined in accordance with Condition 8(c)(ii); multiplied by
- (C) the original Outstanding Principal Amount of such Note; divided by
- (D) the Nominal Holding,

together with accrued but unpaid interest thereon (subject to indexation in accordance with Condition 7 (*Payments and Indexation*), such redemption being an "**Optional Issuer Redemption**").

For the purposes of determining the Nominal Principal Amount, the principal amount due in respect of each Nominal Holding under this Condition 8(c)(i) in respect of any prepayment of the Notes by the Issuer shall be the aggregate principal amount elected to be prepaid by the Issuer, multiplied by the Nominal

Holding and divided by the aggregate original Outstanding Principal Amount of the Notes.

In respect of each Note, the Principal Amount due in respect of a Nominal Holding on prepayment by the Issuer in accordance with the above, multiplied by the original Outstanding Principal Amount of such Note and divided by the Nominal Holding (such product being the principal amount due in respect of such Note on prepayment by the Issuer), shall also be a "**Note Amortisation Amount**" for such Note.

- (ii) In respect of each Mandatory Prepayment Redemption and Optional Issuer Redemption, the Calculation Agent will determine the Redemption Percentage (rounding the resulting figure to four decimal places, with the fifth decimal being rounded upwards) in accordance with the following definitions:

"Gross Redemption Yield" means a yield calculated on the basis indicated by the United Kingdom Debt Management Office in the paper "Formulae for Calculating Gilt Prices from Yields", page 12, Section One: Price/Yield Formulae "Index-linked Gilts (3-Month Indexation Lag)" (third edition published 16 March 2005) or on such other basis as the Controlling Party and the Borrower Agent may approve;

"Redemption Percentage" means, in respect of the Notes, the greater of:

- (A) 100 per cent.; and
- (B) that price (as reported in writing by the Indexation Advisor) expressed as a percentage (and rounded, if necessary, to three decimal places (0.0005 being rounded upwards)) at which the Gross Redemption Yield on the relevant Notes on the Relevant Date is equal to the Redemption Rate on the Relevant Date.

"Redemption Rate" means:

- (A) the Gross Redemption Yield at 11.00 a.m. (London time) on the Relevant Date of the Reference Gilt on the basis of the arithmetic mean (rounded, if necessary, to three decimal places (0.0005 being rounded upwards)) of the offered prices of the Reference Gilt quoted by the Reference Market Makers (on a dealing basis for settlement on the next following dealing day in London) at or about 11.00 a.m. (London time) on the Relevant Date; or
- (B) if such yield is not able to be determined, such other rate as may be agreed between the Controlling Party and the Borrower Agent;

"Reference Market Makers" means three brokers and/or London gilt-edged market makers approved in writing by the Controlling Party and the Borrower Agent;

"Reference Gilt" means the 1.250% per cent. Index-Linked Treasury Stock due 2027 so long as such stock is in issue, and thereafter, such issue of index-linked Treasury Stock as determined to be appropriate by the Indexation Adviser.

"Relevant Date" means:

- (A) in relation to an Optional Issuer Redemption the date which is two Business Days prior to the publication or despatch of the notice of redemption under Condition 8(c)(i); and
 - (B) in relation to a redemption pursuant to any Mandatory Prepayment Redemption, the date which is two Business Days prior to the date of the relevant notice of prepayment by the Borrowers.
- (iii) The Calculation Agent is required, pursuant to the Agency Agreement, to determine each Note Amortisation Amount for the purposes of this Condition 8(c).

(d) **Optional redemption for taxation**

If by reason of a change in law or regulations (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, on the next Note Interest Payment Date, the Issuer, or the Paying Agent on its behalf, would be required to deduct or withhold from any payment due under the Notes any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by any tax authority or other authority having the power to tax, then the Issuer shall provide the Note Trustee with an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to withhold or deduct such amounts as a result of such change in law or regulations and, if the same would avoid the effect of the event described in the preceding sentence, appoint a Paying Agent in another jurisdiction and/or use its reasonable endeavours to arrange the substitution of a company incorporated and/or tax resident in another jurisdiction approved in writing by the Note Trustee as principal debtor under the Notes and as lender under the Borrower Loan Agreement, provided that the Note Trustee is satisfied that such substitution will not be prejudicial to the interests of the Noteholders.

If the Issuer satisfies the Note Trustee (by the delivery of a certificate signed by two Directors of the Issuer, confirming that the conditions precedent to redemption set out in this Condition 8(d) have been met, together with the legal opinion referred to above) immediately before giving the notice referred to below that one or more of the events described in the first paragraph of this Condition 8(d) is continuing and that the appointment of a Paying Agent and/or a substitution as referred to above would not avoid the effect of the relevant event or that, having used its reasonable endeavours, the Issuer is unable to arrange such a substitution, then the Issuer may, on any Note Interest Payment Date and having given not more than 60 nor less than 30 days' notice to the Noteholders in accordance with Condition 15 (*Notices*) and to the Note Trustee and having satisfied the Note Trustee (as provided above) that it will have the necessary funds to pay all principal and interest due in respect of the Notes on the relevant Note Interest Payment Date, subject to indexation in accordance with Condition 7 (*Payments and Indexation*), and to discharge all other amounts required to be paid by it on the relevant Note Interest Payment Date, redeem all, but not some only, of the Notes at their respective Outstanding Principal Amounts together with accrued but unpaid interest up to but excluding the date of redemption, subject to indexation in accordance with Condition 7.

