

EXECUTION VERSION

RED ELÉCTRICA FINANCIACIONES, SOCIEDAD ANÓNIMA UNIPERSONAL

EUR 5,000,000,000

EURO MEDIUM TERM NOTE PROGRAMME

GUARANTEED BY

RED ELÉCTRICA CORPORACIÓN, SOCIEDAD ANÓNIMA
(incorporated with limited liability in Spain)

and

RED ELÉCTRICA DE ESPAÑA, SOCIEDAD ANÓNIMA UNIPERSONAL
(incorporated with limited liability in Spain)

AMENDED AND RESTATED

FISCAL AGENCY AGREEMENT

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THIS AGREEMENT is made on 4 June 2020

BETWEEN:

- (1) **RED ELÉCTRICA FINANCIACIONES, SOCIEDAD ANÓNIMA UNIPERSONAL** (the "**Issuer**");
- (2) **RED ELÉCTRICA CORPORACIÓN, SOCIEDAD ANÓNIMA**, and **RED ELÉCTRICA DE ESPAÑA, SOCIEDAD ANÓNIMA UNIPERSONAL** (each a "**Guarantor**" and together the "**Guarantors**"); and
- (3) **DEUTSCHE BANK AG, LONDON BRANCH** as fiscal agent (the "**Fiscal Agent**") and paying agent and together with any other paying agent named from time to time, the "**Paying Agents**")

WHEREAS:

- (A) The Issuer and the Guarantors have established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of notes (the "**Notes**"), in connection with which they have entered into an amended and restated dealer agreement dated 4 June 2020 (as the same may be amended, restated or replaced from time to time, the "**Dealer Agreement**") and an amended and restated fiscal agency agreement dated 4 June 2019 (the "**Current Agency Agreement**").
- (B) The Guarantors have pursuant to a deed of guarantee dated 4 June 2020 (the "**Deed of Guarantee**") each agreed unconditionally and irrevocably to guarantee the obligations of the Issuer under and in relation to the Notes.
- (C) The Issuer has made applications to the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**") for Notes issued under the Programme to be admitted to listing on the official list and to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the regulated market of the Luxembourg Stock Exchange. Notes may also be issued on the basis that they will be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.
- (D) In connection with the Programme, the Issuer and the Guarantors have prepared a base prospectus dated 4 June 2020 which has been approved by the CSSF as a base prospectus issued in compliance with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**").
- (E) Notes issued under the Programme may be issued either (1) pursuant to the Base Prospectus describing the Programme and Final Terms describing the final terms of the particular Tranche of Notes or (2) pursuant to a prospectus (the "**Drawdown Prospectus**") which may be constituted either (a) by a single document or (b) by a

registration document, a securities note and, if applicable, a summary which relates to a particular Tranche of Notes to be issued under the Programme.

- (F) The Issuer, the Guarantors and the Agents (as defined below) wish to record certain arrangements which they have made in relation to the Notes to be issued under the Programme.

IT IS AGREED as follows:

1. **INTERPRETATION**

1.1 **Definitions**

All terms and expressions which have defined meanings in the Base Prospectus or the Dealer Agreement shall have the same meanings in this Agreement except where the context requires otherwise or unless otherwise stated. In addition, in this Agreement the following expressions have the following meanings:

"**Agents**" means the Paying Agents and any Calculation Agent and "**Agent**" means any one of the Agents;

"**Applicable Law**" means any law or regulation;

"**Authority**" means any competent regulatory, prosecuting, Tax or governmental authority in any jurisdiction;

"**Base Prospectus**" means the base prospectus prepared in connection with the Programme, as the same may be amended or supplemented from time to time;

"**Calculation Agent**" means, in relation to any Series of Notes, the institution appointed as calculation agent for the purposes of such Notes and named as such in the relevant Final Terms or Drawdown Prospectus (as the case may be), pursuant to Clause 11 (*Appointment and duties of the Calculation Agent*), in the case of a Dealer, pursuant to clause 8 (*Calculation Agent*) of the Dealer Agreement and, in the case of any other institution pursuant to a letter of appointment in, or substantially in, the form set out in Schedule 3 (*Form of Calculation Agent Appointment Letter*) and, in any case, any successor to such institution in its capacity as such;

