

## TERMS AND CONDITIONS OF THE BONDS

*The following, other than the paragraphs in italics, are the terms and conditions of the Bonds, substantially as they will appear on the reverse of the Bonds in definitive form (if issued):*

The issue of the €100,000,000 1.375 per cent. Secured Exchangeable Bonds due 9 June 2021 (the "**Bonds**") by Glanbia Co-operative Society Limited (the "**Issuer**") of Glanbia House, Kilkenny, Ireland was authorised by a resolution of the Board of the Issuer passed on 16 May 2016. The Bonds are subject to a trust deed dated 9 June 2016 (as modified and/or restated and/or supplemented from time to time in accordance with its terms, the "**Trust Deed**") and made between the Issuer and BNP Paribas Trust Corporation UK Limited (the "**Trustee**", which term shall, where the context so permits, include all other persons for the time being appointed as trustee for the Bondholders) as trustee for the Bondholders. The Issuer has entered into a paying and exchange agency agreement (as modified and/or restated and/or supplemented from time to time, the "**Agency Agreement**") with the Trustee, BNP Paribas Securities Services, Luxembourg Branch as principal paying and exchange agent, and the other paying and exchange agents named therein. The principal paying and exchange agent and the other paying and exchange agents for the time being are referred to below, respectively, as the "**Principal Paying and Exchange Agent**" and the "**Paying and Exchange Agents**" (which expression shall include the Principal Paying and Exchange Agent). The Issuer has also entered into a calculation agency agreement dated 9 June 2016 with Conv-Ex Advisors Limited (the "**Calculation Agent**", which expression shall include any successor as calculation agent under the Calculation Agency Agreement) whereby the Calculation Agent has been appointed to make certain calculations in relation to the Bonds. In addition, the Issuer has entered into a custody agreement dated 9 June 2016 with BNP Paribas Securities Services, Dublin Branch (the "**Custodian**", which expression shall include any successor as custodian under the Custody Agreement) relating to custody arrangements in respect of the Exchange Property (as defined below). The statements in these terms and conditions of the Bonds (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the forms of the Bonds. Copies of the Trust Deed, the Pledge Agreement (as defined below), the Agency Agreement, Calculation Agency Agreement and the Custody Agreement are available for inspection by Bondholders at the registered office of the Trustee being at the date hereof at 55 Moorgate, London, EC2R 6PA United Kingdom and at the specified office(s) of the Paying and Exchange Agents. The holders of the Bonds (the "**Bondholders**") and the holders of the related interest coupons (the "**Couponholders**" and the "**Coupons**", respectively) are entitled to the benefit of the Trust Deed and are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Pledge Agreement, the Agency Agreement, the Calculation Agency Agreement and the Custody Agreement applicable to them.

Capitalised terms used but not defined in these Conditions shall have the meanings attributable to them in the Trust Deed unless the context otherwise requires or unless otherwise stated.

### 1. **Form and Denomination**

The Bonds are serially numbered and in bearer form in the denomination of €100,000 each (the "**Authorised Denomination**") with Coupons attached at the time of issue.

### 2. **Status**

The Bonds constitute direct, unconditional and unsubordinated obligations of the Issuer, secured in the manner provided in Condition 5. The Bonds shall at all times rank *pari passu* and without any preference among themselves.

### 3. **Negative Pledge**

So long as any Bond remains outstanding (as defined in the Trust Deed):

- (a) the Issuer shall not, and the Issuer shall procure that none of its Relevant Subsidiaries will, 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) to secure any Relevant Indebtedness or Guarantee of Relevant Indebtedness without (a) at the same time or prior thereto securing the Bonds equally and rateably therewith to the satisfaction of the Trustee or (b) providing such other security for the Bonds as the Trustee may in its absolute discretion consider to be not materially less beneficial to the

interests of the Bondholders or as may be approved by an Extraordinary Resolution of Bondholders; and

- (b) the Issuer shall not create or permit to subsist any Security Interest over the Company Shares held directly or indirectly by the Issuer representing 15 per cent. of the outstanding Company Shares (not including, for this purpose, the Company Shares comprised in the Secured Property).

#### 4. **Financial Covenant**

So long as any Bond remains outstanding (as defined in the Trust Deed), the Issuer undertakes that the maximum amount of Net Financial Indebtedness at any time shall not be greater than the lower of (i) EUR 400,000,000 or (ii) Shareholder Funds.

#### 5. **Security Arrangements**

##### (a) ***Security***

The obligations of the Issuer under the Bonds, Trust Deed and the other Transaction Documents and the claims of the Paying and Exchange Agents and the Calculation Agent are secured in favour of the Trustee for the benefit of itself and the Bondholders, the Paying and Exchange Agents and the Calculation Agent (together, the "**Secured Parties**") (subject as provided in these Conditions and the Transaction Documents) as follows:

- (i) by an Irish law governed first fixed charge over the Pledged Property pursuant to a deed of charge dated on or about the Closing Date between the Issuer and the Trustee (the "**Pledge Agreement**"); and
- (ii) by an assignment (the "**Assignment**") by way of security of, *inter alia*, all the Issuer's rights, title and interest in and to any sums held by the Principal Paying and Exchange Agent under or pursuant to the Agency Agreement, including in respect of all moneys held by the Principal Paying and Exchange Agent to meet payments due in respect of the Bonds.

The property specified in (i) and (ii) above, together with any other property or assets charged or pledged in favour of and/or assigned to the Trustee pursuant to the Trust Deed, the Pledge Agreement and the other Transaction Documents and/or any deed or document supplemental thereto is referred to in these Conditions as the "**Secured Property**" and the security created thereby, is referred to as the "**Security**".

"**Pledged Property**" means all the present and future assets, rights and claims the Issuer has or will have in relation to the Securities Account and the Cash Account, including, for the avoidance of doubt:

- (i) the Company Shares registered in the Securities Account (which, as at the Closing Date, shall be equal to 4,299,226 Company Shares);
- (ii) all other securities which are registered in the Securities Account from time to time;
- (iii) any and all rights, property and assets derived from the Company Shares and any other securities registered in the Securities Account from time to time (including without limitation any Dividends and any subscription rights);
- (iv) all amounts standing to the credit of the Cash Account from time to time;
- (v) any proceeds and products thereof and property received, receivable or otherwise distributed in respect of the Securities Account and the Cash Account; and

- (vi) any assets from time to time subject, or expressed to be subject, to the pledge created or expressed to be created by or pursuant to the Pledge Agreement or any part of those assets.

(b) **Further Security**

As soon as reasonably practicable following any change in the composition of the Exchange Property as prescribed by these Conditions (other than the release of any Exchange Property and/or other cash or assets from the Security as provided in these Conditions or any of the Transaction Documents), the Issuer will procure that such further Company Shares and/or other Relevant Securities and/or other property (including cash amounts to be credited into the Cash Account pursuant to Condition 5(d)(i)(B)) are credited to the Securities Account or the Cash Account, as the case may be, and thereby made subject to the Pledge Agreement or that such other security interest is created in respect thereof to the satisfaction of the Trustee, in each case in favour of the Trustee for the benefit of itself, the Bondholders and the other Secured Parties as security for the obligations described in these Conditions and the Trust Deed, and so that at all times the number of Company Shares and/or other Relevant Securities in the Securities Account and constituting Secured Property are sufficient to enable the Exchange Rights in respect of all the Bonds, and any adjustments to the Exchange Property, to be satisfied in full.

- (c) As used in these Conditions:

**"Cash Account"** means, the cash account in the name of the Issuer held with the Custodian pursuant to the Custody Agreement or such other account as, in accordance with the terms of the Pledge Agreement, may be held by the Issuer with the Custodian for this purpose; and

**"Securities Account"** means the securities account in the name of the Issuer held with the Custodian pursuant to the Custody Agreement and into which shall be deposited the Company Shares and all other securities comprising Exchange Property.

(d) **Covenants**

- (i) So long as any Bond remains outstanding, save with the prior written consent of the Trustee or as approved by an Extraordinary Resolution of the Bondholders or as expressly contemplated or permitted in any of the Transaction Documents:

(A) the Issuer will not:

- (1) create or permit to subsist any mortgage, pledge, lien, security interest, charge or encumbrance or any arrangement having a like or similar effect upon all or any of the Secured Property; or
- (2) transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire any of the Secured Property; or
- (3) permit any of the Transaction Documents to be amended, terminated, postponed or discharged, or consent to any variation of, or exercise of any powers of consent or waiver pursuant to any of the Transaction Documents, or permit any party to any of the Transaction Documents or any other person whose obligations form part of the Security to be released from such obligations;

(B) the Issuer shall procure that all amounts received by it or to which it is entitled in respect of dividends and other cash distributions in respect of the Secured Property, or which are otherwise to be included in the Exchange Property, are credited to the Cash Account and, for this

purpose, the Issuer will grant relevant irrevocable payment instructions to the relevant paying bank; and

(C) the Issuer shall procure that all securities received by it in respect of the Secured Property are credited to the Securities Account.

(ii) In giving any consent to the foregoing, the Trustee may require the Issuer to make such modifications or additions to the provisions of the Bonds, the Trust Deed or any of the other Transaction Documents or may impose such other conditions or requirements as the Trustee may deem expedient (in its sole discretion) in the interests of the Bondholders.

(e) ***Release of Secured Property***

The following shall be released from the Security:

- (i) the *pro rata* share of the Exchange Property required to be delivered to a Bondholder on an exercise of Exchange Rights in respect of the Bonds;
- (ii) an amount or amounts from the Cash Account up to or equal, in aggregate, to any Cash Dividends received in respect of the Company Shares or other Equity Shares comprised in the Secured Property, other than in any case to the extent comprising a Capital Distribution;
- (iii) any Relevant Securities received into the Securities Account in respect of which no adjustment is required to be made to the Exchange Property in accordance with Condition 10(b);
- (iv) in the circumstances set out in Condition 10(e) where additional Company Shares or Equity Share Capital shall have been added to the Exchange Property, any securities or other property to be sold pursuant to Condition 10(e) and an amount or amounts from the Cash Account up to or equal, in aggregate, to any cash amounts received by the Issuer in respect of any Equity Share Capital comprised in the Exchange Property;
- (v) where the Cash Alternative Amount shall have been paid in full to Bondholders in respect of an exercise of Exchange Rights in respect of the Bonds, the *pro rata* share of the Exchange Property that would otherwise have been required to be delivered to the relevant Bondholders upon exercise of such Exchange Rights in the absence of a Cash Election;
- (vi) where Bonds are redeemed pursuant to Condition 13(b) or (c) or purchased and cancelled pursuant to Conditions 13(e) and (f), the relevant *pro rata* share of the Exchange Property in respect of such Bonds;
- (vii) the Issuer's rights, title and interest in and to any amounts held by the Paying and Exchange Agents under or pursuant to the Agency Agreement to meet payments of principal and interest due in respect of the Bonds on the relevant due dates in accordance with the Conditions;
- (viii) Relevant Securities comprising Exchange Property for the purposes of taking up any rights pursuant to a Rights Issue, subject to and in accordance with Condition 10(b)(ii);
- (ix) Relevant Securities comprising Exchange Property required to be delivered upon acceptance of an Offer by the Issuer pursuant to Condition 11, **provided that** the Trustee shall be satisfied that there are arrangements in place at the time of such release for the grant of an effective first ranking security interest to the Trustee over the relevant Offer Consideration as security for the obligations described in these Conditions and the Trust Deed;

- (x) where a Relevant Company redeems any Relevant Securities comprised in the Exchange Property, the Relevant Securities so redeemed, provided the redemption proceeds are included as part of the Exchange Property in accordance with Condition 10(b)(iii)(C) and/or Condition 10(b)(iv), as the case may be.

In the case of (ix), release shall be made in respect of all but not some only of the series or class of Relevant Securities in the Securities Account to which the relevant Offer relates.

For the avoidance of doubt, the Issuer may use any cash amounts which have been released from the Security, as described in this Condition 5(e), for the purposes of satisfying any cash payments under the Bonds.

(f) ***Enforcement of Security***

The Security shall become enforceable:

- (i) upon written notice being given by the Trustee to the Issuer that the Bonds are due and payable pursuant to Condition 16; or
- (ii) if the Issuer shall have failed for more than 7 days to make payment of any amount due in respect of the redemption of any Bonds when due and payable pursuant to these Conditions.

If the Security becomes enforceable, the Trustee may at its discretion and without further notice or formality and shall, if so requested in writing by Bondholders holding at least one-quarter in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) enforce all or any of the Security subject as provided below. To do this, the Trustee may at its discretion appoint a receiver and/or take possession of and/or realise all or any part of the Secured Property and/or take action or proceedings against any person liable in respect of all or any part of the Secured Property and/or any sums held by the Principal Paying and Exchange Agent under or pursuant to the Agency Agreement and/or any rights in relation to the Pledge Agreement and/or the Cash Account and/or the Securities Account and take any step, action or proceedings provided for in or pursuant, and/or subject to, the Transaction Documents, but without any liability to any person as to the consequences of such step, action or proceedings and without having regard to the effect of such action or proceedings on the Issuer or individual Bondholders, and **provided that** the Trustee shall not be required to take any action, step or proceedings without first being indemnified and/or secured and/or prefunded to its satisfaction and **provided that** if a Bondholder who has submitted an Exchange Notice so elects by notice in writing to the Trustee (without any liability on the Trustee as to the consequences of such election and without having regard to the effect of such election on Bondholders or on the beneficial owners of the Bonds), to the extent such Bondholder has submitted an Exchange Notice during the period of 14 business days after the Due Date in accordance with Condition 9(a)(iii) and the Trustee has express notice of such Exchange Notice, the Trustee shall, as far as reasonably practicable, exclude such of the Secured Property as shall relate to such Exchange Notice for the purposes of permitting those Bondholders to exchange their Bonds for the relevant *pro rata* share of the Exchange Property and the Trustee shall realise only the Security relating to the remaining Secured Property.

In circumstances where there shall have been a default in making payment of any amount due in respect of the redemption of some only of the Bonds (the "**Defaulted Bonds**"), then the Trustee may only enforce the Security over that *pro rata* part of the Secured Property as is equal to the ratio of the number of such Defaulted Bonds to the total number of outstanding Bonds (including the Defaulted Bonds) at the relevant time.

(g) **Application**

Pursuant to the Trust Deed, the Trustee shall apply all moneys received by it under the Transaction Documents in connection with the realisation or enforcement of the Secured Property as follows:

- (i) *first*, in payment or satisfaction of the fees, costs, charges, expenses, liabilities and indemnity payments properly incurred by the Trustee or any receiver or Appointee (as defined in the Trust Deed) of the Trustee in preparing and performing the trusts constituted by, and in carrying out or exercising its rights, powers, duties, discretions and authorities under the Trust Deed and/or the other Transaction Documents (including holding and enforcing the Security and including any taxes required to be paid in connection therewith, the costs of realising any Secured Property and the remuneration and expenses of the Trustee and any receiver or any Appointee appointed by it);
- (ii) *secondly*, in or towards payment or discharge or satisfaction, *pari passu* of all amounts due and payable to (A) the Paying and Exchange Agents under the Agency Agreement (B) the Calculation Agent under the Calculation Agency Agreement and (C) the Custodian under the Custody Agreement, including in any such case any fees, costs, charges, expenses and liabilities then due and payable to them or any of them under the Pledge Agreement, the Agency Agreement, the Calculation Agency Agreement and/or the Custody Agreement, as the case may be;
- (iii) *thirdly*, in or towards payment or discharge or satisfaction *pari passu* of all amounts due and payable to the Bondholders in respect of the Bonds and pursuant to the Trust Deed; and
- (iv) *fourthly*, in payment of any balance to the Issuer for itself.

6. **Title to the Bonds**

Title to the Bonds and the Coupons will pass by delivery. The holder of any Bond or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no person shall be liable for so treating such holder.

7. **Definitions**

For the purpose of these Conditions, the following words and phrases shall have the following meanings:

"**Acceptable Bank**" means a bank or financial institution which has a rating for its long-term unsecured and non credit-enhanced debt obligations of A- or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd or A3 or higher by Moody's Investors Service Limited or a comparable rating from an internationally recognised credit rating agency.