(e) **Outstanding Principal Amount**

- (i) The Outstanding Principal Amount of a Note on any date shall be its original principal amount less the aggregate amount of all Note Amortisation Amounts and other principal payments (excluding any premium determined in accordance with Condition 8(c)(ii)) in respect of such Note which have become due and

payable since the Closing Date except to the extent that any such payment has been improperly withheld or refused or default has otherwise been made in the payment thereof.

- (ii) The Calculation Agent is required, pursuant to the terms of the Agency Agreement, to determine the Outstanding Principal Amount of the Notes from time to time.

(f) **Notice of redemption**

Any notice of redemption referred to in this Condition 8 shall be irrevocable and, upon expiry of such notice, the Issuer shall be bound to redeem the relevant Notes at the applicable amounts specified above.

(g) **Cancellation of Notes**

All Notes which are redeemed pursuant to this Condition will be cancelled and may not be reissued or resold. If and for so long as the Notes are admitted to trading on a stock exchange and the rules of such stock exchange so require, the Issuer shall promptly inform such stock exchange of the cancellation of any Notes under this Condition 8(g).

(h) **No other Redemption**

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in this Condition 8.

9. **TAXATION**

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**"), unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer or, as the case may be, the Paying Agent, shall make such payment after the withholding or deduction has been made and shall account to the relevant taxing authorities for the amount required to be withheld or deducted. Neither the Issuer nor the Paying Agent nor any other person shall be obliged to make any additional payments to Noteholders in respect of such withholding or deduction.

10. **PRESCRIPTION**

Claims in respect of principal and interest will become void unless the relevant Definitive Note Certificate is surrendered for payment as required by Condition 7(a) (*Principal*) within a period of ten years in the case of principal and five years in the case of interest from the appropriate due date.

11. **EVENTS OF DEFAULT**

(a) **Events of Default**

The occurrence of any of the following events shall constitute a "**Note Event of Default**":

- (i) *Non payment*

The Issuer does not pay on the due date any amount payable in respect of the Notes at the place and in the currency in which it is expressed to be payable unless:

- (A) its failure to pay is caused by:
 - (I) administrative or technical error; or
 - (II) a Disruption Event; and
- (B) payment is made within:
 - (I) (in the case of paragraph (A)(I) above) five Business Days of its due date; or
 - (II) (in the case of paragraph (A)(II) above) 10 Business Days of its due date.

For these purposes "**Disruption Event**" means either or both of:

- (A) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Notes (or otherwise in order for the transactions contemplated by the Transaction Documents to be carried out) which disruption is not caused by, and is beyond the control of, the Issuer; or
- (B) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of the Issuer preventing it:
 - (I) from performing its payment obligations under the Transaction Documents to which it is a party; or
 - (II) from communicating with other parties in accordance with the terms of the Transaction Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Issuer whose operations are disrupted;

(ii) *Breach of other Obligations*

The Issuer defaults in the performance or observance of any of its other obligations under these Conditions or the Transaction Documents to which it is a party and such default (A) is in the opinion of the Note Trustee, incapable of remedy or (B) being a default which is, in the opinion of the Note Trustee, capable of remedy, remains unremedied for 30 days or such longer period as the Note Trustee may agree from the earlier of the Note Trustee giving notice of the breach (by registered or certified mail or overnight courier) to the Issuer or the Issuer becoming aware of the breach;

(iii) *Breach of Representation*

Any representation made by the Issuer under these Conditions, or any other Transaction Document to which it is a party, is or proves to have been incorrect or misleading in any material respect when made or declared to be made and such breach (A) is in the opinion of the Note Trustee, incapable of remedy or (B) being a breach which is, in the opinion of the Note Trustee, capable of remedy, remains unremedied for 30 days or such longer period as the Note Trustee may agree from the earlier of the Note Trustee giving notice of the breach to the Issuer or the Issuer becoming aware of such breach;

(iv) *Cross Default*

A "**Loan Event of Default**" (as defined in the Borrower Master Definitions Schedule) under and as defined in the Borrower Loan Agreement occurs and is continuing under the terms thereof; or

(v) *Insolvency*

(A) (1) The Issuer becomes insolvent or is unable to pay its debts as they fall due, (2) an administrator or liquidator or other similar officer of the Issuer or the whole or a substantial (in the reasonable opinion of the Note Trustee) part of the undertaking, assets and revenues of the Issuer is appointed (or application for any such appointment is made), (3) the Issuer takes any action for a readjustment or deferral of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its indebtedness or any guarantee of any indebtedness given by it; or

(B) an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer; or

(C) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in items (A) and (B) above.

(b) **Acceleration**

If a Note Event of Default occurs and is continuing, then the Note Trustee shall:

(i) if so requested in writing by holders of at least half of the aggregate Outstanding Principal Amount of the Notes then outstanding;

(ii) if so directed by an Extraordinary Resolution of the Noteholders; or

(iii) if so directed by the Noteholder Representative,

(in all cases subject to the Note Trustee having been indemnified and/or prefunded and/or provided with security to its satisfaction), deliver a written notice (an "**Issuer Acceleration Notice**") to the Issuer, copied to the Issuer Security Trustee and the Agents, declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount together with accrued interest without further action or formality.