"**CGN Permanent Global Note**" means a Permanent Global Note representing Notes for which the relevant Final Terms or Drawdown Prospectus (as the case may be) specify that the New Global Note form is not applicable;

"**CGN Temporary Global Note**" means a Temporary Global Note representing Notes for which the relevant Final Terms or Drawdown Prospectus (as the case may be) specify that the New Global Note form is not applicable;

"**Code**" means the U.S. Internal Revenue Code of 1986;

"**Common Safekeeper**" means an ICSD in its capacity as common safekeeper or a person nominated by the ICSDs to perform the role of common safekeeper;

"Common Service Provider" means a person nominated by the ICSDs to perform the role of common service provider;

"Conditions" has the meaning given in the Base Prospectus except that, in relation to any particular Tranche of Notes, it means the Conditions (as defined in the Base Prospectus) as supplemented, amended and/or replaced by the relevant Final Terms or Drawdown Prospectus (as the case may be), and any reference to a numbered Condition shall be construed accordingly;

"FATCA Withholding" means any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement);

"Global Note" means a CGN Temporary Global Note, a CGN Permanent Global Note, an NGN Temporary Global Note or an NGN Permanent Global Note;

"Group" means Red Eléctrica Corporación, Sociedad Anónima and its consolidated subsidiaries;

"ICSDs" means Clearstream, Luxembourg and Euroclear;

"Issuer-ICSDs Agreement" means the agreement entered into between the Issuer and the ICSDs with respect to the settlement in the ICSDs of Notes in New Global Note form;

"Local Banking Day" means a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the city in which the Fiscal Agent has its Specified Office and in Madrid;

"Local Time" means the time in the city in which the Fiscal Agent has its Specified Office;

"Master Global Note" means a Master Temporary Global Note or a Master Permanent Global Note;

"Master Permanent Global Note" means a Permanent Global Note which is complete except that it requires:

- (a) a copy of the Final Terms or Drawdown Prospectus (or relevant parts thereof, as the case may be) in respect of the Tranche of Notes to which it will relate to be attached thereto;
- (b) completion by the Fiscal Agent, on behalf of the Issuer, as to the details of the Tranche of Notes to which it will relate;
- (c) authentication by or on behalf of the Fiscal Agent; and

- (d) in the case of an NGN Permanent Global Note, effectuation by or on behalf of the Common Safekeeper;

"Master Temporary Global Note" means a Temporary Global Note which is complete except that it requires:

- (a) a copy of the Final Terms or Drawdown Prospectus (or relevant parts thereof, as the case may be) in respect of the Tranche of Notes to which it will relate to be attached thereto;
- (b) completion by the Fiscal Agent, on behalf of the Issuer, as to the details of the Tranche of Notes to which it will relate;
- (c) authentication by or on behalf of the Fiscal Agent; and
- (d) in the case of an NGN Temporary Global Note, effectuation by or on behalf of the Common Safekeeper;

"NGN Permanent Global Note" means a Permanent Global Note representing Notes for which the relevant Final Terms or Drawdown Prospectus (as the case may be) specify that the New Global Note form is applicable;

"NGN Temporary Global Note" means a Temporary Global Note representing Notes for which the relevant Final Terms or Drawdown Prospectus (as the case may be) specify that the New Global Note form is applicable;

"Permanent Global Note" means a Permanent Global Note substantially in the form set out in schedule 8 (*Form of Permanent Global Note*) to the Programme Manual;

"Put Option Notice" means a notice of exercise relating to the put option contained in Condition 8(e) (*Redemption and Purchase – Redemption at the option of Noteholders*), substantially in the form set out in Schedule 4 (*Form of Put Option Notice*) or such other form as may from time to time be agreed between the Issuer and the Fiscal Agent and distributed to each Paying Agent;