"**Additional Exchange Property**" has the meaning provided in Condition 9(b)(ii);

"**Authorised Officer**" means any member of the Board of the Issuer or any other person or persons notified in writing to the Trustee and signed by any such Board member or such other person (as the case may be) as being an Authorised Officer of the Issuer;

"**business day**" means, in relation to any place, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments generally in such place, and if no place is specified shall mean a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments generally in Dublin;

"**Calculation Agency Agreement**" means the calculation agency agreement dated 9 June 2016 relating to the Bonds between the Issuer and the Calculation Agent, as modified and/or restated and/or supplemented from time to time in accordance with its terms;

"**Calculation Agent**" means Conv-Ex Advisors Limited, or such other entity as may be appointed as such by the Issuer, at its expense, from time to time;

"**Capital Distribution**" means:

- (a) any Non-Cash Dividend; or
- (b) any Cash Dividend (the "**Relevant Cash Dividend**") paid or made in any Relevant Year (as specified below) in respect of any Unit of Equity Shares if and to the extent that the sum of:
  - (i) the Fair Market Value of the Relevant Cash Dividend; and
  - (ii) the aggregate of the Fair Market Value of any other Cash Dividend paid or made in such Relevant Year in respect of any Unit of Equity Shares at any time in such Relevant Year (disregarding for such purpose all or any part of any such Cash Dividend or Cash Dividends which shall previously have been determined to be a Capital Distribution in respect of such Relevant Year),

(and, where at any time a Unit of Equity Shares would comprise a fraction of an Equity Share, taking into account the *pro rata* proportion of any such Cash Dividend in respect of any such Equity Share) such sum being the "**Current Year's Dividends**", exceeds the Threshold Amount in respect of such Relevant Year (as specified below), and in such case the amount of the relevant Capital Distribution shall be the lesser of:

- (i) the amount by which the Current Year's Dividends exceeds the Threshold Amount; and
- (ii) the Fair Market Value of the Relevant Cash Dividend.

For the purposes of the above, Fair Market Value in respect of any Relevant Cash Dividend or any such other Cash Dividend shall (subject as otherwise provided in paragraph (a) of the definition of "Dividend") be determined as at the Effective Date in respect of such Relevant Cash Dividend or such other Cash Dividend, as the case may be, and "**Unit of Equity Shares**" means at any time the Company Shares or any other Equity Shares comprised in the *pro rata* share of the Exchange Property in respect of a Bond in the principal amount of €100,000, including for this purpose any fraction of an Equity Share (rounded down, if necessary, to four decimal places).

"**Relevant Year**" and "**Threshold Amount**" are set out below:

<b>Relevant Year</b>	<b>Threshold Amount (EUR)</b>
The calendar year ending 31 December 2016 .....	223.5598
The calendar year ending 31 December 2017 .....	571.7971
The calendar year ending 31 December 2018 .....	601.8917
The calendar year ending 31 December 2019 .....	631.9862
The calendar year ending 31 December 2020 .....	662.0808
The calendar year ending 31 December 2021 .....	408.4265

"**Cash**" means, at any time, cash in hand or at bank and (in the latter case) credited to an account in the name of a member of the Group with an Acceptable Bank and to which a member of the Group is alone (or together with other members of the Group) beneficially entitled and for so long as:

- (a) that cash is repayable on demand;

- (b) repayment of that cash is not contingent on the prior discharge of any other indebtedness of any member of the Group or of any other person whatsoever or on the satisfaction of any other condition;
- (c) there is no Security Interest over that cash except for any Security Interest constituted by a netting or set-off arrangement entered into by any member of the Group in the ordinary course of its banking arrangements; and
- (d) the cash is freely and immediately available to be applied in the redemption of the Bonds.

"**Cash Alternative Amount**" has the meaning provided in Condition 9(c);

"**Cash Dividend**" means (i) any Dividend which is to be paid in cash (in whatever currency), but other than falling within paragraph (b) of the definition of "Spin-Off" and (ii) any Dividend determined to be a Cash Dividend pursuant to paragraph (a) or (b) of the definition of "Dividend";

"**Cash Election**" has the meaning provided in Condition 9(c);

"**Cash Election Exercise Date**" has the meaning provided in Condition 9(c);

"**Cash Equivalent Investments**" means at any time:

- (a) certificates of deposit maturing within one year after the relevant date of calculation and issued by an Acceptable Bank;
- (b) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom, any member state of the European Economic Area or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within one year after the relevant date of calculation and not convertible or exchangeable to any other security;
- (c) commercial paper not convertible or exchangeable to any other security:
  - (i) for which a recognised trading market exists;
  - (ii) issued by an issuer incorporated in the United States of America, the United Kingdom, any member state of the European Economic Area;
  - (iii) which matures within one year after the relevant date of calculation; and
  - (iv) which has a credit rating of either A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investor Services Limited, or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating; or
- (d) any investment in money market funds which (i) have a credit rating of either A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investor Services Limited, (ii) which invest substantially all their assets in securities of the types described in paragraphs (a) to (d) above and (iii) can be turned into cash on not more than 30 days' notice;

in each case, to which any member of the Group is alone (or together with other members of the Group) beneficially entitled at that time and which is not issued or guaranteed by any member of the Group or subject to any Security Interest.

A "**Change of Control**" shall occur if a person or persons acting in concert (other than an Excepted Person, in the case of a Change of Control in relation to the Company), respectively, acquires or acquire direct or indirect legal or beneficial ownership of (i) in the aggregate, more than 50 per cent. of the Voting Rights of the Issuer or the Company, or (ii) the right to elect the majority of the board of directors or other governing body of the Issuer or the Company;



**"Change of Control Period"** means the period commencing on the occurrence of a Change of Control and ending 60 days following the Change of Control or, if later, 60 days following the date on which a Change of Control Notice is given to Bondholders as required by Condition 12(e);

**"Change of Control Notice"** has the meaning provided in Condition 12(e);

**"Change of Control Put Date"** has the meaning provided in Condition 13(c)(i);

**"Change of Control Put Exercise Notice"** has the meaning provided in Condition 13(c)(i);

**"Closing Date"** means 9 June 2016;

**"Company"** means Glanbia plc;

**"Company Group"** means the Company and its consolidated subsidiaries and associated companies taken as a whole;

**"Company Shares"** means fully paid ordinary shares with, on the Closing Date, a nominal value of EUR 0.06 (6 cents) each in the capital of the Company (ISIN: IE0000669501 SEDOL: 0066950) and all other (if any) shares or stock resulting from any subdivision, consolidation or reclassification of those shares which, as between themselves, have no preference in respect of dividends or amounts payable in the event of any voluntary or involuntary liquidation or winding-up of the Company;

**"CREST"** means the dematerialised securities trading system operated by Euroclear UK & Ireland Limited or its successor from time to time;

**"Custodian"** means BNP Paribas Securities Services, Dublin Branch or such other entity as may be appointed as such by the Issuer, at its expense, from time to time;

**"Custody Agreement"** means the custody agreement dated 9 June 2016 relating to the Bonds between the Issuer and the Custodian, as modified and/or restated and/or supplemented from time to time in accordance with its terms;

a **"Delisting Event"** shall occur if:

- (i) the Company Shares at any time cease to be admitted to listing and trading on the Irish Stock Exchange or (if the Company Shares have been admitted to listing and trading on another Relevant Exchange in place of (and not in addition to) the Irish Stock Exchange) on another Relevant Exchange, save that the movement of listing and trading from one Relevant Exchange to another Relevant Exchange shall not itself constitute a Delisting Event; or
- (ii) trading of the Company Shares on the Irish Stock Exchange or (if the Company Shares have been admitted to listing and trading on another Relevant Exchange in place of (and not in addition to) the Irish Stock Exchange) on another Relevant Exchange being suspended for a period of 20 consecutive Trading Days;

**"Delisting Event Notice"** has the meaning provided in Condition 12(g);

**"Delisting Put Date"** has the meaning provided in Condition 13(c)(iii);

**"Delisting Put Exercise Notice"** has the meaning provided in Condition 13(c)(iii);

**"Delisting Put Period"** means the period commencing on the occurrence of a Delisting Event and ending 30 days thereafter or, if later, 30 days following the date on which a Delisting Event Notice is given to Bondholders as required by Condition 12(g);

**"Dividend"** means any dividend or distribution to holders of Relevant Securities (including a Spin-Off), whether of cash, assets or other property, and whenever paid or made and however described and whether payable out of share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including a distribution or payment to

shareholders upon or in connection with a reduction of capital, a reduction in the par value or nominal value of any Relevant Securities comprised in the Exchange Property or otherwise (and for these purposes a distribution of assets includes, without limitation, an issue of shares or other securities credited as fully or partly paid up) **provided that:**

- (a) where a Dividend in cash is announced which may (at the election of a holder or holders of Relevant Securities) be satisfied by the issue or delivery of Relevant Securities or other property or assets, or where an issue of Relevant Securities or other distribution of property or assets to a holder or holders of Relevant Securities by way of a capitalisation of profits or reserves is announced which may (at the election of a holder or holders of Relevant Securities be) satisfied by the payment of cash, then the Dividend or capitalisation in question shall be treated as a Cash Dividend of an amount equal to (i) the Fair Market Value of such cash amount or (ii) the Fair Market Value of such Relevant Securities or other property or assets, in any such case as at the Effective Date in respect of the relevant Dividend or capitalisation (or, if later, the date on which the number of Relevant Securities (or amount of other property or assets, as the case may be) is determined), the Issuer being entitled to make such election as it may determine in its sole discretion in respect of any such Dividend or capitalisation by giving notice to the Trustee and to the Bondholders in accordance with Condition 21 by not later than the last day on which a holder of the Relevant Securities would be required or entitled to make the relevant election, and failing such notice, the Dividend or capitalisation shall be treated as a Cash Dividend of whichever is the greater of (i) and (ii);
- (b) where, other than in circumstances described in proviso (a) above, (i) there shall be any issue of Relevant Securities or other distribution of property or assets by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) where such issue is or is expressed to be in lieu of a Dividend (whether or not a cash dividend equivalent or amount is announced), or a Dividend in cash is announced that is to be satisfied by the issue or delivery of Relevant Securities or other distribution of property or assets, or (ii) any issue of Relevant Securities or other distribution of property or assets by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) that is to be satisfied by the payment of cash, then, in the case of (i) the capitalisation in question shall be treated as a Cash Dividend of an amount equal to the Fair Market Value of such Relevant Securities or other property or assets as at the Effective Date in respect of the relevant capitalisation or, if later, the date on which the number of Relevant Securities to be issued is determined, and, in the case of (ii), the capitalisation in question shall be treated as a Cash Dividend of an amount equal to the Fair Market Value of such cash amount as at the Effective Date in respect of the relevant capitalisation;
- (c) any issue of Relevant Securities falling within Condition 10(b)(i) or 10(b)(iii)(A) shall be disregarded;
- (d) any offer by a Relevant Company of Relevant Securities or other securities or options, warrants or rights to subscribe or purchase further Relevant Securities (or any of them) or other securities falling within Condition 10(b)(ii) shall be disregarded;
- (e) a repurchase or redemption of Equity Shares by or on behalf of a Relevant Company shall be disregarded;
- (f) where a Dividend is paid to holders of any Equity Shares pursuant to any plan implemented by the issuer of such Equity Shares for the purpose of enabling holders of the Equity Shares to elect, or which may require such holders, to receive Dividends in respect of such Equity Shares held by them from a person other than, or in addition to, the Relevant Company, such Dividend shall for the purposes of these Conditions be treated as a Dividend paid to holders of the Equity Shares by the issuer of such Equity Shares, and the foregoing provisions of this definition and the provisions of these Conditions shall be construed accordingly; and
- (g) a Dividend that is a Spin-Off shall be deemed to be a Non-Cash Dividend;

and any such determination shall be made on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit;

**"Effective Date"** means the first date on which the Company Shares or, as the case may be, the relevant Equity Share Capital, are traded ex- the relevant Dividend or capitalisation on the Relevant Exchange or, in the case of a Spin-Off, on the first date on which the Company Shares or, as the case may be, the relevant Equity Share Capital are traded ex- the relevant Spin-Off on the Relevant Exchange;

**"Equity Share Capital"** means, in relation to any entity, its issued share capital (or equivalent) excluding any part of that capital (or equivalent) which, neither in respect of dividends nor in respect of capital, carries any right to participate beyond a specific amount in a distribution, and **"Equity Share"** shall be construed accordingly;

**"Equivalent Amount"** has the meaning provided in Condition 9(b)(iii)(a);

**"Excepted Person"** means the Issuer;

**"Exchange Date"** has the meaning provided in Condition 9(b)(i);

**"Exchange Expenses"** has the meaning provided in Condition 9(b)(i);

**"Exchange Notice"** has the meaning provided in Condition 9(b)(i);

**"Exchange Period"** has the meaning provided in Condition 9(a)(iv);

**"Exchange Property"** has the meaning provided in Condition 10(a);

**"Exchange Right"** has the meaning provided in Condition 9(a)(i);

**"Extraordinary Resolution"** has the meaning provided in the Trust Deed;

**"Fair Market Value"** means as at or on any date (i) in the case of a Cash Dividend paid or to be paid per Company Share or other Equity Share, the amount of such Cash Dividend (unless other specified) per Company Share or other Equity Share (determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit); (ii) in the case of any other cash amount, the amount of such cash (determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit); (iii) in the case of Relevant Securities, Spin-Off Securities, shares, options, warrants or other securities or rights or assets which are publicly traded on a Relevant Exchange of adequate liquidity (as determined by the Calculation Agent), the arithmetic mean of the daily Volume Weighted Average Price of such Relevant Securities, Spin-Off Securities, shares, options, warrants or other securities or rights or assets during the period of 5 Trading Days on the Relevant Exchange commencing on such date (or, if later, on the first such Trading Day such Relevant Securities, Spin-Off Securities, shares, options, warrants or other rights or assets are publicly traded) or such shorter period as such Spin-Off Securities, shares, options, warrants or other securities or rights or assets are publicly traded; (iv) in the case of Relevant Securities, Spin-Off Securities, shares, options, warrants or other securities or rights or assets which are not publicly traded on a Relevant Exchange of adequate liquidity (as aforesaid), an amount equal to the fair market value thereof determined by an Independent Adviser on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per share, the dividend yield of a share, volatility, prevailing interest rates and the terms of such Relevant Securities, Spin-Off Securities, shares, options, warrants or other securities or rights or assets and (v) in each case converted into the currency in which the Company Shares (where such determination relates to the Company Shares) or such other Equity Shares (where such determination relates to such other Equity Shares) are traded on the Relevant Exchange (if expressed in a currency other than such currency) at the Screen Rate on such date (or, in the case of (ii), at the average of the Screen Rates for each Trading Day in the relevant period);

**"Final Date"** means, in relation to any Offer, the date the Offer becomes or is declared unconditional in all respects;

**"Final Maturity Date"** means 9 June 2021;

**"Financial Indebtedness"** means any indebtedness of any Person for money borrowed or raised including (without limitation) any indebtedness for or in respect of:

- (a) amounts raised by acceptance under any acceptance credit facility;
- (b) amounts raised under any note purchase facility;
- (c) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;
- (d) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 90 days; and
- (e) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

**"First Call Date"** has the meaning provided in Condition 13(b)(ii);

**"GII"** means Glanbia Ingredients Ireland Limited;

**"GII Group"** means GII and its consolidated subsidiaries and associated companies taken as a whole;

**"Group"** means the Issuer and its consolidated Relevant Subsidiaries;

**"Guarantee"** means, in relation to any Financial Indebtedness of any Person, any obligation of another Person to pay such Financial Indebtedness including (without limitation):

- (a) any obligation to purchase such Financial Indebtedness;
- (b) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Financial Indebtedness;
- (c) any indemnity against the consequences of a default in the payment of such Financial Indebtedness; and
- (d) any other agreement to be responsible for such Financial Indebtedness;

**"Independent Adviser"** means an independent, reputable institution or adviser, which may be (without limitation) the Calculation Agent, appointed by the Issuer at its own expense and (in the case of an institution or adviser other than the initial Calculation Agent) approved in writing by the Trustee or, if the Issuer fails to make such appointment and such failure continues for a reasonable period (as determined by the Trustee in its sole discretion) and the Trustee is indemnified and/or secured and/or prefunded to its satisfaction against the costs, fees, expenses and liabilities of such adviser and otherwise in connection with such appointment, appointed by the Trustee (without any liability for doing so) following notification to the Issuer, which appointment shall be deemed to be an appointment of the Issuer;