12. **ENFORCEMENT**

(a) **Provisions in the Issuer Deed of Charge**

The Issuer Deed of Charge contains provisions relating to the enforcement of the Issuer Security. The provisions in this Condition 12 (*Enforcement*) are summaries of, and are qualified in their entirety by, the detailed provisions of the Issuer Deed of Charge.

(b) **Security Becoming Enforceable**

The Security Interests constituted under the Issuer Deed of Charge shall become enforceable upon an acceleration of the maturity of any of the Notes pursuant to Condition 11(b) (*Acceleration*).

(c) **Enforcement**

At any time after the Notes become due and payable and the Security Interests under the Issuer Deed of Charge become enforceable, the Note Trustee shall, at the direction of the Noteholders acting by an Extraordinary Resolution, institute proceedings against the Issuer and/or instruct the Issuer Security Trustee to institute proceedings against the Issuer to enforce the terms of the Issuer Deed of Charge and realise and/or otherwise liquidate or sell the Issuer Charged Property in whole or in part and/or take such action as may be permitted under applicable laws against the Issuer in respect of the Issuer Charged Property and/or take any other action to enforce the Issuer Security (such action, "**Enforcement Action**", which term includes any other action which the Note Trustee and/or the Issuer Security Trustee may deem to fall within such definition), in each case without any liability as to the consequence of any action and without having regard (save to the extent provided in Condition 16(b) (*Entitlement of the Note Trustee and Issuer Security Trustee and Conflicts of Interest*)) to the effect of such action on individual Noteholders or any other Issuer Secured Creditor, provided however that the Issuer Security Trustee shall not be bound to institute any such proceedings or take any such other action unless it is indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses (including properly incurred legal fees, together in each case, with any applicable value added tax (or similar) thereon) which may be incurred by it in connection therewith.

The Note Trustee shall notify the Issuer and the Agents pursuant to Clause 16 (*Communications*) of the Trust Deed and the Noteholders in accordance with Condition 15 (*Notices*) in the event that it takes Enforcement Action at any time. The aggregate proceeds of enforcement of the Issuer Security shall be paid by the Issuer Security Trustee to the Note Trustee, who will apply such moneys, together with all moneys or other assets held by the Note Trustee in respect of amounts falling due under the Notes, in accordance with the Issuer Post-Acceleration Priority of Payments set out in Schedule 4 to the Issuer Deed of Charge.

13. **REPLACEMENT OF NOTES**

If any Definitive Note Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Registrar or the Paying Agent subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Definitive Note Certificates must be surrendered before replacements will be issued.

14. **MEETINGS OF NOTEHOLDERS; MODIFICATION, WAIVER AND SUBSTITUTION**

(a) **Provisions in the Trust Deed**

The Trust Deed contains provisions for convening meetings of the Noteholders (and of passing Written Resolutions) to consider matters affecting the interests of the Noteholders including), without limitation, modifying or waiving certain of the provisions of these Conditions and the substitution of the Issuer in certain circumstances. The provisions in this Condition 14 are descriptive and subject to the detailed provisions of the Trust Deed.

(b) **Decisions and Meetings of Noteholders**

(i) *General*

The Trust Deed contains provisions for convening meetings of the Noteholders to consider matters affecting the interests of such Noteholders and any other matter in relation to which the Issuer requests directions or confirmation from the Noteholders either to itself or another person on its behalf. Decisions shall be taken by Noteholders by way of Ordinary Resolution or Extraordinary Resolution. Such resolutions can be effected either at a duly convened meeting of the Noteholders or by the Noteholders resolving in writing, in each case, in at least the minimum percentages specified in the table "Minimum Percentage Voting Requirements" in paragraph (iii) below. Meetings of the Noteholders may be convened by the Issuer or the Note Trustee and shall be convened by the Issuer or the Note Trustee upon request by Noteholders holding not less than 10 per cent. of the aggregate Outstanding Principal Amount of the Notes, subject to certain conditions including minimum notice periods.

(ii) *Quorum*

The quorum required for any meeting convened to consider an Ordinary Resolution or Extraordinary Resolution, or at any adjourned meeting to consider such an Ordinary Resolution or an Extraordinary Resolution, shall be as set out in the relevant column and row corresponding to the type of resolution in the table "Quorum Requirements" below, provided that any holdings will be disregarded for the purposes of the Quorum Requirements, to the extent that they cannot be represented by a holding of at least £100,000.