"Put Option Receipt" means a receipt delivered by a Paying Agent in relation to a Definitive Note which is the subject of a Put Option Notice, substantially in the form set out in Schedule 5 (*Form of Put Option Receipt*) or such other form as may from time to time be agreed between the Issuer and the Fiscal Agent and distributed to each Paying Agent;

"Replacement Agent" means the Fiscal Agent or, in respect of any Tranche of Notes, the Paying Agent named as such in the relevant Final Terms or Drawdown Prospectus (as the case may be);

"Required Paying Agent" means any Paying Agent (which may be the Fiscal Agent) which is the sole remaining Paying Agent with its Specified Office in any city where a competent authority, stock exchange and/or quotation system by which the Notes are admitted to listing, trading and/or quotation requires there to be a Paying Agent;

"Specified Office" of any Agent means the office specified against its name in Schedule 2 (*The Specified Offices of the Agents*) or, in the case of any Agent not originally party

hereto, specified in its terms of appointment (or, in the case of a Calculation Agent which is a Dealer, specified for the purposes of clause 8 (*Calculation Agent*) of the Dealer Agreement) or such other office in the same city or town as such Agent may specify by notice to the Issuer and the other parties hereto in accordance with Clause 14.8 (*Changes in Agents – Change in Specified Offices*); and

"**Tax**" means any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Authority having power to tax; and

"**Temporary Global Note**" means a Temporary Global Note substantially in the form set out in schedule 7 (*Form of Temporary Global Note*) to the Programme Manual.

1.2 **Meaning of outstanding**

For the purposes of this Agreement (but without prejudice to its status for any other purpose), a Note shall be considered to be "**outstanding**" unless one or more of the following events has occurred:

- 1.2.1 *Redeemed or purchased*: it has been redeemed in full, or purchased under Condition 8(g) (*Redemption and Purchase – Purchase*), and in either case has been cancelled in accordance with Condition 8(h) (*Redemption and Purchase – Cancellation*);
- 1.2.2 *Due date*: the due date for its redemption in full has occurred and all sums due in respect of such Note (including all accrued interest) have been received by the Fiscal Agent and remain available for payment;
- 1.2.3 *Void*: all claims for principal and interest in respect of such Note have become void under Condition 12 (*Prescription*);
- 1.2.4 *Replaced*: it has been mutilated or defaced, or is alleged to have been lost, stolen or destroyed, and has been replaced pursuant to Condition 13 (*Replacement of Notes and Coupons*); or
- 1.2.5 *Meetings*: for the purposes of Schedule 1 (*Provisions for Meetings of Noteholders*) only, it is held by, or by any person for the benefit of, the Issuer or the Guarantors.

1.3 **Records**

Any reference in this Agreement to the records of an ICSD shall be to the records that each of the ICSDs holds for its customers which reflect the amount of such customers' interests in the Notes (but excluding any interest in any Notes of one ICSD shown in the records of another ICSD).

1.4 **Clauses and Schedules**

Any reference in this Agreement to a Clause or a sub-clause or a Schedule is, unless otherwise stated, to a clause or a sub-clause hereof or a schedule hereto.

1.5 **Principal and interest**

In this Agreement, any reference to principal or interest includes any additional amounts payable in relation thereto under the Conditions.

1.6 **Other agreements**

All references in this Agreement to an agreement, instrument or other document (including the Dealer Agreement, the Deed of Covenant, the Deed of Guarantee, the Base Prospectus and any Drawdown Prospectus or part thereof) shall be construed as a reference to that agreement, instrument or other document as the same may be amended, supplemented, replaced or novated from time to time. In addition, in the context of any particular Tranche of Notes, each reference in this Agreement to the Base Prospectus shall be construed as a reference to the Base Prospectus as supplemented and/or amended by the relevant Final Terms.

1.7 **Legislation**

Any reference in this Agreement to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

1.8 **Headings**

Headings and sub-headings are for ease of reference only and shall not affect the construction of this Agreement.

1.9 **Amendment and Restatement**

The Current Agency Agreement shall be amended and restated on the terms of this Agreement. Any Notes issued on or after the date of this Agreement shall be issued pursuant to this Agreement. This does not affect any Notes issued prior to the date of this Agreement.