**"Interest Payment Date"** has the meaning provided in Condition 8(a);

**"Interest Period"** has the meaning provided in Condition 8(a);

**"Irish Stock Exchange"** means the Irish Stock Exchange plc;

**"Net Debt Trigger Event"** shall occur if at any time the Net Financial Indebtedness exceeds the lower of (i) EUR 400,000,000 and (ii) the Shareholder Funds;

**"Net Debt Trigger Notice"** has the meaning provided in Condition 12(i);

"**Net Debt Trigger Put Date**" has the meaning provided in Condition 13(c)(iv);

"**Net Debt Trigger Put Exercise Notice**" has the meaning provided in Condition 13(c)(iv);

"**Net Debt Trigger Put Period**" means the period commencing on the occurrence of a Net Debt Trigger Event and ending 30 days thereafter or, if later, 30 days following the date on which a Net Debt Trigger Notice is given to Bondholders as required by Condition 12(i);

"**Net Financial Indebtedness**" means at any time the aggregate outstanding principal, capital or nominal amount of all obligations of the Group for or in respect of Financial Indebtedness and Guarantee of Financial Indebtedness but:

- (a) excluding any such obligations to any other member of the Group, including the Company Group or GII Group for this purpose; and
- (b) deducting the aggregate amount of freely available Cash and Cash Equivalent Investments held by any member of the Group at that time,

and so that no amount shall be included or excluded more than once;

"**Non-Cash Dividend**" means any Dividend which is not a Cash Dividend;

"**Offer**" has the meaning provided in Condition 11(g);

"**Offer Consideration**" has the meaning provided in Condition 11(b);

"**Optional Redemption Date**" has the meaning provided in Condition 13(b)(ii);

"**Optional Redemption Notice**" has the meaning provided in Condition 13(b)(ii);

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"**Potential Event of Default**" has the meaning provided in the Trust Deed;

"**Predominant Exchange Security**" means, if at any time there is more than one type or series of Relevant Securities in the Exchange Property, such type or series of Relevant Securities which in the determination of an Independent Adviser represents the largest proportion or weighting by value in the Exchange Property at such time;

"**pro rata share**" means, for each Bond at any time, a fraction of the Exchange Property or the Pledged Property the numerator of which shall be the principal amount of such Bond and the denominator of which shall be the aggregate principal amount of all the Bonds (including the Bond to which the *pro rata* share relates) which are outstanding at such time (excluding for this purpose the principal amount of any Bonds in respect of which Exchange Rights have been exercised by a Bondholder (the "**Exchanged Bonds**") but the Exchange Property or the relevant Cash Alternative Amount, as the case may be, has not yet been delivered or paid and (a) excluding from the Exchange Property such *pro rata* share of the Exchange Property in relation to such Exchanged Bonds and (b) excluding from the Pledged Property such *pro rata* share of the Pledged Property in relation to such Exchanged Bonds;

"**Realisation Proceeds**" means the proceeds of sale (after the deduction of costs and expenses of such sale) of the relevant Exchange Property (in the case of Condition 9(b)(ii)) or the relevant dividends or other income or distributions or rights (in the case of Condition 9(b)(iii)(b)) carried out by an independent broker or investment bank selected by the Issuer and the identity of which is approved by the Trustee, on an arm's length basis (converted if necessary into euro at the Screen Rate on the date of receipt of such proceeds);

"**Registered Securities**" has the meaning provided in Condition 9(b)(ii);

"**Registration Date**" means, in respect of any Registered Securities comprised in the Exchange Property to be delivered to a Bondholder upon exercise of Exchange Rights, the date on which

the relevant Bondholder or the person designated by it in the relevant Exchange Notice is registered as the holder of such Registered Securities;

"**Regulation S**" has the meaning provided in Condition 9(b)(i);

"**Relevant Bond**" has the meaning provided in Condition 8(c);

"**Relevant Company**" means the Company, and any corporation or company derived from or resulting or surviving from the merger, consolidation, amalgamation, reconstruction or acquisition of the Company with, into or by such other corporation or company, and any other entity, all or part of the share capital of which is, or all or some of the securities of which are, at the relevant time included in the Exchange Property;

"**Relevant Date**" means, in respect of any Bond or Coupon, whichever is the later of:

- (a) the date on which payment in respect of it first becomes due; and
- (b) if any payment is improperly withheld or refused the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days following the date on which notice is duly given by the Issuer to the Bondholders in accordance with Condition 21 that such payment will be made, **provided that** such payment is in fact made as provided in these Conditions;

"**Relevant Event**" has the meaning provided in Condition 10(b)(iii);

"**Relevant Exchange**" means:

- (i) in the case of the Company Shares, the Irish Stock Exchange or, if the Company Shares are no longer admitted to trading on the Irish Stock Exchange, the principal stock exchange or securities market on which the Company Shares are then listed, admitted to trading or quoted or dealt in; or
- (ii) in the case of any other Equity Shares or Relevant Securities or any other shares, or options, warrants or other securities, rights or assets, the principal stock exchange or securities market on which such Equity Shares or Relevant Securities or any other shares, or options, warrants or other securities, rights or assets are then listed, admitted to trading or quoted or dealt in;

"**Relevant Indebtedness**" means any Financial Indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market);

"**Relevant Securities**" means any securities which at the relevant time are included in the Exchange Property;

"**Relevant Subsidiaries**" means the Subsidiaries of the Issuer excluding the Company, GII, any member of the Company Group and any member of the GII Group;

"**Rights Issue**" has the meaning provided in Condition 10(b)(ii);

"**Screen Rate**" means in respect of any pair of currencies on any calendar day, the spot rate of exchange between the relevant currencies prevailing as at 12 noon (London time) on that date as appearing on or derived from Bloomberg page "BFIX" (or any successor page) in respect of such pair of currencies. If such a rate cannot be determined at such time as aforesaid, the prevailing rate shall be determined *mutatis mutandis* but with respect to the immediately preceding day on which such rate can be so determined (all as determined by the Calculation Agent), or if such rate cannot be so determined, the rate determined in such other manner as an Independent Adviser shall consider in good faith appropriate;

"**securities**" means shares or other securities (including without limitation any options, warrants, convertible bonds, evidence of indebtedness or rights to subscribe or purchase shares or other securities);

"**Security Interest**" means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction;

"**Settlement Date**" means, in the case of the exercise of Exchange Rights (other than where a Cash Election is made) the date falling seven Trading Days after the relevant Exchange Date;

"**Shareholder Funds**" means the total of the share capital, capital reserves, revenue reserves, loan stock, investment stock, capital grants and minority interests as set out in the latest audited consolidated balance sheet of the Issuer and its Subsidiaries;

"**Shareholding Reduction Event**" shall occur if at any time the Issuer ceases to hold directly or indirectly at least 15 per cent. of the outstanding Company Shares;

"**Shareholding Reduction Notice**" has the meaning provided in Condition 12(f);

"**Shareholding Reduction Put Date**" has the meaning provided in Condition 13(c)(ii);

"**Shareholding Reduction Put Exercise Notice**" has the meaning provided in Condition 13(c)(ii);

"**Shareholding Reduction Put Period**" means the period commencing on the occurrence of a Shareholding Reduction Event and ending 30 days thereafter or, if later, 30 days following the date on which a Shareholding Reduction Notice is given to Bondholders as required by Condition 12(f);

"**Spin-Off**" means:

- (a) a distribution of Spin-Off Securities by the Company to holders of Company Shares as a class or, as the case may be, by any Relevant Company to the holders of its Equity Share Capital as a class; or
- (b) any issue, transfer or delivery of any property or assets (including cash or shares or securities of or in or issued or allotted by any entity) by any entity (other than the Company or, as the case may be, the Relevant Company) to holders of Company Shares as a class or, as the case may be, by any Relevant Company to the holders of its Equity Share Capital as a class pursuant to any arrangements with the Company or any of its Subsidiaries or, as the case may be, with the Relevant Company or any of its Subsidiaries;

"**Spin-Off Securities**" means Equity Share Capital of an entity other than the Company, or as the case may be, the Relevant Company or options, warrants or other rights to subscribe for or purchase Equity Share Capital of an entity other than the Company, or as the case may be, the Relevant Company;

"**Sub-division, Consolidation or Redenomination**" has the meaning provided in Condition 10(b)(i);

"**Subsidiary**" means, in relation to any Person (the "**first Person**") at any particular time, any other Person (the "**second Person**"):

- (a) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

**"TARGET Business Day"** means a day (other than a Saturday or Sunday) on which the TARGET System is operating;

**"TARGET System"** means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) system which was launched on 19 November 2007 or any successor thereto;

**"Taxing Jurisdiction"** means Ireland or any political subdivision thereof or any authority or agency therein or thereof having power to tax or any other or additional jurisdiction or any political subdivision thereof or any authority or agency therein or thereof having power to tax to which the Issuer becomes subject in respect of payments under the Bonds;

**"Trading Day"** means in respect of Company Shares or any Relevant Security, Spin-Off Securities or other shares or options, warrants or other rights or assets, a day on which the Relevant Exchange is open for business, other than, in any such case, a day on which the Relevant Exchange is scheduled to or does close prior to its regular closing time, **provided that** for the purposes of determining the Cash Alternative Calculation Period or any date on which payment of any amount or delivery of any Exchange Property is to be made, **"Trading Day"** will be the Trading Day applicable to the Predominant Exchange Security;

**"Transaction Documents"** means the Trust Deed, the Pledge Agreement, the Agency Agreement, the Calculation Agency Agreement and the Custody Agreement, as the same may be amended, modified, supplemented and/or restated from time to time;

the **"Value"** of any Exchange Property or Additional Exchange Property on any day means the aggregate of:

- (i) the value of publicly traded securities included in such Exchange Property or Additional Exchange Property, which shall be deemed to be the Volume Weighted Average Price of such securities on such day, **provided that** if such day is not a Trading Day then the value of such publicly traded securities shall be deemed to be the Volume Weighted Average Price on the immediately preceding Trading Day, converted (if necessary) into euro at the Screen Rate on such day; and
- (ii) the value of all other assets (other than cash) and of publicly traded securities for which a value cannot be determined pursuant to (i) above included in such Exchange Property or Additional Exchange Property, which shall be deemed to be the value on such day (converted (if necessary) into euro as aforesaid) as certified by an Independent Adviser; and
- (iii) the value of cash shall be the amount thereof (converted (if necessary) into euro as aforesaid),

**provided that** (A) if on any day any such publicly traded securities are quoted on the Relevant Exchange cum any dividend or other entitlement, or any assets or publicly traded securities the value of which is to be determined pursuant to (ii) above have the benefit of, or are entitled to, or carry the right to, any dividend or other entitlement, in any such case to which a Bondholder would not be entitled pursuant to these Conditions (including in respect thereof pursuant to Condition 9(b)(iii) or Condition 9(b)(ii) in the absence of a Cash Election) in respect of the relevant exercise of Exchange Rights (disregarding for this purpose any Cash Election), then the value of any such assets or publicly traded securities on such day shall be reduced by an amount equal to the Fair Market Value of any such dividend or other entitlement as at such date and (B) if on any day any such publicly traded securities are quoted or traded on the Relevant Exchange ex any dividend or other entitlement, or any assets or publicly traded securities the value of which is to be determined pursuant to (ii) above do not have the benefit of, or are not entitled to, or do not carry the right to, any dividend or other entitlement, in any such case to which a Bondholder would be entitled pursuant to these Conditions (or in respect of which the relevant Bondholder would have been entitled to receive any amount pursuant to Condition 9(b)(iii) or which would have been taken into account for the purposes of Condition 9(b)(ii) in the absence of a Cash Election) in respect of the relevant exercise of Exchange Rights (disregarding for this purpose any Cash Election), then the value of any such assets or publicly traded securities on



such day shall be increased by an amount equal to the Fair Market Value of any such dividend or other entitlement as at such date;

**"Volume Weighted Average Price"** means, in respect of any Trading Day the order book volume weighted average price of any Company Shares, any other Relevant Security, Spin-Off Securities, shares, options, warrants or other securities or rights or assets, as the case may be, published by or derived from:

- (i) in the case of Company Shares, the order book volume weighted average price of a Company Share on the Relevant Exchange as published by or derived from Bloomberg page GLB ID Equity HP (using the setting 'Weighted Average Line', or any other successor setting and using values not adjusted for any event occurring after such Trading Day, and, for the avoidance of doubt, all values will be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) in respect of such Trading Day; and
- (ii) in the case of any other Relevant Security, Spin-Off Securities, shares, options, warrants or other securities or rights or assets, the order book volume weighted average price on the Relevant Exchange as published by or derived from the equivalent Bloomberg page in respect of the Relevant Exchange on such Trading Day,

or, if such price is not available from Bloomberg on such Trading Day, such other source as shall be determined in good faith to be appropriate by an Independent Adviser on such Trading Day, **provided that** if on any such Trading Day such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of a Company Share or, as the case may be, any other Relevant Security, Spin-Off Security, share, option, warrant or other security or right or asset in respect of such Trading Day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding Trading Day on which the same can be so determined;

**"Voting Rights"** means the right generally to vote at a general meeting of shareholders of the relevant entity (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency) or to elect the majority of the members of the board of directors or other governing body of the relevant entity;

**"€", "euro" and "EUR"** means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

In making any calculation of a Capital Distribution, such adjustments (if any) shall be made, including in respect of the Threshold Amount, as an Independent Adviser may consider appropriate to reflect any Sub-division, Consolidation or Redenomination of the Company Shares or any other Equity Share Capital or any change in the number of Company Shares or shares comprising the relevant Equity Share Capital, as the case may be, in issue in any fiscal year, or any change in the fiscal year of the Company or, as the case may be, any Relevant Company, or any adjustment to the Exchange Property.

References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

## 8. **Interest**

### (a) ***Interest Rate***

The Bonds bear interest from (and including) the Closing Date at the rate of 1.375 per cent. per annum calculated by reference to the principal amount thereof and payable semi-annually in arrear on 9 June and 9 December in each year (each, an **"Interest Payment Date"**), commencing with the Interest Payment Date falling on 9 December 2016.

The period beginning on (and including) the Closing Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is called an "**Interest Period**".

The amount of interest payable in respect of any period which is shorter than an Interest Period shall be calculated on the basis of the number of days in the relevant period from (and including) the first day of such period to (but excluding) the last day of such period divided by the number of days from (and including) the immediately preceding Interest Payment Date (or, if none, the Closing Date) to (but excluding) the next Interest Payment Date.

(b) ***Accrual of Interest***

Each Bond will cease to bear interest (i) where the Exchange Right shall have been exercised in respect thereof, from, and including, the Interest Payment Date immediately preceding the relevant Exchange Date or, if none, the Closing Date (subject in any such case as provided in Condition 8(c)) or (ii) where such Bond is redeemed or repaid pursuant to Condition 13 or Condition 16, from, and including, the due date for redemption or repayment unless, upon due presentation thereof, payment of the full amount due is improperly withheld or refused, in which event such Bond shall continue to bear interest at the rate specified in Condition 8(a) (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder and (b) the day seven days after the Trustee or the Principal Paying and Exchange Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is any subsequent default in payment to the relevant Bondholder) or, as the case may be, until such delivery of the relevant Exchange Property.

(c) ***Interest upon Exchange prior to Early Redemption***

If:

- (i) any notice requiring the redemption of any Bonds is given pursuant to Condition 13(b) on or after (or within 15 days before) the record date or other due date for the establishment of entitlement in respect of any dividend, distribution or interest payable in respect of the Company Shares (or other Relevant Securities comprising on such date more than one-quarter by Value of the Exchange Property);
- (ii) such notice specifies a date for redemption falling on or before (or within 14 days after) the Interest Payment Date next following such record date; and
- (iii) the Exchange Date in respect of any Bond which is the subject of any such notice (a "**Relevant Bond**") falls after such record date or other due date for the establishment of entitlement in respect of any such dividend, distribution or interest and on or before the Interest Payment Date next following such record date or other due date for the establishment of entitlement in respect of any such dividend, distribution or interest,

then interest shall accrue on each Relevant Bond from, and including, the preceding Interest Payment Date (or, if the relevant Exchange Date falls on or before the first Interest Payment Date, from, and including, the Closing Date) to, but excluding, the relevant Exchange Date.

Any such interest shall be paid by the Issuer not later than 14 days after the relevant Exchange Date by transfer to a euro account with a bank in a city in which banks have access to the TARGET System in accordance with instructions given by the relevant Bondholder in the relevant Exchange Notice.