Quorum Requirements

| Type of Resolution | Any meeting (other than a meeting adjourned for want of quorum) | Meeting previously adjourned for want of quorum |
|---|--|---|
| Ordinary Resolution of the Noteholders | One or more persons holding or representing not less than 10 per cent. of the aggregate of the Outstanding Principal Amount of the Notes | One or more persons holding or representing any Notes regardless of the aggregate Outstanding Principal Amount of such Notes so held or represented |
| Extraordinary Resolution of the Noteholders (other than in respect of approval of a Basic Terms Modification) | One or more persons holding or representing not less than 50 per cent. of the aggregate of the Outstanding Principal Amount of the Notes | One or more persons holding or representing any Notes regardless of the aggregate Outstanding Principal Amount of such Notes so held or represented |
| Extraordinary Resolution of the Noteholders in respect of approval of Basic | One or more persons holding or representing not less than 75 per cent. of the aggregate of the | One or more persons holding or representing not less than 25 per cent. of the aggregate of the |

| | | |
|--------------------|---|---|
| Terms Modification | Outstanding Principal Amount of the Notes | Outstanding Principal Amount of the Notes |
|--------------------|---|---|

(iii) *Minimum Voting Requirements*

Set out in the table "Minimum Percentage Voting Requirements" below are the minimum percentages required to pass the resolutions specified in such table which:

- (A) in the event that such Ordinary Resolution or Extraordinary Resolution is being considered at a duly convened meeting of Noteholders, shall be determined by reference to the percentage which the aggregate Outstanding Principal Amount of Notes held or represented by any person or persons entitled to vote in respect of such Ordinary Resolution or Extraordinary Resolution who votes in favour thereof represents of the aggregate Outstanding Principal Amount of all Notes which are represented at such meeting and are entitled to be voted; or,
- (B) in the case of any Written Resolution, shall be determined by reference to the percentage which the aggregate Outstanding Principal Amount of the Notes entitled to be voted in respect of such Ordinary Resolution or Extraordinary Resolution which are voted in favour thereof represents of the aggregate Outstanding Principal Amount of all the Notes entitled to be voted in respect of such Written Resolution.

| Minimum Percentage Voting Requirements | |
|--|--|
| Type of Resolution | Per cent. |
| Extraordinary Resolution of the Noteholders (including, for the avoidance of doubt, in relation to approval of Basic Terms Modification) | At least 75 per cent. of the votes cast |
| Ordinary Resolution of the Noteholders | More than 60 per cent. of the votes cast |

(iv) *Written Resolution*

A Written Resolution shall for all purposes be as valid and effective as a resolution passed at a meeting of Noteholders. Any Written Resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant Noteholders and the date of such Written Resolution shall be the date on which the latest such document is signed.

(v) *Extraordinary Resolution*

A meeting of Noteholders shall, subject to these Conditions, have power exercisable by Extraordinary Resolution:

- (A) to sanction any proposal by the Issuer or the Note Trustee for any modification, alteration, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders against the Issuer, or against any of its property whether such rights shall arise under the Trust Deed, the Notes or otherwise;
- (B) to assent to any modification of the Trust Deed, the Conditions or the other Issuer Transaction Documents which shall be proposed by the Issuer or the Note Trustee;
- (C) to approve a person proposed to be appointed as a new trustee and power to remove any Note Trustee;
- (D) to authorise anyone to concur in and execute and do all such documents, acts and things as may be necessary to carry out and give effect to any Extraordinary Resolution;
- (E) to discharge or exonerate the Note Trustee from any liability in respect of any act or omission for which it may become responsible under the Trust Deed or the Notes;
- (F) to give any authority, discretion or sanction which, under the provisions of the Trust Deed or the Notes, is required to be given by Extraordinary Resolution;
- (G) to appoint any persons (whether Noteholders or not) as a committee or committees to represent the interests of the Noteholders and to confer upon such committee or committees any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution; and
- (H) to appoint a Noteholder Representative.

(vi) *Basic Terms Modification*

Any resolution to sanction any of the following items will be considered a "**Basic Terms Modification**" and will be required to be passed by an Extraordinary Resolution:

- (A) the amendment to any date fixed for payment of principal or of interest on the Notes;
- (B) the modification of any provision of the Trust Deed which would directly and adversely affect the calculation of the amount of any payment of interest or principal on any Note or any indexation in respect thereof (except as contemplated by Conditions 7(h) to (j) (inclusive));
- (C) the adjustment of the method of calculation of the Outstanding Principal Amount of the Notes;
- (D) a change in the currency of payment of the Notes;

- (E) any change in the Priorities of Payments (including modification of interest or principal payable on the Notes);
- (F) the modification of the provisions concerning the quorum required at any meeting of Noteholders or the minimum percentage required to pass an Extraordinary Resolution or any other provision of these Conditions which requires the written consent of the holders of a requisite principal amount of the Notes;
- (G) any modification of any Issuer Transaction Document having an adverse effect on the Issuer Security;
- (H) any modification of this Condition 14(b) (*Decisions and Meetings of Noteholders*).

(c) **Modification and Waiver**

The Note Trustee may agree, without the consent or sanction of the Noteholders or any of the other Issuer Secured Creditors, to any modification of these Conditions or any of the Transaction Documents, which, in the opinion of the Note Trustee, is of a formal, minor or technical nature or to correct a manifest error or an error which is, in the opinion of the Note Trustee, proven. Any such modification shall be binding on the Noteholders.

Unless the Note Trustee agrees otherwise, any such modification shall be binding on all Noteholders and shall be notified to the Noteholders as soon as practicable in accordance with Condition 15 (*Notices*).

Under no circumstances shall the Note Trustee be required to give such consent on less than 21 days' notice and the Note Trustee shall be entitled to (a) obtain such professional advice and/or opinions in connection with giving such consent as it sees fit and (b) be indemnified and/or prefunded and/or secured to its satisfaction (acting reasonably) in respect of all of its costs, liabilities and expenses in obtaining such professional advice and/or opinions. Any such costs, fees (including properly incurred legal fees) and/or expenses incurred by the Note Trustee in connection with such advice and/or opinions shall be for the account of the Issuer.