2. **APPOINTMENT OF THE PAYING AGENTS**

2.1 **Appointment**

The Issuer and the Guarantors appoint each of the Paying Agents at their respective Specified Offices as their agent in relation to the Notes for the purposes specified in this Agreement and in the Conditions and all matters incidental thereto. The obligations of the Agents are several and not joint.

2.2 **Acceptance of appointment**

Each of the Paying Agents accepts its appointment as agent of the Issuer and the Guarantors in relation to the Notes and shall perform all matters expressed to be performed by it in, and otherwise comply with, the Conditions and the provisions of this Agreement and, in connection therewith, shall take all such action as may be incidental thereto.

3. THE NOTES

3.1 Temporary and Permanent Global Notes

Each Temporary Global Note and each Permanent Global Note shall:

- 3.1.1 *Form*: be in substantially the form set out in (in the case of a Temporary Global Note) schedule 7 (*Form of Temporary Global Note*) to the Programme Manual and (in the case of a Permanent Global Note) schedule 8 (*Form of Permanent Global Note*) to the Programme Manual but with such modifications, amendments and additions as the Relevant Dealer, the Issuer, the Guarantors and the Fiscal Agent shall have agreed;
- 3.1.2 *Conditions*: have the Conditions attached thereto or incorporated by reference therein;
- 3.1.3 *Final Terms*: have the relevant Final Terms or Drawdown Prospectus (or relevant parts thereof, as the case may be) attached thereto;
- 3.1.4 *Executed and authenticated*: be executed manually or in facsimile (including electronic signature) by or on behalf of the Issuer or shall be a duplicate of the relevant Master Temporary Global Note or, as the case may be, Master Permanent Global Note supplied by the Issuer under Clause 4.2 (*Issuance of Notes – Master Global Notes*) and, in any case, shall be authenticated by or on behalf of the Fiscal Agent; and
- 3.1.5 *Effectuated*: in the case of an NGN Temporary Global Note or an NGN Permanent Global Note, be effectuated by or on behalf of the Common Safekeeper.

3.2 Definitive Notes

Each Definitive Note shall:

- 3.2.1 *Form*: be in substantially the form (duly completed) set out in schedule 9 (*Form of Definitive Note*) to the Programme Manual but with such modifications, amendments and additions as the Relevant Dealer, the Issuer, the Guarantors and the Fiscal Agent shall have agreed;
- 3.2.2 *Security printed*: be security printed in accordance with all applicable legal and stock exchange requirements;
- 3.2.3 *Serial numbers*: have a unique certificate or serial number printed thereon;
- 3.2.4 *Coupons*: if so specified in the relevant Final Terms or Drawdown Prospectus (as the case may be), have Coupons attached thereto at the time of its initial delivery;
- 3.2.5 *Talons*: if so specified in the relevant Final Terms or Drawdown Prospectus (as the case may be), have a Talon attached thereto at the time of its initial delivery;

- 3.2.6 *Conditions*: have the Conditions and the relevant Final Terms (or relevant parts thereof) or Drawdown Prospectus (or relevant parts thereof, as the case may be) endorsed thereon, or attached thereto or incorporated by reference therein;
- 3.2.7 *Executed and authenticated*: be executed manually or in facsimile (including electronic signature) by or on behalf of the Issuer and authenticated by or on behalf of the Fiscal Agent; and
- 3.2.8 *Format*: otherwise be in accordance with the customary practice of, and format used in, the international Eurobond market.

3.3 **Signatures**

Each Master Temporary Global Note and Master Permanent Global Note, if any, will be signed by or on behalf of the Issuer. A Master Temporary Global Note and Master Permanent Global Note may be used *provided that* the person(s) whose signature(s) appear thereon were/was an authorised signatory/ies at the date of signing such Master Temporary Global Note and Master Permanent Global Note notwithstanding that any such person may, for any reason (including death), have ceased to be such authorised signatory at the time of the creation and issue of the relevant Tranche or the issue and delivery of the relevant Note.