9. **Exchange Right**

(a) ***Exchange Period, Exchange Rights and Cash Election***

- (i) Subject to the right of the Issuer to make a Cash Election, each Bondholder shall have the right to have all or any of its Bonds redeemed at any time during the Exchange Period referred to below by exchange for, a *pro rata* share of the Exchange Property as at the relevant Exchange Date. Such redemption of a Bond in exchange for a *pro rata* share of the Exchange Property (and/or, as the case may be, for payment of the Cash Alternative Amount) is referred to herein as an "exchange" and the right of a Bondholder to require an exchange is herein referred to as the "Exchange Right". Upon exercise of Exchange Rights, the Issuer shall (subject to the right of the Issuer to make a Cash Election) deliver or procure the delivery of the relevant *pro rata* share of the Exchange Property calculated as at the relevant Exchange Date as provided in these Conditions.
- (ii) Subject to applicable law and as provided in Condition 9(a)(iii) and save as provided in these Conditions, the Exchange Right relating to any Bond may be exercised by the holder thereof, at any time during the period from (and including) 20 July 2016 up to (and including) the close of business (at the place where the Bond is deposited for exchange) on the date which is scheduled on such date to fall 28 Trading Days prior to the Final Maturity Date or if such Bond is to be redeemed pursuant to Condition 13(b) prior to the Final Maturity Date, then up to (and including) the close of business (at the place aforesaid) on the date which is scheduled on such date to fall 10 calendar days prior to the date fixed for redemption thereof, unless there shall be default in making payment in respect of such Bond on such date fixed for redemption, in which event the Exchange Right shall extend (the "Extension Period") up to (and including) the close of business (at the place aforesaid) on the date on which the full amount of such payment has been received by the Trustee or the Principal Paying and Exchange Agent and notice thereof has been duly given to the Bondholders in accordance with Condition 21 or, if earlier, the Final Maturity Date, **provided that**, in each case, if such final date for the exercise of Exchange Rights is not a business day at the place aforesaid, then the period for exercise of Exchange Rights by Bondholders shall end on the immediately preceding business day at the place aforesaid.

Exchange Rights may not be exercised in respect of a Bond where the Bondholder shall have exercised its right to require redemption pursuant to Condition 13(c) unless there is default by the Issuer in redeeming the relevant Bonds. In such circumstances Exchange Rights in respect of such Bond shall extend for the Extension Period in the manner *mutatis mutandis* prescribed in this Condition 9(a)(ii).

- (iii) If the Trustee shall give notice to the Issuer declaring the Bonds to be immediately due and repayable pursuant to Condition 16, notice of such fact shall forthwith be given by the Issuer to the Bondholders in accordance with Condition 21 and each Bondholder shall (whether or not the Exchange Right attaching to its Bond is then otherwise exercisable) be entitled, at any time after the date on which the Bonds become so due and repayable (the "Due Date") until the date being the last day of the period of 14 business days after the Due Date (but not thereafter), to elect (by delivering in accordance with the provisions of this Condition 9 a duly signed and completed Exchange Notice, together with the relevant Bond (and unmatured Coupons relating thereto), to the specified office of any Paying and Exchange Agent) in lieu of having his Bond repaid, to exercise the Exchange Right in respect of such Bond as at the Due Date (and references to the Exchange Date shall be construed as being the Due Date), save that no such election may be made in respect of a Bond which has been presented for payment on or after the Due Date (**provided that** payment in full of all amounts then due on the relevant Bond is made upon such presentation). Subject as provided in this Condition 9, Exchange Rights shall

lapse in the event that the Trustee shall give notice to the Issuer that the Bonds are immediately due and repayable.

- (iv) The period during which Bondholders shall be entitled to exercise Exchange Rights pursuant to these Conditions is referred to as the "**Exchange Period**".
- (v) Other than where a Cash Election is made by the Issuer and in respect of the Exchange Property to which such Cash Election relates, upon a due exercise of Exchange Rights the relevant Bondholder shall be entitled to receive a *pro rata* share of the Exchange Property calculated as at the relevant Exchange Date.
- (vi) No fraction of a Relevant Security or any other property comprised in the Exchange Property which is not divisible shall be delivered on exercise of the Exchange Rights and the Issuer shall not be under any obligation to make any payment to Bondholders in respect of any such fraction and any such fraction will be rounded down to the nearest whole multiple of a Relevant Security or unit of any such other property.
- (vii) If more than one Bond is to be exchanged by a Bondholder pursuant to any one Exchange Notice, the Exchange Property to be delivered and any sum payable to that Bondholder (including, where applicable, any Cash Alternative Amount) shall be calculated by the Calculation Agent on the basis of the aggregate principal amount of such Bonds.

(b) ***Procedure for exercise of Exchange Rights***

- (i) Exchange Rights may be exercised by a Bondholder during the Exchange Period by delivering the relevant Bond together with all unmatured Coupons relating thereto to the specified office of any Paying and Exchange Agent, during its usual business hours, accompanied by a duly completed and signed notice of exchange (an "**Exchange Notice**") in the form (for the time being current) obtainable from any Paying and Exchange Agent.

Exchange Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Paying and Exchange Agent to whom the relevant Exchange Notice is delivered is located.

If such delivery is made later than 4.00 pm on any day or on a day which is not a business day in the place at the specified office of the relevant Paying and Exchange Agent, such delivery shall be deemed for all purposes of these Conditions to have been made on the next following such business day in such place.

An Exchange Notice, once delivered, shall be irrevocable.

Any determination as to whether any Exchange Notice has been duly completed and properly delivered shall be made by the relevant Paying and Exchange Agent (following consultation with the Issuer) and shall, save in the case of manifest error, be conclusive and binding on the Issuer, the Trustee, the Paying and Exchange Agents and the relevant Bondholder.

A Bondholder exercising Exchange Rights will be required to certify in the relevant Exchange Notice (a "**U.S. Certification**") that such exchange is being made outside of the United States (as such term is defined in Regulation S ("**Regulation S**") under the United States Securities Act of 1933) and it and any person for whom it is acquiring Exchange Property is not a U.S. person (as such term is defined in Regulation S) and it is not acting as agent for, or on behalf of, a U.S. person. If such U.S. Certification is not provided, the relevant Exchange Notice shall be void.

Exchange Rights may only be exercised in respect of each Bond.

The exchange date in respect of a Bond (the "**Exchange Date**") in respect of which the Exchange Right shall have been exercised by a Bondholder will be the business day immediately following the date of the delivery of the Exchange Notice and the relevant Bond as provided in this Condition 9(b).

The Issuer will pay any stamp, registration, documentary, transfer or other similar taxes or duties (including penalties) arising on the transfer or delivery of any Exchange Property to or to the order of a Bondholder pursuant to the exercise of Exchange Rights ("**Stamp Taxes**") which are payable or imposed in Ireland, the United Kingdom and the jurisdiction in which the relevant Exchange Property is situated (and for this purpose any securities in registered form comprising Exchange Property shall be deemed to be situated in the jurisdiction in which the register (or in the case of more than one register, the principal register) on which title to and transfers of such securities are recorded or maintained) is located) or imposed or payable by virtue of the place of incorporation, domicile or tax residence of the issuer of any Relevant Securities comprised in the relevant *pro rata* share of the Exchange Property, and all other costs, fees and expenses in connection with the transfer or delivery of Exchange Property on exercise of Exchange Rights, including the costs, fees and expenses of any custodian, depository, agent or other entity appointed by the Issuer to facilitate the relevant transfer or delivery (together "**Exchange Expenses**").

Subject to the above, a Bondholder exercising Exchange Rights must pay directly to the relevant authorities any other taxes and capital, stamp, issue, registration, documentary, transfer or other duties (including penalties) arising in any jurisdiction not mentioned above on exchange and/or on the transfer, delivery or other disposition of Exchange Property arising on exercise of Exchange Rights.

Neither the Trustee, the Calculation Agent nor the Principal Paying and Exchange Agent shall be responsible for determining whether any Exchange Expenses are payable or the amount thereof and they shall not be responsible or liable for any failure by the Issuer to pay such Exchange Expenses.

If the Issuer shall fail to pay any Exchange Expenses for which it is responsible as provided above, the relevant Bondholder shall be entitled to tender and pay the same and the Issuer as a separate and independent stipulation, covenants to reimburse each such Bondholder in respect of the payment of such Exchange Expenses and any penalties payable in respect of the Issuer's failure to pay.

Each Bondholder must pay all, if any, taxes imposed on it and arising by reference to any disposal or deemed disposal of a Bond or interest therein in connection with the exercise of Exchange Rights by it.

- (ii) Other than where a Cash Election is made by the Issuer and in respect of the Exchange Property to which such Cash Election relates, the Issuer shall, as soon as practicable, and in any event not later than the Settlement Date:
  - (1) in respect of Company Shares (or other securities of companies incorporated in the United Kingdom or Ireland and cleared through CREST which are included in the Exchange Property) comprising the relevant *pro rata* share of the Exchange Property, effect delivery of such Exchange Property through CREST to the person designated for the purpose in the relevant Exchange Notice;
  - (2) procure that Relevant Securities (other than Company Shares or other securities of companies incorporated in the United Kingdom or Ireland and cleared through CREST which are included in the Exchange Property) comprising the relevant *pro rata* share of the Exchange Property to be delivered on exercise of Exchange Rights are transferred by the Settlement Date into such name as the Bondholder shall direct

pursuant to the Exchange Notice and shall procure that forms of transfer and certificates (if certificates for the Relevant Securities are then generally being issued) together with all other documents of title and evidence of ownership and all other documents necessary to transfer or evidence the transfer of such Relevant Securities will be despatched by mail, and free of charge (but uninsured and at the risk of the person entitled thereto), to such address, subject to applicable securities laws, as the Bondholder may request (as specified in the relevant Exchange Notice); and

- (3) procure that such documents of title and evidence of ownership of any other Exchange Property to be delivered on exercise of Exchange Rights shall be despatched and that payment of any part of the Exchange Property comprising cash to be delivered on exercise of Exchange Rights (converted if necessary into euro at the Screen Rate on the relevant Exchange Date) shall be made, in each case by the Settlement Date and in accordance with directions given by the relevant Bondholder in the Exchange Notice.

Notwithstanding the above, if the Issuer delivers a certificate to the Trustee signed by an Authorised Officer (which certificate the Trustee shall be entitled to rely on without further investigation or liability) to the effect that CREST (or, where the Exchange Property is comprised of Relevant Securities other than Company Shares and certificates for such Relevant Securities are not then generally being issued, the clearing system through which the transfer of such Relevant Securities is required to be effected) has been closed for a continuous period of two or more days (excluding Saturdays and Sundays and save by reason of public holidays, statutory or otherwise) in the period from (and including) the Exchange Date to (but excluding) the Settlement Date, then the Issuer will notify the relevant Bondholder in accordance with Condition 21 or at the address of the Bondholder specified in the relevant Exchange Notice (as the Issuer may determine) and the date for such delivery shall be the later of the Settlement Date and the earliest practicable date on which the relevant Exchange Property may be delivered by or through CREST or, as the case may be, the relevant clearing system.

Securities cleared through CREST (other than the Company Shares) to be transferred and delivered on exercise of Exchange Rights will not be available for transfer and delivery (i) to, or to a nominee or agent for, Euroclear Bank S.A./N.V. or Clearstream Banking S.A. or any other person providing clearance services within the meaning of Section 96 of the Finance Act 1986 of the United Kingdom or (ii) to a person, or nominee or agent for a person, whose business is or includes issuing depositary receipts within the meaning of Section 93 of the Finance Act 1986 of the United Kingdom; in each case, at any time prior to the "abolition day" as defined in Section 111(1) of the Finance Act 1990 of the United Kingdom or, if earlier, such other time at which the Issuer, in its absolute discretion, determines that no charge under Section 67, 70, 93 or 96 of the Finance Act of the United Kingdom or any similar charge (under any successor legislation) would arise as a result of such transfer and delivery or (iii) to the CREST account of any person mentioned in (i) or (ii).

Neither the Issuer nor the Trustee shall be responsible or liable to any person for any delay in the delivery of any property comprising Exchange Property following exercise of Exchange Rights arising as a result of a failure by the relevant Bondholder to supply all information and details as required by the relevant Exchange Notice.

Notwithstanding the above, if, on or after the relevant Exchange Date, the Exchange Property has changed in whole or in part as a result of an Offer or as a result of the compulsory acquisition of any Equity Share Capital, in each case as provided in Condition 11, then the Issuer will notify the relevant Bondholder in

accordance with Condition 21 or at the address of the Bondholder specified in the relevant Exchange Notice (as the Issuer may determine) and the due date for such delivery shall be the later of the date set out above and the day falling 10 business days after the Offer Consideration Date.

If, at any time when the transfer or delivery of any Exchange Property (other than cash) to a Bondholder is required in accordance with these Conditions, such transfer or delivery would, as certified to the Trustee by one Authorised Officer of the Issuer (which certificate the Trustee shall be entitled to rely on without further investigation or liability), be unlawful under the laws of any applicable jurisdiction or contrary to any official declaration, order, directive or regulation in any applicable jurisdiction, the Issuer will notify the relevant Bondholder in accordance with Condition 21 or at the address of the Bondholder specified in the relevant Exchange Notice (as the Issuer may determine) and the Issuer will make a cash payment to the relevant Bondholder equal to the aggregate of the Realisation Proceeds in respect of the relevant Exchange Property in lieu of the delivery of such Exchange Property to such Bondholder. The Issuer will pay any such amount to the relevant Bondholder not later than 10 TARGET Business Days after the relevant Settlement Date.

Without prejudice to Condition 9(c), if:

- (A) the Exchange Date in respect of any Bond shall be on or after the date of any public announcement affecting the composition of any part of the Exchange Property (other than Company Shares or other securities in registered form ("**Registered Securities**") in circumstances where the relevant entitlement is determined by reference to a record date in respect thereof), but before the date on which such change is effective; or
- (B) the Exchange Date in respect of any Bond shall be on or after the record date or other due date for the establishment of the relevant entitlement in respect of any Rights Issue or any Subdivision, Consolidation or Redenomination or Relevant Event in respect of any Registered Securities comprising Exchange Property but before the date on which any resulting adjustment of the Exchange Property becomes effective in accordance with Condition 10(b); or
- (C) the Exchange Date in respect of any Bond shall be before the record date or other due date for the establishment of the relevant entitlement in respect of any Rights Issue or any Subdivision, Consolidation or Redenomination or Relevant Event in respect of any Registered Securities comprising Exchange Property in circumstances where the Registration Date in respect of such Registered Securities is on or after such record date or other due date for the establishment of the relevant entitlement and the relevant Bondholder would not otherwise receive the relevant entitlement but the Issuer has received or is entitled to receive such entitlement,

then the relevant Bondholder, (other than where a Cash Election applies to the relevant exercise of Exchange Rights and in respect of the Exchange Property to which such Cash Election relates, in which case the provisions of Condition 9(c)(ii) shall apply) shall be entitled to receive, in respect of the exercise of the relevant Exchange Rights, such *pro rata* amount or, as the case may be, further *pro rata* amount of the Exchange Property ("**Additional Exchange Property**") as would have been receivable had the relevant Exchange Date occurred immediately after the date on which such change in the composition of the Exchange Property became effective or, as the case may be, had the relevant Registration Date in respect of such Registered Securities been immediately before such record date, and such Additional Exchange Property shall be delivered to the relevant Bondholder in accordance with instructions contained

in the relevant Exchange Notice as soon as practicable following the relevant adjustment to the Exchange Property or the receipt by the Issuer of the relevant Additional Exchange Property.

- (iii) Unless a Cash Election is made by the Issuer and in respect of the Exchange Property to which such Cash Election relates, the relevant Bondholder (or the person designated in the relevant Exchange Notice) shall, as between such person and the Issuer, be treated as the owner of the *pro rata* share of the Exchange Property to be delivered upon exchange with effect from (and including) the relevant Exchange Date and will as between such person and the Issuer be entitled to all rights, distributions or payments in respect of such Exchange Property from (and including) such Exchange Date and, in respect of any related Additional Exchange Property, will be entitled to all rights, distributions or payments in respect of such Additional Exchange Property from (and including) such Exchange Date.

Subject as provided herein, Exchange Property delivered on exercise of Exchange Rights shall not include any dividends, interest or other income payments and distributions and rights thereon or in respect thereof declared, paid, made or granted by reference to a record date or other due date for the establishment of the relevant entitlement falling prior to the relevant Exchange Date.