(d) **Noteholder Representative**

- (i) The Noteholders may by Extraordinary Resolution and notice in writing to the Note Trustee, the Issuer and the Issuer Security Trustee appoint a person (or persons, jointly), being a Noteholder (or Noteholders) or otherwise, to represent their interests in respect of any Lender Rights (as defined below) (such person or, as applicable, persons jointly, the "**Noteholder Representative**"). On receipt of such notice from or given on behalf of the Noteholders, each party to the Transaction Documents may assume that the Noteholder Representative has been validly appointed by Extraordinary Resolution and none of those parties will have an obligation to verify the validity of such Extraordinary Resolution.
- (ii) The Noteholder Representative will be appointed by the Issuer as its agent to exercise all the Lender Rights of the Issuer on behalf of the Noteholders.
- (iii) The Noteholder Representative shall, unless instructed to the contrary by an Extraordinary Resolution of the Noteholders, be entitled in its sole discretion to exercise all of the rights of the Issuer as lender under the Borrower Loan Agreement, Borrower Deed of Charge and the Direct Agreements, subject to the terms thereof, which include, but are not limited to the right to give approvals,

consents, waivers and to be consulted thereunder (together, the "**Lender Rights**").

- (iv) The Issuer has agreed under the terms of the Issuer Deed of Charge that it will take such action as may be necessary to permit the Noteholder Representative to exercise the Lender Rights including the execution of a power of attorney in the form attached in Schedule 6 of the Issuer Deed of Charge.
- (v) The Issuer shall have no liability to the Noteholders for any loss caused by any fraudulent action or actions of the Noteholder Representative.
- (vi) The Noteholder Representative shall not be entitled to any remuneration from the Issuer in respect of its role as Noteholder Representative.
- (vii) The Noteholders may by Extraordinary Resolution and notice in writing to the Note Trustee, the Issuer, the Issuer Security Trustee and the current Noteholder Representative remove such Noteholder Representative and appoint a person, being a Noteholder or otherwise, in its place in accordance with paragraph (i) above.
- (viii) If the Note Trustee has been provided with notice that a Noteholder Representative has been appointed pursuant to the Conditions it shall be entitled to assume that such appointment is continuing unless it has received written notice to the contrary.

15. **NOTICES**

Notices to Noteholders will be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Notes Register. Any such notice shall be deemed to have been given on the fourth day after the date of mailing.

So long as the Notes are represented by the Global Note Certificate and held by Euroclear or Clearstream, notices to Noteholders may be given by delivery of the relevant notice to Euroclear or Clearstream for communication by it to entitled accountholders in substitution for notification as required by this Condition 15.

16. **NOTE TRUSTEE AND ISSUER SECURITY TRUSTEE**

(a) **Indemnification**

Under the Trust Deed and, as applicable, the Issuer Deed of Charge, each of the Note Trustee and the Issuer Security Trustee, respectively, is entitled to be indemnified and/or prefunded and/or secured to its satisfaction prior to any action and to be paid its costs and expenses in priority to the claims of the Noteholders.

(b) **Entitlement of the Note Trustee and Issuer Security Trustee and Conflicts of Interest**

Notwithstanding whether or not it is expressly stated in these Conditions, but save where it is expressly provided otherwise in connection with the exercise of its trusts, powers, duties and discretions (including but not limited to those referred to in this Condition), the Note Trustee shall act at the direction of the Noteholders acting by Ordinary Resolution or Extraordinary Resolution where specified in the Issuer Transaction Documents without having regard to the effect of such action on the interest of other Issuer Secured Creditors. The Note Trustee shall not have regard to the consequences of such action for individual Noteholders and no Noteholder or Issuer Secured Creditor shall be entitled to claim, from the Issuer, the Note Trustee or the Issuer Security Trustee or any other person any

indemnification or payment in respect of any tax consequence of any such action upon individual Noteholders.

When exercising its opinion and/or when exercising the rights, benefits, power, trusts, authorities, discretions and obligations expressed to be granted by the Issuer Deed of Charge, the other Transaction Documents or by operation of law, the Issuer Security Trustee shall, for so long as there are any Notes outstanding under the Trust Deed, act only at the request or in accordance with the directions of the Note Trustee to the Issuer Security Trustee and shall not be responsible for any liability, damages, claims, cost, loss, penalty, expense, demand (or actions in respect thereof) including, legal, accounting or other charges, fees, costs, disbursements and expenses in connection therewith ("**Loss**") that may result from the exercise or non-exercise thereof (including any Loss occasioned by any delay or failure on the part of the Note Trustee to make any such request or to give any such direction).

(c) **Failure to act**

Noteholders may institute any proceedings against the Issuer to enforce their rights under or in respect of the Notes, or the Issuer Charged Property only if: (i) the Note Trustee or, as the case may be, the Issuer Security Trustee has become bound to institute proceedings and has failed to do so within a reasonable time of becoming so bound; and (ii) such failure is continuing.