3.4 **Facsimile signatures**

Any facsimile signature affixed to a Note may be that of a person who is at the time of the creation and issue of the relevant Tranche an authorised signatory for such purpose of the Issuer notwithstanding that such person may for any reason (including death) have ceased to be such an authorised signatory at the time at which the relevant Note may be delivered.

3.5 **Notification**

The Issuer shall promptly notify in writing the Fiscal Agent of any change in the names of the person or persons whose signatures are to be used.

- 3.6 The Issuer shall provide the Fiscal Agent with a certified list of authorised signatories on the Signing Date of each issue of Notes.

4. **ISSUANCE OF NOTES**

4.1 **Issuance procedure**

Upon the conclusion of any Relevant Agreement, the Issuer shall, as soon as practicable but in any event, not later than 5.00 p.m. (Local time) on the third Local Banking Day prior to the proposed Issue Date:

- 4.1.1 *Confirmation of terms*: confirm by telematic system to the Fiscal Agent, all such information as the Fiscal Agent may reasonably require to carry out its functions under this Agreement and in particular, whether customary eurobond or medium term note settlement and payment procedures will apply to the relevant Tranche and (if a Master Global Note is to be used), such details as are necessary to enable it to complete a duplicate of the Master Global Note and (if

medium term note settlement and payment procedures are to apply) the account of the Issuer to which payment should be made;

4.1.2 *Final Terms*: deliver a copy, duly executed, of the Final Terms or Drawdown Prospectus (as the case may be) in relation to the relevant Tranche to the Fiscal Agent;

4.1.3 *Global Note*: unless a Master Global Note is to be used and the Issuer shall have provided such document to the Fiscal Agent pursuant to Clause 4.2 (*Issuance of Notes – Master Global Notes*), ensure that there is delivered to the Fiscal Agent an appropriate Global Note (in unauthenticated (and, if applicable, uneffectuated) form but executed on behalf of the Issuer and otherwise complete) in relation to the relevant Tranche.

4.2 **Master Global Notes**

The Issuer may, at its option, deliver from time to time to the Fiscal Agent a stock of Master Temporary Global Notes and Master Permanent Global Notes.

4.3 **Delivery of Final Terms**

The Fiscal Agent shall on behalf of the Issuer, where the relevant Notes are to be admitted to trading on the Luxembourg Stock Exchange, deliver a copy of the Final Terms in relation to the relevant Tranche to the Luxembourg Stock Exchange as soon as practicable but in any event not later than 12:00 (noon) (Luxembourg time) on the day which is two Luxembourg business days prior to the proposed issue date therefor.

4.4 **Authentication, effectuation and delivery of Global Note**

Immediately before the issue of any Global Note, the Fiscal Agent (or its agent on its behalf) shall authenticate it. Following authentication of any Global Note, the Fiscal Agent, shall:

4.4.1 *Medium term note settlement procedures*: in the case of a Tranche of Notes which is not syndicated among two or more Dealers but which is intended to be cleared through a clearing system, on the Local Banking Day immediately preceding its Issue Date deliver the Global Note to the relevant depository for Euroclear and/or Clearstream, Luxembourg (which in the case of an NGN Temporary Global Note or an NGN Permanent Global Note shall be a specified Common Safekeeper) or to the relevant depository for such other clearing system as shall have been agreed between the Issuer and the Fiscal Agent and:

(a) instruct the clearing systems to whom (or to whose depository or Common Safekeeper) such Global Note has been delivered, to credit the underlying Notes represented by such Global Note to the securities account(s) at such clearing systems that have been notified to the Fiscal Agent by the Issuer, on a delivery against payment basis or, if specifically agreed between them, on a delivery free of payment basis; and

(b) in the case of an NGN Temporary Global Note or an NGN Permanent Global Note, instruct the Common Safekeeper to effectuate the Global

Note (provided that, if the Fiscal Agent is the Common Safekeeper, the Fiscal Agent shall effectuate the Global Note);