Exchange Property (and, where appropriate, any Additional Exchange Property) delivered or transferred or to be delivered or transferred upon exchange shall rank for and be entitled to all dividends, interest and other income, payments and distributions and rights thereon or in respect thereof declared, paid, made or granted by reference to a record date or other due date for the establishment of entitlement falling on or after the relevant Exchange Date.

If the record date or other due date for the establishment of the relevant entitlement for or in respect of any dividend, interest or other income, payment or distribution or rights on or in respect of such Exchange Property falls on or after the Exchange Date but before the relevant Settlement Date (or any other date from which the relevant Bondholder is treated as the owner of, or entitled to all rights and entitlement to, such Exchange Property) with the effect that the relevant Bondholder is not entitled to receive such dividend, interest or other income, payment or distribution of rights, the Issuer will (unless it is able to confer on or deliver to the relevant Bondholder an entitlement to receive such dividend, interest or other income, payment or distribution or rights or unless and to the extent that the same is taken into account for the purposes of Condition 9(b)(ii) relating to entitlement to Additional Exchange Property):

- (a) (in the case of dividends, interest or other income, payment or distributions or rights to be paid or made in cash) pay, or procure the payment to, the exchanging Bondholder in lieu of such dividend, interest or other income or distribution or rights, an amount equal thereto, converted if necessary into euro at the Screen Rate on the date of receipt thereof by the Issuer (the "**Equivalent Amount**"). The Issuer will pay the Equivalent Amount, or procure that it is paid, to the relevant Bondholder by not later than 10 TARGET Business Days after the receipt by the Issuer of such dividend, interest or other income, payment or distribution or rights; and
- (b) (in the case of dividends, or other income or distributions or rights to be satisfied or made otherwise than in cash) deliver, or procure the delivery of, the same to the relevant Bondholder not later than 10 TARGET Business Days after the receipt by the Issuer of such dividend or other income or distribution or rights. If, at any time when the delivery of any such dividend or other income or distribution or rights is required, delivery would, as certified to the Trustee by an Authorised



Officer of the Issuer, be unlawful under the laws of any applicable jurisdiction or contrary to any official declaration, order, directive or regulation in any applicable jurisdiction, the Issuer will make a cash payment equal to the aggregate Realisation Proceeds of such dividend or other income or distribution or rights, converted, if necessary into euro at the Screen Rate on the date of receipt by the Issuer of the Realisation Proceeds. The Issuer will pay any such amount to the relevant Bondholders not later than 10 TARGET Business Days after the receipt by the Issuer of such dividend or other income or distribution or rights.

For the purposes of the above, if there is an option to receive the relevant entitlement in the form of a cash amount or otherwise than in cash, the entitlement shall be treated as being paid or made in cash, and accordingly the provisions of (a) above shall apply.

- (iv) Upon exercise of Exchange Rights, a Bondholder shall, in the relevant Exchange Notice, specify a euro account with a bank in a city in which banks have access to the TARGET System to which any cash amount payable on or in respect of the exercise of Exchange Rights by that Bondholder shall be credited and the Issuer shall pay such sum to the relevant Bondholder in accordance with any such directions.

(c) **Cash Election**

- (i) Upon the exercise of Exchange Rights by a Bondholder, the Issuer may make an election (a "**Cash Election**") by giving written notice (a "**Cash Election Notice**") to the relevant Bondholder by not later than the date falling four business days following the relevant Exchange Date (the "**Cash Election Exercise Date**"), to the address (or, if a fax number or email address is provided in the relevant Exchange Notice, that fax number or email address) specified for that purpose in the relevant Exchange Notice, to satisfy the exercise of the Exchange Right in respect of the relevant Bonds, in whole or in part, by making payment, or procuring that payment is made, to the relevant Bondholder of the Cash Alternative Amount, together with any other amounts payable by the Issuer to such Bondholder pursuant to these Conditions in respect of, or relating to, the relevant exercise of Exchange Rights, including any interest payable pursuant to Condition 8(c).

A Cash Election may be made in respect of the whole or any part of the Exchange Property that would otherwise be deliverable in respect of the relevant exercise of Exchange Rights. The relevant Cash Election Notice shall specify whether the Cash Election is in respect of the whole of such Exchange Property or any part thereof, and if in respect of part, shall specify the relevant part.

A Cash Election shall be irrevocable.

The Issuer will pay the Cash Alternative Amount, together with any other amount as aforesaid, by not later than the Cash Alternative Payment Date by transfer to a euro account with a bank in a city in which banks have access to the TARGET System in accordance with instructions contained in the relevant Exchange Notice.

"**Cash Alternative Amount**" means a sum in euro equal to the average of the Value on each Trading Day in the Cash Alternative Calculation Period of the relevant *pro rata* share of the Exchange Property (or in the case of a Cash Alternative Election made in part, the relevant portion thereof) which, had a Cash Election not been made, would otherwise fall to be delivered to such Bondholder upon exercise of Exchange Rights in respect of the relevant Bonds.

**"Cash Alternative Calculation Period"** means the period of 20 consecutive Trading Days commencing on the second Trading Day following the relevant Cash Election Exercise Date.

**"Cash Alternative Payment Date"** means the date falling 5 TARGET Business Days after the last day of the Cash Alternative Calculation Period.

(d) ***Calculation Agent***

At any time (i) any Cash Alternative Amount falls to be calculated in accordance with Condition 9(c), (ii) an amount of Equity Share Capital to be added to the Exchange Property falls to be calculated in accordance with Condition 10(e) or adjustments to the Exchange Property pursuant to Condition 10 are to be determined or (iii) a Premium Compensation Amount falls to be calculated in accordance with Condition 11(d), each such calculation shall be made in good faith by the Calculation Agent on behalf of the Issuer. The Calculation Agent may, subject to prior consultation with the Issuer and the provisions of the Calculation Agency Agreement, consult, at the expense of the Issuer, on any matter (including but not limited to, any legal matter), with any legal or other professional adviser and it shall be able to rely upon, and it shall not be liable and shall incur no liability as against the Issuer, the Trustee, the Bondholders or the Couponholders in respect of anything done, or omitted to be done, relating to that matter in good faith in accordance with that adviser's opinion. The Calculation Agent shall act solely upon request from and as agent of the Issuer and it will not thereby assume any obligations towards or relationship of agency or trust with, and it shall not be liable and shall incur no liability as against, the Trustee, the Bondholders or the Couponholders.

10. **The Exchange Property**

(a) ***Initial Exchange Property***

The "**Exchange Property**" shall initially comprise 4,299,226 Company Shares and shall thereafter include such other Relevant Securities and other property as may be deemed or required to comprise all or part of the Exchange Property pursuant to these Conditions, including any interest accrued in respect of any amounts attributable to the Exchange Property standing to the credit of the Cash Account and credited to the Cash Account by the Custodian pursuant to the Pledge Agreement, but excluding any such property as may be deemed to have ceased to form part of the Exchange Property pursuant to these Conditions and excluding any Cash Dividend other than to the extent comprising a Capital Distribution and excluding any other income and other benefits, rights and entitlements derived from the Exchange Property except to the extent forming or to form part of or giving rise to an adjustment to the Exchange Property pursuant to these Conditions.

On the exercise of Exchange Rights, Bondholders will initially be entitled to receive approximately 4,299.226 Company Shares for each €100,000 principal amount of Bonds (equivalent to an initial exchange price of €3.26 per Company Share) subject to adjustment pursuant to these Conditions.

The Exchange Property is subject to adjustment as provided in these Conditions.

All Exchange Property transferred or delivered upon exercise of Exchange Rights shall be transferred or delivered with full title guarantee and free from any and all security interests or other adverse interests.

(b) ***Adjustments to the Exchange Property***

If at any time any event occurs which may result in any change in composition of the Exchange Property pursuant to paragraphs (i) to (iv) below the Issuer shall consult with the Calculation Agent, and (without prejudice to Condition 10(g)) the Calculation Agent shall in good faith determine, on behalf of and at the expense of the Issuer, the appropriate adjustment (if any) to be made to the Exchange Property.

(i) *Sub-division, Consolidation or Redenomination*

If any Relevant Securities comprising the Exchange Property shall be sub-divided or consolidated, re-classified or re-denominated or in any other manner have their par value changed ("**Sub-division, Consolidation or Redenomination**") then the securities resulting from such Sub-division, Consolidation or Redenomination so far as attributable to the Exchange Property, shall be included in the Exchange Property upon receipt by the Issuer of such securities.

(ii) *Rights Issues*

If further Relevant Securities or other securities, or options, warrants or rights to subscribe or purchase further Relevant Securities (or if there is more than one type or series of Relevant Securities in the Exchange Property, to holders of any type or series of Relevant Securities) or other securities, shall be offered by way of rights or allotted, as the case may be, to holders of Relevant Securities (or any of them) (a "**Rights Issue**"), then the Issuer shall notify the Trustee and the Bondholders in accordance with Condition 21 and (**provided that** it is possible to sell such rights under applicable law and/or the terms of the Rights Issue), by not later than the latest day for accepting or taking up any such rights (the "**Election Date**"), the Issuer may elect either:

- (A) to procure on an arm's length basis in good faith the sale by an independent reputable broker or investment bank selected by the Issuer of sufficient rights to enable the whole of the balance of such rights relating to the Relevant Securities to be taken up and procure the application of the proceeds of sale, after the deduction of the costs and expenses of such sale, in the taking up of such rights relating to the Relevant Securities (with any excess proceeds of sale being added to and forming part of the Exchange Property); or
- (B) to add to the Exchange Property such number of Company Shares or other securities or options, warrants or rights determined by dividing the average of the Volume Weighted Average Price in respect of such rights for each Trading Day in the period of five consecutive Trading Days commencing on the first Trading Day on which such rights may be sold by the exercise, subscription or purchase price (or the like) payable upon exercise of such rights (rounded down, if necessary to the nearest whole number).

In the absence of any such election being notified to the Trustee and to the Bondholders in accordance with Condition 21 by not later than the Election Date, paragraph (B) shall apply.

If such rights may not be sold under applicable law and/or the terms of the Rights Issue, the Issuer shall use any part of the Exchange Property comprising cash to take up such rights and/or, on an arm's length basis, sell sufficient Relevant Securities to enable (after the deduction of the costs and expenses of such sale) the whole of the balance of such rights to be taken up, with, in any such case, any excess proceeds of sale being added to and forming part of the Exchange Property.

Any Relevant Securities or other securities or options, warrants or rights taken up pursuant to this paragraph and any excess proceeds of sale as aforesaid shall upon receipt by the Issuer be added to and form part of the Exchange Property.

(iii) *Bonus Issues, Capital Distributions, Reorganisations and Payments*

If any of the following events occurs (each a "**Relevant Event**"):

- (A) Relevant Securities or other securities are issued credited as fully paid to holders of Relevant Securities comprised in the Exchange Property by way of capitalisation of profits or reserves or otherwise by virtue of being holders of Relevant Securities (other than where the Relevant Event is determined to constitute a Cash Dividend pursuant to paragraph (a) or (b) of the definition of "Dividend"); or
- (B) any Capital Distribution is paid or made in respect of any Company Shares or Equity Share Capital comprised in the Exchange Property; or
- (C) a Relevant Company (or any person on behalf of or at the direction or request of a Relevant Company) purchases or redeems any Relevant Securities of a class comprised in the Exchange Property; or
- (D) pursuant to any scheme of arrangement, reorganisation, amalgamation, reconstruction, merger, demerger or any like or similar event of any company or companies (whether or not involving liquidation or dissolution), any further Relevant Securities or other securities, property or assets (including cash) are issued, distributed or otherwise made available to holders of Relevant Securities or other securities of a class comprised in the Exchange Property, or
- (E) any cash amount is paid or distributed in whatever manner (including by way of payment of interest, distribution, dividend, repayment of principal or capital or redemption monies) or any securities or other property is distributed, issued, transferred or delivered in whatever manner, in each case in respect of any Relevant Securities or other property or assets (other than Company Shares or Equity Share Capital) comprised in the Exchange Property,

then the further Relevant Securities, securities or other property or assets (including cash amounts) received in relation to the Relevant Event, so far as attributable to the Exchange Property or, as the case may be, the relevant Capital Distribution in respect of the Company Shares or Equity Share Capital comprised in the Exchange Property, shall upon receipt by the Issuer be included as part of the Exchange Property (and, if applicable, applied in accordance with Condition 10(e)).

(c) *Notice of Change in Exchange Property*

The Issuer shall give notice to the Trustee and to the Bondholders in accordance with Condition 21 and to the Principal Paying and Exchange Agent of any change in composition of the Exchange Property to which a holder of a Bond in the Authorised Denomination would be entitled to upon exercise of the Exchange Right in respect of such Bond following such change (including but not limited to any such change following an adjustment pursuant to this Condition 10) as soon as reasonably practicable following such change, and such notice shall include details of such Exchange Property per €100,000 principal amount of Bonds as aforesaid.

(d) *Release from the Exchange Property*

Upon delivery of Exchange Property to the relevant Bondholder and/or payment of the Cash Alternative Amount or upon redemption of the Bonds or upon any purchase and cancellation of the Bonds, the *pro rata* share of the Exchange Property or the relevant part thereof attributable to each relevant Bond shall cease to be part of the Exchange Property and the Exchange Property shall be reduced accordingly.

(e) ***Purchase of Equity Securities etc.***

If at any time Equity Share Capital is comprised in the Exchange Property and any cash amount (including any Capital Distribution) or securities or other property is comprised in or is to be added to and form part of the Exchange Property pursuant to these Conditions (other than (i) any additional Equity Share Capital of a class already comprised in the Exchange Property or (ii) as included in the Offer Consideration under Condition 9) before the Exchange Rights lapse, then such cash amount shall be paid to the account of the Issuer and credited to the Cash Account, and/or such securities or other property shall be sold on an arm's length basis in good faith by an independent reputable broker or investment bank selected by the Issuer and the proceeds of such sale (net of any costs and expenses incurred in connection with such sale) shall be paid to the account of the Issuer and credited to the Cash Account, and in each case released from the Security in accordance with Condition 3(e)(iv), **provided that** the Issuer shall procure that additional Equity Share Capital of the class then comprised in the Exchange Property is added to the Exchange Property (and where at the relevant time the Exchange Property comprises more than one class of Equity Share Capital, procure that Equity Share Capital of each such class is added on a *pro rata* basis), as is determined by dividing such cash amount by the Fair Market Value of the relevant Equity Share Capital as at the third Trading Day immediately following the receipt by the Issuer of the relevant cash amount.

Any such additional Company Shares or Equity Share Capital shall be added to and form part of the Exchange Property.

If any cash amount is to be added to and form part of the Exchange Property in circumstances where the Exchange Property comprises solely cash, such cash amount (converted, if necessary, into euro at the Screen Rate prevailing on the date of receipt of such cash amount) shall be or as the case may be, shall be added to the Exchange Property and thereafter the Exchange Property shall comprise and remain solely cash. No interest shall accrue on or in respect of any such cash amount.

(f) ***Voting Rights etc.***

Bondholders and the Trustee shall have no voting rights in respect of the Company Shares or any other part of the Exchange Property prior to their delivery or transfer to the relevant Bondholder (or as it may direct) upon exercise of Exchange Rights.

*In exercising any voting rights attaching to the Company Shares and other Relevant Securities that it may have or making any such election to which it may be entitled, the Issuer is not obliged to take account of the interests of the Bondholders and accordingly the Issuer may act in a manner in connection therewith which is contrary to the interests of the Bondholders.*

(g) ***Other Adjustments to the Exchange Property and Contemporaneous Events***

If, having first consulted with the Calculation Agent, the Issuer determines that:

- (i) an adjustment should be made to the Exchange Property as a result of one or more events or circumstances not referred to in Condition 10(b)(i), 10(b)(ii) or 10(b)(iii), even if the relevant event is or circumstances are specifically excluded from the operation of Condition 10(b)(i), 10(b)(ii) or 10(b)(iii); or
- (ii) more than one event which gives rise or may give rise to an adjustment to the Exchange Property has occurred or will occur within such a short period of time that a modification to the operation of the adjustment provisions is required in order to give the intended result; or
- (iii) one event which gives rise or may give rise to more than one adjustment to the Exchange Property has occurred or will occur such that a modification to the operation of the adjustment provisions is required in order to give the intended result,

the Issuer shall, at its own expense, request an Independent Adviser to determine as soon as practicable what adjustment (if any) to the Exchange Property is fair and reasonable to take account thereof and the date on which such adjustment should take effect and upon such determination the Issuer shall procure that such adjustment (if any) shall be made and shall take effect in accordance with such determination **provided that** such adjustment shall result in an increase to the Exchange Property.