(d) **Confidentiality**

Unless ordered to do so by a court of competent jurisdiction, the Note Trustee shall not be required to disclose to any Noteholder any confidential financial or other information made available to the Note Trustee by the Issuer.

(e) **Instructions to the Facility Agent and Issuer Security Trustee**

Under the Trust Deed, the Note Trustee is entitled to request consent, approval or directions from the Noteholders by Ordinary Resolution in relation to a request for instructions from:

- (i) the Facility Agent (whether in its capacity as Facility Agent, Controlling Party or otherwise) under and in accordance with the Borrower Loan Agreement or any other Borrower Transaction Document; and
- (ii) the Issuer Security Trustee under and in accordance with the Issuer Deed of Charge or any other Issuer Transaction Document,

unless, in each of the above cases, the request for instructions relates to a Basic Terms Modification, in which case such request, consent, approval or directions are required to be given by Extraordinary Resolution. In the absence of the Note Trustee's gross negligence or wilful default, the Note Trustee shall not be liable for any failure to give instructions to the Facility Agent or Issuer Security Trustee, as the case may be, in the absence of consent, approval or directions from the Noteholders, as described in this paragraph.

(f) **Indemnification and exoneration of the Note Trustee and the Issuer Security Trustee**

The Trust Deed and the Issuer Deed of Charge contain provisions governing the responsibility (and relief from responsibility) of the Note Trustee and the Issuer Security Trustee respectively, including provisions relieving them from taking action or, in the case of the Issuer Security Trustee, enforcing the Issuer Security unless indemnified and/or prefunded and/or secured to their satisfaction.

(g) **Other commercial transactions**

The Trust Deed and the Issuer Deed of Charge contain provisions stating that the Note Trustee and the Issuer Security Trustee, respectively, are entitled to make commercial contracts and to enter into commercial transactions with any party to the Issuer Transaction Documents and to accept the trusteeship of any other debenture stock, debentures or securities of any party to the Issuer Transaction Documents and that neither the Note Trustee nor the Issuer Security Trustee, as applicable, shall be accountable to any Issuer Secured Creditor or to any party to the Issuer Transaction Documents for any profit, fees, commissions, interest, discounts or share of brokerage earned, arising or resulting from any such contracts or transactions.

17. **CURRENCY INDEMNITY**

The Trust Deed provides that if any sum due from the Issuer in respect of any Notes or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under the relevant Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to any of the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed and delivered to the Issuer or to the Specified Office of the Registrar or the Paying Agent against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof. This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

18. **GOVERNING LAW AND JURISDICTION**

(a) **Governing law**

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

(b) **Jurisdiction**

The Issuer has in the Trust Deed and the Issuer Deed of Charge agreed for the benefit of the Note Trustee, the Issuer Security Trustee and the Issuer Secured Creditors that the courts of England shall have exclusive jurisdiction to hear and determine any suit, action or proceedings arising out of or in connection with the Trust Deed, Issuer Deed of Charge or the Notes ("**Proceedings**") and, for such purposes, irrevocably submits to the jurisdiction of such courts.

(c) **Appropriate Forum**

For the purposes of Condition 18(b) (*Jurisdiction*), the Issuer has irrevocably waived any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and agreed not to claim that any such court is not a convenient or appropriate forum.

UNITED KINGDOM TAXATION

The following applies only to persons who are the beneficial owners of Notes and is a summary of the Issuer's understanding of current law and practice in the United Kingdom relating only to United Kingdom withholding tax treatment of payments in respect of the Notes and to United Kingdom stamp taxes on the issue of the Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. Prospective Noteholders who are in any doubt about their tax position or who may be subject to tax in a jurisdiction other than the United Kingdom should seek their own professional advice.

Withholding tax

Payments of interest on the Notes may be made without withholding or deduction for or on account of United Kingdom tax under the provisions of United Kingdom tax law relating to "quoted Eurobonds", within the meaning of section 987 of the Income Tax Act 2007 (the "ITA"), as long as the Notes at the time at which the interest is paid are listed on a "recognised stock exchange" within the meaning of section 1005 of the ITA. The London Stock Exchange is a recognised stock exchange for these purposes and securities will be treated as listed on the London Stock Exchange (including the PSM) if they are included in the United Kingdom official list (within the meaning of Part 6 of FSMA) and admitted to trading on the London Stock Exchange.

If the Notes are not listed on a "recognised stock exchange" at the time at which the interest is paid, interest may be paid after deduction of United Kingdom income tax at the basic rate (currently 20 per cent) subject to such relief as may be available, for example under the provisions of any applicable double taxation treaty, or in certain other circumstances.

Stamp taxes

The issue of the Notes did not give rise to a charge to United Kingdom stamp duty or stamp duty reserve tax.

SUBSCRIPTION AND SALE

Pursuant to a subscription agreement dated on 16 December 2015 between, among others, the Issuer, each of the Borrowers and IDCM Limited (in its capacity as "**Bookrunner**") (the "**Subscription Agreement**"), the Bookrunner has agreed to arrange subscription of and payment for, the principal amount of the Notes.

The issue price in respect of the Notes was payable on the Closing Date.

Pursuant to the terms of the Subscription Agreement, the Issuer agreed to indemnify the Bookrunner against certain liabilities in connection with the issue and offering of the Notes.