(h) ***Decision of an Independent Adviser; Calculation by the Calculation Agent***

If any doubt shall arise as to whether an adjustment falls to be made to the Exchange Property, or as to the appropriate adjustment to the Exchange Property, or as to when such adjustment shall take effect or be deemed to have taken effect, and following consultation between the Issuer and an Independent Adviser, a written opinion of such Independent Adviser in respect thereof shall be conclusive and binding on the Issuer, the Bondholders and the Trustee, save in the case of manifest error.

Adjustments to the Exchange Property pursuant to this Condition 10 shall be determined and calculated in good faith by the Calculation Agent, and/or to the extent so specified in the Conditions, in good faith by an Independent Adviser. Any calculation of any Cash Alternative Amount, amount of Equity Share Capital to be added to the Exchange Property, Premium Compensation Amount or any adjustments made to the Exchange Property by the Calculation Agent or, where applicable, an Independent Adviser on behalf of the Issuer in accordance with these Conditions, shall be final and binding (in the absence of manifest error) on the Issuer, the Trustee, the Bondholders or the Couponholders. The Calculation Agent may, subject to prior consultation with the Issuer and the provisions of the Calculation Agency Agreement, consult, at the expense of the Issuer, on any matter (including but not limited to, any legal matter), with any legal or other professional adviser and it shall be able to rely upon, and it shall not be liable and shall incur no liability as against the Issuer, the Trustee, the Bondholders or the Couponholders in respect of anything done, or omitted to be done, relating to that matter in good faith in accordance with that adviser's opinion. The Calculation Agent shall act solely upon request from and as agent of the Issuer, and the Calculation Agent or, as the case may be, any Independent Adviser appointed by the Issuer in accordance with these Conditions, will not thereby assume any obligations towards or relationship of agency or trust with, and they shall not be liable and shall incur no liability as against, the Trustee, the Bondholders or the Couponholders.

(i) ***No duty to monitor***

None of the Trustee, the Calculation Agent or the Paying and Exchange Agents shall be under any duty to monitor whether any event or circumstance has happened or exists which may require an adjustment to be made to the Exchange Property and will not be responsible or liable to the Bondholders for any loss arising from any failure or delay by it to do so.

11. **General Offers**

(a) ***Acceptance of Offers***

In the event of an Offer for any Equity Shares, comprised in the Exchange Property, the Issuer shall have absolute discretion to accept such Offer (and as to any alternative consideration) or reject such Offer, **provided that** the Issuer (I) will not accept such Offer (a) prior to the Specified Date or (b) unless the value of the consideration offered for such Equity Shares pursuant to the Offer or, where there is any alternative consideration, unless the value of the consideration accepted by the Issuer, is equal to or greater than the value of such Equity Shares; and (II) if the Issuer accepts such Offer, it shall do so in respect of all but not some only of the Equity Shares comprised in the Exchange Property.

For the avoidance of doubt, (i) the Issuer may announce its intention to accept any Offer prior to the Specified Date, and (ii) if there is more than one simultaneous Offer, the

Issuer may accept any such Offer (including the Offer which includes the lowest consideration) or none of such Offers.

The value of such Equity Shares and the value of any consideration will be determined by an Independent Adviser by reference to market values, where applicable, and such other considerations as the Independent Adviser shall consider appropriate.

The Issuer will not accept any Offer in respect of such part of the Exchange Property which would (disregarding for this purpose, any Cash Election) be deliverable to those Bondholders who have exercised Exchange Rights in respect of Bonds where the relevant Exchange Date falls prior to the commencement of any Suspension Period.

Save as otherwise provided in this Condition 11(a), the Issuer shall at all times be entitled at its discretion, in relation to any shares or other securities owned or controlled by it or in respect of which it is entitled to exercise voting rights (whether or not such shares or securities comprise Exchange Property), to vote on, exercise its rights in respect of, or otherwise participate in (or in any such case refrain from doing so), any scheme of arrangement, reorganisation, amalgamation, merger, demerger or reconstruction of any company or companies or other entity or entities (whether or not involving liquidation or dissolution) as it thinks fit.

The Issuer shall give notice to the Trustee and the Bondholders in accordance with Condition 21 as soon as practicable upon becoming aware of the existence of any Offer.

*In accepting or rejecting any Offer or electing for any alternative consideration or in voting on, exercising its rights in respect of, or otherwise participating in, any scheme of arrangement, compromise, reorganisation, amalgamation, merger, demerger or reconstruction, the Issuer is not obliged to take account of the interests of the Bondholders and accordingly the Issuer may act in a manner which is contrary to the best interests of the Bondholders. The Trustee shall have no liability to the Bondholders or any other person for any act or omission by the Issuer in connection with this Condition 11(a).*

(b) ***Adjustment to Exchange Property***

If the Issuer accepts such Offer and the Offer becomes unconditional in all respects (or if all the Equity Shares not tendered in relation to the relevant Offer are subject to compulsory acquisition) then, and in relation to each Bond for which the Exchange Date has not occurred prior to the Final Acceptance Date, with effect from the Offer Consideration Date, the Equity Shares the subject of such Offer or compulsory acquisition shall be deemed no longer to form part of the Exchange Property and shall be deemed to be replaced by the consideration in respect of the Equity Shares under the Offer or pursuant to such compulsory acquisition or, if there is alternative consideration, such consideration as the Issuer may elect for the purposes of these Conditions, and if the Issuer shall fail to make such election by not later than five business days prior to the Final Date in respect of the relevant Offer, that consideration as shall be determined by an Independent Adviser to have the greatest value (the "**Offer Consideration**").

(c) ***Suspension of Exchange Rights***

The Exchange Rights shall be suspended during the period from and including (i) the Specified Date until the relevant Offer is withdrawn or the relevant Offer lapses or the Final Acceptance Date or, if earlier, until the Final Date and (ii) the date any vote is cast in relation to any applicable scheme referred to in this Condition, which is approved by the required majority, until the same is approved or rejected by any relevant judicial or other authority or otherwise is or becomes or is declared to be effective or the like.

If the Issuer accepts the relevant Offer and the Offer is or becomes unconditional in all respects, Exchange Rights will also be suspended during the period from the Final Acceptance Date, or if earlier, the Final Date until the Offer Consideration Date.

The period during which Exchange Rights are suspended pursuant to this Condition 11(c) is referred to as the "**Suspension Period**".

Notice of any such Suspension Period (including the commencement and termination thereof) will be given by the Issuer to the Trustee, the Principal Paying and Exchange Agent and to the Bondholders in accordance with Condition 21.

If Exchange Rights are exercised such that the relevant Exchange Date would otherwise fall in the Suspension Period, such exercise shall be null and void.

(d) **Premium Compensation Amount**

If the Offer Consideration in relation to an Offer in respect of Equity Shares comprised in the Exchange Property consists wholly or partly of cash or other property (other than Eligible Equity Shares), such cash or such other property shall be added to and form part of the Exchange Property and if the Exchange Date in respect of any Bond falls after the Offer Consideration Date, then the relevant Bondholder shall be entitled to receive, in addition to the relevant *pro rata* share of the Exchange Property pursuant to Condition 9 (or, as appropriate, any Cash Alternative Amount), an amount (the "**Premium Compensation Amount**") in respect of each €100,000 principal amount of Bonds surrendered for exchange calculated in accordance with the following formula:

$$PC = K^2 * (\text{Principal} - IP) * (T/C) * (CB/(CB+CS))$$

Where:

PC	=	Premium Compensation Amount per Bond
K	=	the lesser of (a) IP/MP and (b) MP/IP
Principal	=	€100,000
IP	=	€71,428.57
CB	=	the Offered Cash Amount
CS	=	the Offered Property Value
MP	=	the Value of the <i>pro rata</i> share of the Exchange Property in respect of a Bond in the principal amount of €100,000 on the Final Acceptance Date
C	=	1,826, being the number of days from (but excluding) the Closing Date to (and including) the Final Maturity Date
T	=	the number of days from (but excluding) the Final Acceptance Date to (and including) the Final Maturity Date (which shall be zero if the Final Acceptance Date occurs after such date)

If any doubt shall arise as to the calculation of the Premium Compensation Amount, and following consultation between the Issuer and an Independent Adviser, a written opinion of such Independent Adviser in respect thereof shall be conclusive and binding on the Issuer, the Bondholders and the Trustee, save in the case of manifest error.

(e) **Subsequent Offers**

The provisions of this Condition 11 shall apply *mutatis mutandis* to any subsequent Offer, with the result that such Bondholder may become entitled to receive more than one Premium Compensation Amount.



(f) ***Self tenders***

If a tender or other Offer is made by or on behalf of the issuer of any Relevant Securities comprised in the Exchange Property (or any person associated with such issuer) to purchase or otherwise acquire, redeem or exchange such Relevant Securities, then for the purposes of these Conditions and for the determination of the composition of the Exchange Property for the purposes of these Conditions only, the Issuer shall not tender or be entitled to be treated as having tendered any such Relevant Securities which are comprised in the Exchange Property or be treated as having accepted any such Offer in respect thereof or vote in respect of any such Relevant Securities in relation to any such tender or other Offer, nor shall the Issuer exercise or be treated as having exercised any option which it may have in connection therewith or otherwise to require the redemption or repayment of such Relevant Securities.

(g) ***Definitions***

As used in these Conditions:

**"EEA Regulated Market"** means a market as defined by Article 4.1(14) of Directive 2004/39 EC of the European Parliament and of the Council on Markets in Financial Instruments;

**"Eligible Equity Shares"** means Equity Share Capital of the offeror **provided that**, (i) the offeror is a limited liability company (or equivalent) incorporated in or established under the laws of a European Union member state, a state within the European Economic Area or an OECD member state; and (ii) such Equity Share Capital is listed and admitted to trading on an EEA Regulated Market; and (iii) the Equity Share Free Float in respect of such Equity Share Capital shall have been not less than 20 per cent. of the issued and outstanding Equity Share Capital on each of the 30 consecutive Trading Days ending on and including the Final Date;

**"Equity Share Capital"** and **"Equity Shares"** have the meaning provided in Condition 7;

**"Equity Share Free Float"** means, in respect of any Equity Shares, the aggregate number of such Equity Shares held by (a) collective investment schemes or mutual funds; (b) pension funds; and (c) persons that own (together with any other person or persons with whom they act in concert, as defined in the Takeover Code of the United Kingdom on Takeovers and Mergers) Equity Shares representing less than 5 per cent. of the total number of such Equity Shares issued and outstanding, as determined by an Independent Adviser acting reasonably and in good faith, in consultation with the Issuer and where (i) references to **"Equity Shares"** shall include Equity Shares represented by depositary or other receipts or certificates representing Equity Shares; (ii) Equity Shares held by or on behalf of a depositary or custodian or similar person in respect of any such depositary or other receipts of certificates representing Equity Shares from time to time shall be treated as being held by the holder of the relevant depositary or other receipts or certificates and not by such depositary, custodian or similar person; (iii) Equity Shares that have been borrowed and remain borrowed pursuant to any stock lending arrangement shall be treated as not being owned by the relevant lender; and (iv) Equity Shares held by or on behalf of the issuer of such Equity Shares or any subsidiary of such issuer or any person acting in concert with such issuer shall be treated as not constituting part of the Equity Share Free Float;

**"Final Acceptance Date"** means, in respect of any Offer, the final date for acceptance of such Offer which, if such Offer is extended prior to becoming unconditional, shall be the final date for acceptance of the extended Offer (but, if such Offer is or becomes unconditional, disregarding any additional or further period during which such Offer is open for acceptance);

**"Final Date"** means, in relation to any Offer, the date the Offer becomes or is declared unconditional in all respects;

"**Offer**" means an offer to the holders of any Equity Shares comprising the Exchange Property, whether expressed as a legal offer, an invitation to treat or in any other way, in circumstances where such offer is available to all holders of the applicable Equity Shares (or all or substantially all such holders other than any holder to whom such offer may not be extended pursuant to applicable securities or other laws or who is, or is connected with, or is deemed to be acting in concert with, the person making such offer or to whom, by reason of the laws of any territory or requirements of any recognised regulatory body or any stock exchange in any territory, it is determined not to make such an offer);

"**Offer Consideration Date**" means, in relation to any Offer (or compulsory acquisition), the date upon which the Offer Consideration is made available to the holders of the Relevant Securities;

"**Offered Cash Amount**" means the cash amount in euro (or, where applicable, translated into euro at the applicable Screen Rate on the Final Date) comprising the whole or part of the Offer Consideration for one Relevant Security in the Offer (other than cash paid in respect of fractional entitlements to the Offered Property) **provided that** if the Offered Property comprises securities or property other than Eligible Equity Shares, such securities or property will be deemed, for the purpose of this definition to form part of the Offered Cash Amount in an amount equal to their Fair Market Value at the close of business on the Final Date;

"**Offered Property**" means the Offer Consideration for one Relevant Security in the Offer excluding the Offered Cash Amount;

"**Offered Property Value**" means the Fair Market Value of the Offered Property at the close of business on the Final Date. In the case of an Offer the Offer Consideration in respect of which is entirely in cash or securities or property other than Eligible Equity Shares, the Offered Property Value shall be zero; and

"**Specified Date**" means, in relation to any Offer, five Trading Days prior to the Final Acceptance Date.

## 12. Undertakings

- (a) The Issuer undertakes to make or cause to be made an application for the Bonds to be admitted to listing and trading on a recognised, regularly operating, regulated or non-regulated stock exchange that requires the preparation of a prospectus, listing particulars or other equivalent listing document to grant such admission (the "**Admission**") prior to the first Interest Payment Date and to maintain such Admission for so long as any of the Bonds remain outstanding. If the Issuer is unable to maintain such Admission or if the maintenance of such Admission is unduly onerous or burdensome, the Issuer undertakes to use all reasonable endeavours to obtain and maintain a listing and/or admission to trading for the Bonds on another internationally recognised, regulated or non-regulated and regularly operating stock exchange, and the Issuer will forthwith give notice to the Bondholders in accordance with Condition 21 of the listing or delisting or the admission or cessation of admission to trading of the Bonds by or on any of such stock exchanges.
- (b) The Issuer undertakes to obtain and/or maintain all applicable consents and approvals which are required for the performance of its obligations under the Bonds, the Trust Deed, the Pledge Agreement and the other Transaction Documents.
- (c) Where these Conditions require or contemplate a sale of any property or assets to be made or procured to be made by the Issuer, the Issuer shall procure that the relevant sale is made as soon as reasonably practicable and in any event, if a payment calculated by reference to any such sale (including payment of the Realisation Proceeds) is to be made pursuant to these Conditions, in such time to enable the relevant payment to be made by the time specified in these Conditions.

- (d) If the appointment of an Independent Adviser is required by these Conditions or if these Conditions relate to any matter to be determined by an Independent Adviser, the Issuer shall procure that the relevant appointment is made as soon as practicable and, in any event, in time to enable the proper operation of the relevant provisions of these Conditions.
- (e) Within 14 days following the occurrence of a Change of Control, the Issuer shall give notice thereof to the Trustee and to the Bondholders in accordance with Condition 21 (a "**Change of Control Notice**"). Such notice shall contain a statement informing Bondholders of their entitlement to exercise their Exchange Rights as provided in these Conditions and their entitlement to exercise their rights to require redemption of their Bonds pursuant to Condition 13(c)(i).

The Change of Control Notice shall also specify:

- (i) the Value of the *pro rata* share of the Exchange Property attributable to each €100,000 principal amount of the Bonds as at the last practicable date prior to the publication of the Change of Control Notice;
- (ii) the last day of the Change of Control Period;
- (iii) the Change of Control Put Date; and
- (iv) such other information relating to the Change of Control as the Trustee may require.

The Trustee shall not be required to take any steps to ascertain whether any such Change of Control or any event which could lead to such Change of Control has occurred or may occur and will not be responsible or liable to Bondholders or any other person for any loss arising from any failure by it to do so.

- (f) Within 14 days following the occurrence of a Shareholding Reduction Event, the Issuer shall give notice thereof to the Trustee and to the Bondholders in accordance with Condition 21 (a "**Shareholding Reduction Notice**"). Such notice shall contain a statement informing Bondholders of their entitlement to exercise their Exchange Rights as provided in these Conditions and their entitlement to exercise their rights to require redemption of their Bonds pursuant to Condition 13(c)(ii).

The Shareholding Reduction Notice shall also specify:

- (i) the Value of the *pro rata* share of the Exchange Property attributable to each €100,000 principal amount of the Bonds as at the last practicable date prior to the publication of the Shareholding Reduction Notice;
- (ii) the last day of the Shareholding Reduction Put Period;
- (iii) the Shareholding Reduction Put Date; and
- (iv) such other information relating to the Shareholding Reduction Event as the Trustee may require.

The Trustee shall not be required to take any steps to ascertain whether any such Shareholding Reduction Event or any event which could lead to such Shareholding Reduction Event has occurred or may occur and will not be responsible or liable to Bondholders or any other person for any loss arising from any failure by it to do so.

- (g) Within 14 days following the occurrence of a Delisting Event the Issuer shall give notice thereof to the Trustee and to the Bondholders in accordance with Condition 21 (a "**Delisting Event Notice**"). Such notice shall contain a statement informing Bondholders of their entitlement to exercise their rights to require redemption of their Bonds pursuant to Condition 13(c)(iii).

The Delisting Event Notice shall also specify:

- (i) the Value of the *pro rata* share of the Exchange Property attributable to each €100,000 principal amount of the Bonds as at the last practicable date prior to the publication of the Delisting Event Notice;
- (ii) the last day of the Delisting Put Period; and
- (iii) the Delisting Put Date.

The Trustee shall not be required to take any steps to ascertain whether any Delisting Event or any event which could lead to a Delisting Event has occurred or may occur and will not be responsible or liable to Bondholders or any other person for any loss arising from any failure or delay by it to do so.

- (h) Promptly after the publication of its audited accounts in respect of each financial period commencing with the financial period ending 31 December 2016 and in any event not later than 180 days after the end of each such financial period, the Issuer shall give notice to the Trustee and to the Bondholders in accordance with Condition 21 specifying the Net Financial Indebtedness and Shareholder Funds as at the end of each such financial period.
- (i) Within 14 days following the occurrence of a Net Debt Trigger Event the Issuer shall give notice thereof to the Trustee and to the Bondholders in accordance with Condition 21 (a "**Net Debt Trigger Event Notice**"). Such notice shall contain a statement informing Bondholders of their entitlement to exercise their rights to require redemption of their Bonds pursuant to Condition 13(c)(iv).

The Net Debt Trigger Event Notice shall also specify:

- (i) the Value of the *pro rata* share of the Exchange Property attributable to each €100,000 principal amount of the Bonds as at the last practicable date prior to the publication of the Net Debt Trigger Event Notice;
- (ii) the last day of the Net Debt Trigger Put Period; and
- (iii) the Net Debt Trigger Put Date.

The Trustee shall not be required to take any steps to ascertain whether any Net Debt Trigger Event or any event which could lead to a Net Debt Trigger Event has occurred or may occur and will not be responsible or liable to Bondholders or any other person for any loss arising from any failure or delay by it to do so.

### 13. **Redemption and Purchase**

#### (a) ***Final Redemption***

Unless previously exchanged, redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on the Final Maturity Date.

The Bonds may only be redeemed at the option of the Issuer prior to the Final Maturity Date in accordance with Condition 13(b).

#### (b) ***Redemption at the Option of the Issuer***

##### (i) ***For tax reasons***

At any time the Issuer may, having given not less than 30 nor more than 45 days' notice (a "**Tax Redemption Notice**") to the Bondholders in accordance with Condition 21, redeem (subject as provided below) all but not some only of the Bonds for the time being outstanding on the date (the "**Tax Redemption Date**") specified in the Tax Redemption Notice at their principal amount, together with accrued but unpaid interest to the Tax Redemption Date, if:

- (A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 15 as a result of any change in, or amendment to, the laws or regulations of a Taxing Jurisdiction or therein, or any change in the application or interpretation or administration of such laws or regulations, which change or amendment becomes effective on or after 2 June 2016; and
- (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

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

At least 15 days prior to the publication of any Tax Redemption Notice, the Issuer shall deliver to the Trustee (a) a certificate signed by an Authorised Officer of the Issuer stating that the obligation referred to in (i)(A) above cannot be avoided by the Issuer taking reasonable measures available to it and (b) an opinion of independent legal or tax advisers of recognised international standing to the effect that such change or amendment has occurred and that the Issuer has or will be obliged to pay such additional amounts as a result thereof (irrespective of whether such amendment or change is then effective) and the Trustee shall accept without any liability for so doing such certificate and opinion as sufficient evidence of the matters set out above in which event it shall be conclusive and binding on the Trustee and the Bondholders.

Any Tax Redemption Notice shall be irrevocable. Any Tax Redemption Notice shall specify (i) the Tax Redemption Date, (ii) the last day on which Exchange Rights may be exercised by a Bondholder and (iii) the Value of the *pro rata* share of the Exchange Property attributable to each €100,000 principal amount of the Bonds as at the most recent practicable date prior to the giving of the relevant Tax Redemption Notice.

On the Tax Redemption Date, the Issuer shall (subject to the next following paragraph) redeem the Bonds at their principal amount, together with accrued interest to such date.

If the Issuer gives a notice of redemption pursuant to this Condition 13(b)(i), each Bondholder will have the right to elect that its Bonds shall not be redeemed and that the provisions of Condition 15 shall not apply in respect of any payment of interest to be made on such Bonds which falls due after the relevant Tax Redemption Date, whereupon no additional amounts shall be payable in respect thereof pursuant to Condition 15 and payment of all amounts of such interest on such Bonds shall be made subject to the deduction or withholding of any taxation required to be withheld or deducted by the Taxing Jurisdiction. To exercise such right, the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying and Exchange Agent a duly completed and signed notice of election, in the form for the time being current, obtainable from the specified office of any Paying and Exchange Agent and present the relevant Bonds together with all unmatured Coupons relating thereto on or before the day falling 10 days prior to the Tax Redemption Date.

- (ii) *For other reasons*

The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at their principal amount together with accrued interest to the relevant date fixed for redemption:

- (i) at any time on or after 1 July 2019 (the "**First Call Date**"), **provided that** the Value of the *pro rata* share of the Exchange Property attributable to each €100,000 principal amount of Bonds on each of not

less than 20 Trading Days in any period of 30 consecutive Trading Days ending not earlier than the seventh Trading Day prior to the date on which the relevant notice of redemption is given by the Issuer to the Bondholders shall have exceeded €130,000, as verified by the Calculation Agent at the request of the Issuer; or

- (ii) at any time if, prior to the date on which the relevant notice of redemption is given by the Issuer, Exchange Rights shall have been exercised and/or purchases (and corresponding cancellations) and/or redemptions effected in respect of 85 per cent. or more in principal amount of the Bonds originally issued.

In order to exercise such option, the Issuer shall give not less than 30 nor more than 45 days' notice (an "**Optional Redemption Notice**") to the Bondholders in accordance with Condition 21 specifying the date for redemption (the "**Optional Redemption Date**").

Any Optional Redemption Notice shall be irrevocable. Any Optional Redemption Notice shall specify (i) the Optional Redemption Date, (ii) the last day on which Exchange Rights may be exercised by a Bondholder and (iii) the Value of the *pro rata* share of the Exchange Property attributable to each €100,000 principal amount of the Bonds as at the most recent practicable date prior to the giving of the relevant Optional Redemption Notice.

On the Optional Redemption Date, the Issuer shall redeem the Bonds at their principal amount, together with accrued interest to the relevant Optional Redemption Date.

(c) ***Redemption at the Option of the Bondholders***

(i) ***Redemption following a Change of Control***

Following the occurrence of a Change of Control, the holder of each Bond will have the right to require the Issuer to redeem that Bond on the Change of Control Put Date at its principal amount, together with accrued and unpaid interest to such date. To exercise such right, the holder of the relevant Bond must deliver such Bond together with all unmatured Coupons relating thereto to the specified office of any Paying and Exchange Agent, together with a duly completed and signed notice of exercise in the form for the time being current obtainable from the specified office of any Paying and Exchange Agent (a "**Change of Control Put Exercise Notice**"), at any time during the Change of Control Period. The Paying and Exchange Agent with which a Bond (including such related Coupons) is so deposited shall deliver a duly completed receipt for such Bond (and related Coupons) to the depositing Bondholder. For so long as any outstanding Bond (including such related Coupons) is held by a Paying and Exchange Agent in accordance with this Condition 13(c)(i), the depositor of such Bond (and related Coupons) and not such Paying and Exchange Agent shall be deemed to be the holder of such Bond (and related Coupons) for all purposes.

The "**Change of Control Put Date**" shall be the 14<sup>th</sup> calendar day after the expiry of the Change of Control Period (or if that is not a TARGET Business Day, the next following TARGET Business Day).

Payment in respect of any such Bond shall be made by transfer to a euro account with a bank in a city in which banks have access to the TARGET System as specified by the relevant Bondholder in the relevant Change of Control Put Exercise Notice.

A Change of Control Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem all Bonds the subject of Change of Control Put Exercise Notices delivered as aforesaid on the Change of Control Put Date.

(ii) *Redemption following a Shareholding Reduction Event*

Following the occurrence of a Shareholding Reduction Event, the holder of each Bond will have the right to require the Issuer to redeem that Bond on the Shareholding Reduction Event Put Date at its principal amount, together with accrued and unpaid interest to such date. To exercise such right, the holder of the relevant Bond must deliver such Bond together with all unmatured Coupons relating thereto to the specified office of any Paying and Exchange Agent, together with a duly completed and signed notice of exercise in the form for the time being current obtainable from the specified office of any Paying and Exchange Agent (a "**Shareholding Reduction Put Exercise Notice**"), at any time during the Shareholding Reduction Put Period. The Paying and Exchange Agent with which a Bond (including such related Coupons) is so deposited shall deliver a duly completed receipt for such Bond (and related Coupons) to the depositing Bondholder. For so long as any outstanding Bond (including such related Coupons) is held by a Paying and Exchange Agent in accordance with this Condition 13(c)(ii), the depositor of such Bond (and related Coupons) and not such Paying and Exchange Agent shall be deemed to be the holder of such Bond (and related Coupons) for all purposes.

The "**Shareholding Reduction Put Date**" shall be the 14<sup>th</sup> calendar day after the expiry of the Shareholding Reduction Put Period (or if that is not a TARGET Business Day, the next following TARGET Business Day).

Payment in respect of any such Bond shall be made by transfer to a euro account with a bank in a city in which banks have access to the TARGET System as specified by the relevant Bondholder in the relevant Shareholding Reduction Put Exercise Notice.

A Shareholding Reduction Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem all Bonds the subject of Shareholding Reduction Put Exercise Notices delivered as aforesaid on the Shareholding Reduction Put Date.

(iii) *Redemption following a Delisting Event*

Following the occurrence of a Delisting Event, the holder of each Bond will have the right to require the Issuer to redeem that Bond on the Delisting Put Date at its principal amount, together with accrued and unpaid interest to such date. To exercise such right, the holder of the relevant Bond must deliver such Bond together with all unmatured Coupons relating thereto to the specified office of any Paying and Exchange Agent, together with a duly completed and signed notice of exercise in the form for the time being current obtainable from the specified office of any Paying and Exchange Agent (a "**Delisting Put Exercise Notice**"), at any time during the Delisting Put Period. The Paying and Exchange Agent with which a Bond (including such related Coupons) is so deposited shall deliver a duly completed receipt for such Bond (and related Coupons) to the depositing Bondholder. For so long as any outstanding Bond (including such related Coupons) is held by a Paying and Exchange Agent in accordance with this Condition 13(c)(iii), the depositor of such Bond (and related Coupons) and not such Paying and Exchange Agent shall be deemed to be the holder of such Bond (and related Coupons) for all purposes.

The "**Delisting Put Date**" shall be the 14<sup>th</sup> calendar day after the expiry of the Delisting Put Period (or if that is not a TARGET Business Day, the next following TARGET Business Day).

Payment in respect of any such Bond shall be made by transfer to a euro account with a bank in a city in which banks have access to the TARGET System as specified by the relevant Bondholder in the relevant Delisting Put Exercise Notice.

A Delisting Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem all Bonds the subject of Delisting Put Exercise Notices delivered as aforesaid on the Delisting Put Date.

(iv) *Redemption following a Net Debt Trigger Event*

Following the occurrence of a Net Debt Trigger Event, the holder of each Bond will have the right to require the Issuer to redeem that Bond on the Net Debt Trigger Put Date at its principal amount, together with accrued and unpaid interest to such date. To exercise such right, the holder of the relevant Bond must deliver such Bond together with all unmatured Coupons relating thereto to the specified office of any Paying and Exchange Agent, together with a duly completed and signed notice of exercise in the form for the time being current obtainable from the specified office of any Paying and Exchange Agent (a "**Net Debt Trigger Put Exercise Notice**"), at any time during the Net Debt Trigger Put Period. The Paying and Exchange Agent with which a Bond (including such related Coupons) is so deposited shall deliver a duly completed receipt for such Bond (and related Coupons) to the depositing Bondholder. For so long as any outstanding Bond (including such related Coupons) is held by a Paying and Exchange Agent in accordance with this Condition 13(c)(iv), the depositor of such Bond (and related Coupons) and not such Paying and Exchange Agent shall be deemed to be the holder of such Bond (and related Coupons) for all purposes.

The "**Net Debt Trigger Put Date**" shall be the 14th calendar day after the expiry of the Net Debt Trigger Put Period (or if that is not a TARGET Business Day, the next following TARGET Business Day).

Payment in respect of any such Bond shall be made by transfer to a euro account with a bank in a city in which banks have access to the TARGET System as specified by the relevant Bondholder in the relevant Net Debt Trigger Put Exercise Notice.

A Net Debt Trigger Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem all Bonds the subject of Net Debt Trigger Put Exercise Notices delivered as aforesaid on the Net Debt Trigger Put Date.

*In accordance with the Irish Industrial and Provident Societies Acts 1893-2014, the Rules constituting the Issuer contain a limit on the board of directors' power to borrow. The aggregate amount of all monies borrowed by the Issuer may not exceed one and one half times the total of its Shareholder Funds (total share capital, capital reserves, revenue reserves, loan stock, investment stock, capital grants and minority interests as set out in the latest audited consolidated balance sheet of the Issuer and its Subsidiaries). Although the Bonds are issued within the permitted borrowing limits, it is uncertain whether a valid challenge could be made if the borrowing limits were breached in the future and there is no Irish case law on this matter. Therefore, the Net Debt Trigger Event put option in favour of Bondholders is set out above and will be exercisable in the event that the Net Financial Indebtedness exceeds the lesser of (i) EUR 400,000,000 and (ii) one times the total of the its shareholder funds as set out in its latest audited financial statements. As at 2 January 2016, the Issuer's Shareholder Funds were EUR 1,249.206 million and the Net Financial Indebtedness (adjusted to include the issue of the Bonds) was EUR 7.274 million.*



(d) ***Multiple Notices***

If more than one notice of redemption is given pursuant to this Condition 13, the first of such notices to be given shall prevail.

(e) ***Purchase***

The Issuer or any of its Subsidiaries may at any time purchase Bonds in the open market or otherwise at any price, **provided that** all unmatured Coupons are purchased therewith.

(f) ***Cancellation***

Bonds (together with any unmatured Coupons relating thereto) purchased by the Issuer or any such Subsidiaries may be held, re-issued or sold or cancelled. All Bonds redeemed or exchanged and any unmatured Coupons attached to or surrendered with them will be cancelled and may not be re-issued or resold.

14. **Payments**

(a) ***Principal and Interest***

Payment of principal in respect of the Bonds (other than pursuant to Condition 13(c)), and, subject to Condition 14(c) below, payment of accrued interest payable on a redemption of the Bonds (other than pursuant to Condition 13(c)) and payment of any interest due on an Interest Payment Date in respect of the Bonds, will be made only against presentation and (**provided that** payment is made in full) surrender of Bonds and/or appropriate Coupons, as the case may be, at the Specified Office of any Paying and Exchange Agent outside the United States.

Payment of all other amounts will be made as provided in these Conditions.

(b) ***Method of Payment***

Each payment referred to in Condition 14(a) will be made in euro by transfer to a euro account (or other account to which euro may be credited or transferred) maintained with a bank in a city in which banks have access to the TARGET System specified by the relevant Bondholder.