The issue of the Notes was conditional upon the Subscription Agreement being signed by the Issuer and the Bookrunner. The Subscription Agreement was subject to a number of conditions and could have been terminated in certain circumstances prior to payment to the Issuer for the Notes.

The Notes were offered only to persons in the United Kingdom who have professional experience in matters relating to investments and on an investor by investor basis. As such, any limit on the offer period and acceptance will be communicated to each investor to whom an offer is made. However, Notes may only be offered in an amount equal to £100,000 or multiples of £10,000 in excess thereof. Investors were notified by the Bookrunner of their allocations and settlement arrangements on or before the Closing Date. Notes were issued on the Closing Date free of payment.

These Listing Particulars do not constitute, and may not be used for the purpose of, an offer or a solicitation by anyone to subscribe for or purchase any of the Notes in or from any country or jurisdiction where such an offer or solicitation is not authorised or is unlawful.

United States

The Notes have not been and will not be registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to an exemption from the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold in offshore transactions in reliance on Regulation S. The Bookrunner has agreed that it will not arrange for an offer or sale of the Notes as part of their distribution at any time or otherwise until 40 days after the later of the commencement of the offering and the Closing Date within the United States or to, or for the account or benefit of, U.S. persons and, it will have sent to each affiliate or dealer (if any) to which the Notes are sold 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.

United Kingdom

The Bookrunner has represented to and agreed with the Issuer that:

- (a) 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 any activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

The Bookrunner has acknowledged that, save for having obtained the approval of the Listing Particulars as listing particulars in accordance with Part VI of the FSMA and applying for the admission of the Notes to the Official List of the UK Listing Authority and admission to trading on the PSM of the London Stock Exchange, no further action has been or will be taken in any jurisdiction by the Bookrunner that would, or is intended to, permit a public offering of the Notes, or possession or distribution of the Listing Particulars

or any other offering material in relation to the Notes, in any country or jurisdiction where such further action for that purpose is required.

General

The Bookrunner has undertaken that it will not, directly or indirectly, offer or sell any of the Notes or have in its possession, distribute or publish any offering circular, prospectus, listing particulars, form of application, advertisement or other document or information in respect of the Notes in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations and any such offers and sales of Notes by it will be made on the same terms.

GENERAL INFORMATION

1. The issue of the Notes was authorised by resolution of the board of directors of the Issuer passed on or about 10 December 2015.
2. It is expected that listing of the Notes on the Official List and admission to trading on the PSM thereof will be granted on or about 21 January 2016 and no later than by the first Note Interest Payment Date, subject only to issue of the Global Note Certificate. The listing of the Notes will be cancelled if the Global Note Certificate is not issued. Transactions in respect of the Notes will normally be effected for settlement in sterling and for delivery on the third working day after the day of the transaction.
3. The Notes have been accepted for clearance through Clearstream Luxembourg. The Common Code and the ISIN for the Notes are:

| Common Code | ISIN |
|--------------------|---------------------|
| 132447918 | XS1324479184 |

4. No statutory accounts within the meaning of the Companies Act 2006 in respect of any financial year of the Issuer have been prepared. So long as the Notes are listed on the Official List, the most recently published audited annual accounts of the Issuer from time to time will be available at the specified office of the Paying Agent. The Issuer does not publish interim accounts.
5. There are no, nor have there been, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) since the Issuer's incorporation on 20 July 2015 which may have, or have had in the recent past, significant effects on its financial position or profitability.
6. There are no, nor have there been, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the OpCo Borrowers are aware) since the OpCo Borrowers' respective dates of incorporation, which may have, or have had in the recent past, significant effects on their financial position or profitability.
7. There are no, nor have there been, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Parent HoldCo is aware) since the Parent HoldCo's date of incorporation, which may have, or have had in the recent past, significant effects on its financial position or profitability.
8. Since the date of its incorporation, the Issuer has entered into the Subscription Agreement and the other Issuer Transaction Documents, being contracts entered into other than in its ordinary course of business.
9. Save as disclosed in these Listing Particulars, the Issuer does not have any outstanding loan capital, borrowings, indebtedness or contingent liabilities, nor has the Issuer created any mortgages or charges or given any guarantees.
10. For so long as the Notes are admitted to trading on the London Stock Exchange, the Issuer shall maintain a Paying Agent in London, United Kingdom.
11. The Trust Deed, the Issuer Deed of Charge and the Borrower Deed of Charge provide that the Note Trustee, the Issuer Security Trustee and the Borrower Security Trustee, respectively, may rely on reports or other information from professional advisers or other experts in accordance with the provisions of the Trust Deed, the Issuer Deed of Charge and the Borrower Deed of Charge, respectively, whether or not any such report or other information provided to or document entered into by the Note Trustee, the Issuer Security Trustee or the Borrower Security Trustee (as the case

may be) and the relevant person in connection therewith contains any monetary or other limit on the liability of the relevant person.