(c) ***Payments other than in respect of matured Coupons***

Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Bonds at the Specified Office of any Paying and Exchange Agent outside the United States.

(d) ***Agents***

The names of the initial Paying and Exchange Agents and their initial specified offices are set out below. The Issuer reserves the right under the Agency Agreement at any time with the prior written approval of the Trustee to remove any Paying and Exchange Agent, and to appoint other or further Paying and Exchange Agents, **provided that** it will at all times maintain Paying and Exchange Agents having specified offices in any place required by the rules of any relevant stock exchange if and for so long as the Bonds are listed or admitted to trading on any stock exchange or admitted to listing by any other relevant authority for which the rules require the appointment of a Paying and Exchange Agent in any particular place. Notice of any such removal or appointment and of any change in the specified office of any Paying and Exchange Agent will be given as soon as practicable to Bondholders by the Issuer in accordance with Condition 21.

(e) ***Payments subject to fiscal laws***

All payments in respect of the Bonds are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to Condition 15 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any official interpretations thereof, or (without prejudice to the provisions of Condition 15) any law implementing an intergovernmental approach to them. No commissions or expenses shall be charged to the Bondholders or Couponholders in respect of such payments.

(f) ***Fractions***

When making payments to Bondholders or Couponholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest such unit.

(g) ***Delay in payment***

Bondholders and Couponholders will be entitled to present a Bond or Coupon on a business day that falls on or after the relevant due date for payment but will not be entitled to any further interest or other payment for any delay after the due date in receiving any amount due:

- (i) as a result of the due date not being a business day; or
- (ii) if the relevant Bondholder or Couponholder presents the relevant Bond or Coupon after the due date.

In this Condition 14(g) "**business day**" means a day (other than a Saturday or Sunday) which is a TARGET Business Day and a business day in the place of the specified office of the Paying and Exchange Agent at which the relevant Bond or Coupon is presented.

(h) ***Deduction for unmatured Coupons***

If a Bond is presented without all unmatured Coupons relating thereto, then:

- (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; **provided, however, that** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;
- (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
  - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; **provided, however, that** where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
  - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; **provided, however, that**, if the gross amount available for payment is less than the amount of

principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in Condition 14(a) above against presentation and (provided that payment is made in full) surrender of the relevant missing Coupons. No payments will be made in respect of void Coupons.

15. **Taxation**

All payments in respect of the Bonds and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by a Taxing Jurisdiction, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Bondholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any payment in respect of any Bond or Coupon:

- (a) to, or to a third party on behalf of, a Bondholder or Couponholder, as the case may be, who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond or Coupon by reason of his having some connection with the Taxing Jurisdiction other than the mere holding of the Bond or Coupon or the receipt of the relevant payment; or
- (b) presented for payment more than 30 days after the Relevant Date except to the extent that the Bondholder or Couponholder, as the case may be, would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day; or
- (c) presented for payment by or on behalf of a Bondholder or Couponholder, as the case may be, who would have been able to avoid such withholding or deduction by presenting the relevant Bond or Coupon to another Paying and Exchange Agent in a Member State of the European Union.

References in these Conditions to principal and/or interest and/or any other amounts payable in respect of the Bonds shall be deemed also to refer to any additional amounts which may be payable under this Condition or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

The provisions of this Condition 15 shall not apply in respect of any payments of interest which fall due after the relevant Tax Redemption Date in respect of any Bonds which are the subject of a Bondholder election pursuant to Condition 13(b)(i).

16. **Events of Default**

If any of the following events (each an "**Event of Default**") occurs the Trustee at its discretion may, and if so requested in writing by holders of at least one-quarter in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (**provided in each case that**, the Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction), give written notice to the Issuer that the Bonds are, and they shall immediately become, due and payable at the Relevant Amount:

- (a) **Non-Performance**: a default is made for more than 7 days (in the case of interest) or 7 days (in the case of principal or a Cash Alternative Amount or any other amount payable in respect of any Bond) in the payment on the due date of any interest, principal, Cash Alternative Amount or any other amount, as the case may be, in respect of any of the Bonds or there is a failure for more than 14 days in the delivery of any Exchange Property or Additional Exchange Property, as the case may be, (as and when such Exchange Property or Additional Exchange Property is required to be delivered in

accordance with these Conditions) or of the performance by the Issuer of any of its other obligations in respect of the exercise of Exchange Rights in relation to any of the Bonds; or

- (b) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations in the Bonds, the Trust Deed or the Pledge Agreement, which default (i) is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 30 days after notice of such default shall have been given to the Issuer by the Trustee and (ii) has been certified in writing by the Trustee to be materially prejudicial to the interest of Bondholders; or
- (c) **Cross-Acceleration:** (i) any other Financial Indebtedness of the Issuer becomes due and payable prior to its stated maturity by reason of any default, event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Issuer fails to pay when due any amount payable by it under any Guarantee of any Financial Indebtedness, **provided that** the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 16(c) have occurred equals or exceeds €5,000,000 or its equivalent in another currency;
- (d) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any part of the property, assets or revenues of the Issuer and is not discharged or stayed within 30 days; or
- (e) **Security enforced:** a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or a material (in the opinion of the Trustee) part of the undertaking, assets and revenues of the Issuer or any of its Relevant Subsidiaries **provided that**, in the case of a Relevant Subsidiary only, the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of Bondholders; or
- (f) **Insolvency, etc.:** (i) the Issuer or any of its Relevant Subsidiaries is unable to pay its debts as they fall due, (ii) an examiner or liquidator is appointed (or application for any such appointment is made) in respect of the Issuer or any of its Relevant Subsidiaries or the whole or a substantial (in the opinion of the Trustee) part of the undertaking, assets and revenues of the Issuer or any of its Relevant Subsidiaries, (iii) the Issuer or any of its Relevant Subsidiaries takes any action for a readjustment or deferment 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 Financial Indebtedness or any Guarantee of any Financial Indebtedness given by it or (iv) the Issuer or any of its Relevant Subsidiaries ceases or threatens to cease to carry on all or substantially all of its business (otherwise than, in the case of a Relevant Subsidiary of the Issuer, (x) where all or substantially all of the undertaking and assets of such Relevant Subsidiary are transferred to or otherwise vested in the Issuer or another of the Issuer's Subsidiary, (y) where all or substantially all of the undertaking and assets of such Relevant Subsidiary are transferred to a third party for full consideration on an arms' length basis; or (z) for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent) **provided that**, for each of (i) to (iv) above, in the case of a Relevant Subsidiary only, the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of Bondholders; or
- (g) **Winding up, etc.:** an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer or any of its Relevant Subsidiaries (otherwise than, in the case of a Relevant Subsidiary of the Issuer, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent) **provided that**, in the case of a Relevant Subsidiary only, the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of Bondholders; or

- (h) **Illegality**: it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds, the Trust Deed or the Pledge Agreement **provided that**, other than in relation to the obligations mentioned in Condition 16(a) above, the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of Bondholders; or
- (i) **Analogous Events**: any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs of this Condition 18.

"**Relevant Amount**" means, in respect of each €100,000 principal amount of Bonds, an amount equal to such principal amount, together with accrued interest thereon, save that if the relevant Event of Default occurs as a result of or in connection with a failure by the Issuer to comply with any of its obligations in relation to the exercise of Exchange Rights, it means an amount equal to the higher of:

- (i) the Value of the *pro rata* share of the Exchange Property and any other amounts which would have been payable and/or deliverable on exchange in respect of such principal amount of Bonds had the date of such declaration been the Exchange Date; and
- (ii) such principal amount, together with accrued but unpaid interest.

References in these Conditions and the Trust Deed to the principal amount of the Bonds shall, other than in Condition 8 and unless the context otherwise requires, include the Relevant Amount.

#### 17. **Prescription**

Claims in respect of the principal amount or interest on Bonds will become void unless made within ten (10) years (in the case of the principal amount) and five (5) years (in the case of interest) from the appropriate Relevant Date in respect thereof.

Claims in respect of any other amounts payable in respect of the Bonds will become void unless made within ten (10) years following the due date for payment thereof.

#### 18. **Meetings of Bondholders, Modification and Waiver, Substitution**

##### (a) **Meetings of Bondholders**

The Trust Deed contains provisions for convening meetings of Bondholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed or any Transaction Document. Such a meeting may be convened by the Issuer or the Trustee (subject, in the case of the Trustee, to being indemnified and/or secured and/or prefunded to its satisfaction) and shall be convened by the Issuer if requested in writing by Bondholders holding not less than 15 per cent. in principal amount of the Bonds for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution will be one or more persons holding or representing in the aggregate a clear majority in principal amount of the Bonds for the time being outstanding, or at any adjourned meeting one or more persons being or representing Bondholders whatever the principal amount of the Bonds so held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to change the Final Maturity Date or the First Call Date (other than deferring the First Call Date) or any date for the payment of interest in respect of the Bonds, (ii) to reduce or cancel the principal amount of, or interest on, the Bonds or to reduce the amount payable on redemption of the Bonds or (iii) to modify or cancel the Exchange Rights, (iv) to change the currency of any payment in respect of the Bonds, (v) to change the governing law of the Bonds or any Transaction Document (other than in the case of a substitution of the Issuer (or any previous substitute or substitutes) under Condition 18(c)), (vi) to modify the terms of the Transaction Documents relating to the Security (unless such modification is expressly contemplated by the Transaction Documents) and (vii) to modify the provisions concerning the quorum required at any meeting of Bondholders or

the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be one or more persons holding or representing in the aggregate not less than two-thirds, or at any adjourned meeting not less than one-third, in principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Bondholders and Couponholders (whether or not they were present at the meeting at which such resolution was passed).

The Trust Deed provides that (i) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of Bonds outstanding (a "**Written Resolution**"), or (ii) where the Bonds are held on or on behalf of a clearing system or clearing systems, approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communication systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. aggregate in principal amount of Bonds outstanding ("**Electronic Consent**"), shall, in each case, for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held. Such a Written Resolution and/or Electronic Consent will be binding on all Bondholders and Couponholders whether or not they participated in such Written Resolution or Electronic Consent. A Written Resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more holders.

(b) ***Modification and Waiver***

The Trustee may agree, without the consent of the Bondholders or the Couponholders, to (i) any modification of any of the provisions of the Trust Deed or any other Transaction Document or the Bonds or these Conditions which in the Trustee's opinion is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification to the Trust Deed or any other Transaction Document or the Bonds or these Conditions (except as mentioned in the Trust Deed), and (subject as provided in the Trust Deed) any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, or any other Transaction Document or the Bonds or these Conditions which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Bondholders. The Trustee may, without the consent of the Bondholders or the Couponholders, determine any Event of Default or Potential Event of Default should not be treated as such, **provided that** in the opinion of the Trustee, the interests of Bondholders will not be materially prejudiced thereby. Any such modification, authorisation or waiver shall be binding on the Bondholders and the Couponholders and, unless the Trustee agrees otherwise, such modification shall be notified by the Issuer to the Bondholders promptly in accordance with Condition 21.

(c) ***Substitution***

The Trustee may, without the consent of the Bondholders or the Couponholders, agree to the substitution in place of the Issuer (or any previous substitute or substitutes under this Condition) as the principal debtor under the Bonds and the Trust Deed of any Subsidiary of the Issuer subject to (a) the Bonds being unconditionally and irrevocably guaranteed by the Issuer, (b) the Bonds remaining secured in the manner set out in these Conditions and the Transaction Documents or failing which, such other security being put in place as is acceptable to the Trustee, and (c) the Bonds continuing to be exchangeable for Exchange Property as provided in these Conditions *mutatis mutandis* as provided in these Conditions, with such amendments as the Trustee shall consider appropriate **provided that** in any such case, (x) the Trustee being satisfied that the interests of the Bondholders will not be materially prejudiced by the substitution, and (y) certain other conditions set out in the Trust Deed being complied with. In the case of such a substitution the Trustee may agree, without the consent of the Bondholders or the Couponholders, to a change of the law governing the Bonds and/or any Transaction Document **provided that** such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Bondholders. Any such substitution shall be binding on the Bondholders and the Couponholders and shall be notified promptly to the

Bondholders in accordance with Condition 21. By subscribing to, acquiring or otherwise purchasing the Bonds, the holders of the Bonds are expressly deemed to have consented to the substitution of the Issuer by a new issuer and to the release of the Issuer from any and all obligations in respect of the Bonds and all relevant agreements and are expressly deemed to have accepted such substitution and the consequences thereof, subject to and as provided in the Trust Deed and these Conditions.

(d) ***Entitlement of the Trustee***

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Bondholders as a class and, in particular but without limitation, shall not have regard to the consequences of the exercise of its rights, trusts, powers or discretions for individual Bondholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders.

19. **Enforcement**

The Trustee may at any time, at its discretion and without notice, take such steps, actions or proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed and the Bonds and/or any other Transaction Document, but it shall not be bound to take any such steps, actions or proceedings or any other action in relation to the Trust Deed or any other Transaction Document or the Bonds unless (i) it shall have been so directed by an Extraordinary Resolution of the Bondholders or so requested in writing by the holders of at least one-quarter in principal amount of the Bonds then outstanding, and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Bondholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

20. **The Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including relieving it from taking proceedings unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit. The Trustee may rely and act without liability to Bondholders or Couponholders on a report, confirmation, certificate, opinion, information or any advice of any accountants, financial advisers or investment bank or other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee shall be entitled to rely and act (without liability) on any such report, confirmation, certificate, opinion, information or advice where the Issuer procures delivery of the same pursuant to its obligation to do so under any provision of these Conditions or the Trust Deed and such report, confirmation, certificate, opinion, information or advice shall be binding on the Issuer, the Trustee, the Bondholders and the Couponholders in the absence of manifest error.

The Trustee has no responsibility for delivery of Exchange Property to Bondholders nor for the validity or value of the Security, Exchange Property nor for any insufficiency of the Exchange Property resulting from the Trustee or the Issuer being liable for tax in respect of the Exchange Property.

The Trustee shall not be responsible for loss, diminution in value or theft of all or part of the Exchange Property.

The Trustee shall not be responsible for monitoring or supervising the performance by the Custodian or any agent of the Issuer of their respective functions, duties and obligations under

the Transaction Documents or otherwise. The Trustee shall not be liable to any person for any loss occasioned by any act or omission of the Custodian or any agent of the Issuer.

21. **Notices**

All notices regarding the Bonds will be valid if published through the electronic communication system of Bloomberg. The Issuer shall also ensure that all notices are duly published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed and/or admitted to trading. Any such notice shall be deemed to have been given on the date of first publication.

The Issuer shall send a copy of all notices given by it to Bondholders pursuant to these Conditions simultaneously to the Calculation Agent.

*Notwithstanding the above, so long as the Bonds are represented by a global Bond deposited with a common depository for Euroclear, Clearstream Luxembourg and/or any other relevant clearing system, notices to Bondholders shall be given by the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system as the case may be.*

22. **Replacement of Bonds and Coupons**

If any Bond or Coupon is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Principal Paying and Exchange Agent, subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer or the Principal Paying and Exchange Agent may reasonably require. Mutilated or defaced Bonds or Coupons must be surrendered before replacements will be issued.

23. **Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

24. **Governing Law and Jurisdiction**

(a) ***Governing law***

The Trust Deed, the Agency Agreement and the Bonds and any non-contractual obligations arising out of or in connection with them are governed by English law. The Pledge Agreement is governed by Irish law.

(b) ***Jurisdiction***

The courts of England are to have exclusive jurisdiction to settle any disputes (a "**Dispute**") which may arise out of or in connection with the Trust Deed or the Bonds (including a dispute relating to any non-contractual obligation arising out of or in connection with the Trust Deed or the Bonds or a dispute regarding the existence, validity or termination of the Trust Deed or the Bonds or the consequences of their nullity). The Issuer has agreed in the Trust Deed that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary. Notwithstanding the above, the Trustee and each of the Bondholders may take proceedings relating to a Dispute ("**Proceedings**") in any other court of competent jurisdiction and, to the extent allowed by law, the Trustee and each of the Bondholders may take Proceedings in any number of jurisdictions (whether concurrently or not).

(c) ***Agent for Service of Process***

The Issuer has irrevocably appointed Glanbia (UK) Limited at its registered office for the time being, currently at One Victoria Square, Birmingham B1 1BD as its agent in



England to receive service of process in any Proceedings in England. Nothing herein or in the Trust Deed shall affect the right to serve process in England or elsewhere in any other manner permitted by law.