12. From the date of these Listing Particulars and for so long as the Notes are listed on the London Stock Exchange and the rules of the London Stock Exchange so require, copies of the following documents will be available for inspection in electronic or physical form during usual business hours on any day (Saturdays, Sundays and public holidays excepted) at the offices of the Issuer and the Paying Agent:
 - (a) the memorandum and articles of association of the Issuer;
 - (b) the resolution of the board of directors of the Issuer approving the issue of the Notes;
 - (c) the annual financial statements of the Issuer (interim financial statements will not be prepared);
 - (d) all notices given to the Noteholders pursuant to the Conditions;
 - (e) the Listing Particulars and the forms of the Note Certificates;
 - (f) the contracts and documents listed below:
 - (i) the Issuer Master Definitions Schedule;
 - (ii) the Corporate Services Agreement;
 - (iii) the Trust Deed;
 - (iv) the Issuer Deed of Charge;
 - (v) the Agency Agreement;
 - (vi) the Issuer Cash Management Agreement;
 - (vii) the Borrower Master Definitions Schedule;
 - (viii) the Borrower Loan Agreement;
 - (ix) the Borrower Deed of Charge;
 - (xi) the Parent HoldCo Share Charge;
 - (xii) the Borrower Cash Management Agreement; and
 - (xiii) the Borrower Subordination Deed; and
 - (xiv) the Direct Agreements; and
 - (g) the memorandum and articles of association of the each OpCo Borrower;
 - (h) the memorandum and articles of association of the Parent Borrower;
 - (i) the memorandum and articles of association of the Parent HoldCo;
 - (j) the consolidated audited annual financial statements for the Borrower Group as soon as they are published.

13. The Issuer does not intend to provide post-issuance transaction information regarding the Notes or the Loan, except for an Investor Report that will be produced by the Issuer Cash Manager in respect of each Note Interest Payment Date. Each Investor Report will be in the form attached to the Issuer Cash Management Agreement and will contain information that includes but is not limited to, the Index Ratio, the Outstanding Principal Amount of the Notes, the interest amount paid on the Notes, the principal amount paid on the Notes, income collections by the Borrowers, the amounts applied in the relevant Issuer Priorities of Payments, the amounts applied in the relevant Borrower Priority of Payments, the respective balances on the Debt Service Reserve Account, the Maintenance Reserve Account and the Cash Trap Reserve Account in each case in respect of such Note Interest Payment Date. Each Investor Report will also append the most recently available financial statements of the Borrowers, delivered as described in "*Summary of Principal Documents – Borrower Loan Agreement – Information undertakings – Financial statements*". The Investor Reports will be accessible to Noteholders on and from the third Business Day before each Note Interest Payment Date via the following website: www.usbank.com/abs where Noteholders will be required to register. The website and the contents thereof do not form part of these Listing Particulars.
14. The Issuer confirms that the securitised assets backing the issue have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes. However, investors are advised that this confirmation is based on the information available to the Issuer at the date of these Listing Particulars and may be affected by the future performance of such assets backing the issue of the Notes. Consequently, investors are advised to review carefully any disclosure in these Listing Particulars together with any amendments or supplements thereto.
15. Since 20 July 2015 (being the date of incorporation of the Issuer), there has been (a) no material adverse change in the financial position or prospects of the Issuer and (b) no significant change in the financial or trading position of the Issuer.

TRANSFER RESTRICTIONS

Each purchaser of an interest in a Global Note or a Definitive Note (each initial purchaser of Notes, together with each subsequent transferee of Notes, the "**Purchaser**") will be deemed, or in the case of a Definitive Note required to have acknowledged, represented and agreed as follows (terms defined in Regulation S under the Securities Act have the same meaning and constructions in this section):

- (1) Legends on Global Note. Each Purchaser acknowledges that each Global Note will bear a legend substantially to the effect set forth below and that the Issuer has covenanted in the Trust Deed not to remove such legend.

BY PURCHASING OR OTHERWISE ACQUIRING ANY BENEFICIAL INTEREST IN THIS NOTE, EACH OWNER OF SUCH BENEFICIAL INTEREST WILL BE DEEMED TO HAVE AGREED FOR THE BENEFIT OF THE ISSUER THAT IF IT SHOULD DECIDE TO DISPOSE OF THE NOTES REPRESENTED BY THIS GLOBAL NOTE PRIOR TO THE TERMINATION OF THE DISTRIBUTION COMPLIANCE PERIOD (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), BENEFICIAL INTERESTS IN THIS GLOBAL NOTE MAY BE OFFERED, RESOLD OR OTHERWISE TRANSFERRED ONLY TO A NON-U.S. PERSON IN A TRANSACTION OUTSIDE THE UNITED STATES AND IN COMPLIANCE WITH THE SECURITIES ACT AND UNDER CIRCUMSTANCES WHICH WILL NOT REQUIRE THE ISSUER TO REGISTER AS AN "INVESTMENT COMPANY" UNDER THE INVESTMENT COMPANY ACT.

- (2) Mandatory Transfer/Redemption. Each Purchaser acknowledges and agrees that in the event that at any time the Issuer determines (or is notified by a person acting on behalf of the Issuer) that such Purchaser was in breach, at the time given or deemed to be given, of any of the representations or agreements set forth above or otherwise determines that any transfer or other disposition of any Notes would, in the sole determination of the Issuer, require the Issuer to register as an "investment company" under the provisions of the Investment Company Act, such purchase or other transfer will be void ab initio and will not be honoured by the Note Trustee. Accordingly, any such purported transferee or other holder will not be entitled to any rights as a Noteholder and the Issuer shall have the right to force the transfer of, or redeem, any such Notes.

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