- 4.4.2 *Eurobond settlement procedures:* in the case of a Tranche of Notes which is syndicated among two or more Dealers, at or about the time on the Issue Date specified in the Relevant Agreement deliver the Global Note to, or to the order of, the Mandated Dealer at such place as shall be specified in the Relevant Agreement or such other time, date and/or place as may have been agreed between the Issuer, the Mandated Dealer and the Fiscal Agent (*provided that* in the case of an NGN Temporary Global Note or an NGN Permanent Global Note it must be delivered to a specified Common Safekeeper together with instructions to the Common Safekeeper to effectuate the Global Note), against the delivery to the Fiscal Agent (on behalf of the Issuer) of such acknowledgement of receipt as shall be agreed in writing in connection with the closing procedure for the relevant Tranche; or
- 4.4.3 *Other settlement procedures:* otherwise, at such time, on such date, deliver the Global Note to such person and in such place as may have been agreed between the Issuer and the Fiscal Agent (*provided that* in the case of an NGN Temporary Global Note or an NGN Permanent Global Note it must be delivered to a specified Common Safekeeper together with instructions to the Common Safekeeper to effectuate the Global Note).

4.5 **Repayment of advance**

If the Fiscal Agent should pay an amount (an "**advance**") to the Issuer or the Guarantors in the belief that a payment has been or will be received from a Dealer, and if such payment is not received by the Fiscal Agent on the date that the Fiscal Agent pays the Issuer or the Guarantors, the Issuer (or, in default, the Guarantors) shall forthwith repay the advance (unless prior to such repayment the payment is received from the Dealer) and shall pay interest on such amount which shall accrue (as well after as before judgment) on the basis of a year of 365 days (366 days in the case of a leap year) in the case of an advance paid in sterling or 360 days in the case of an advance paid in any other currency and, in either case, the actual number of days elapsed from the date of payment of such advance until the earlier of (i) repayment of the advance or (ii) receipt by the Fiscal Agent of the payment from the Dealer, and at the rate per annum which is the aggregate of one per cent. per annum and the rate specified by the Fiscal Agent as reflecting its cost of funds for the time being in relation to the unpaid amount, provided that evidence of the basis of such rate is given to the Issuer.

4.6 **Delivery of Permanent Global Note**

The Issuer shall, in relation to each Tranche of Notes which is represented by a Temporary Global Note which is due to be exchanged for a Permanent Global Note in accordance with its terms, ensure that there is delivered to the Fiscal Agent not less than five Local Banking Days before the relevant Temporary Global Note becomes exchangeable therefor, the Permanent Global Note (in unauthenticated (and, if applicable, uneffectuated) form, but executed by the Issuer and otherwise complete) in relation thereto unless a Master Permanent Global Note is to be used and the Issuer has provided a Master Permanent Global Note to the Fiscal Agent pursuant to Clause 4.2

(Issuance of Notes – Master Global Notes). The Fiscal Agent shall authenticate and deliver such Permanent Global Note in accordance with the terms hereof and of the relevant Temporary Global Note and, in the case of an NGN Permanent Global Note, instruct the Common Safekeeper to effectuate the Permanent Global Note.

4.7 Delivery of Definitive Notes

The Issuer shall, in relation to each Tranche of Notes which is represented by a Global Note which is due to be exchanged for Definitive Notes in accordance with its terms, ensure that there is delivered to the Fiscal Agent not less than ten Local Banking Days before the relevant Global Note becomes exchangeable therefor, the Definitive Notes (in unauthenticated form but executed by the Issuer and otherwise complete) in relation thereto. The Fiscal Agent shall authenticate and deliver such Definitive Notes in accordance with the terms hereof and of the relevant Global Note.

4.8 Coupons

Where any Definitive Notes are to be delivered in exchange for a Global Note, the Fiscal Agent shall ensure that in the case of Definitive Notes with Coupons attached, such Definitive Notes shall have attached thereto only such Coupons as shall ensure that neither loss nor gain of interest shall accrue to the bearer thereof upon such exchange.

4.9 Duties of Fiscal Agent and Replacement Agent

Each of the Fiscal Agent and the Replacement Agent shall hold in safe custody all unauthenticated Temporary Global Notes, Permanent Global Notes or Definitive Notes (including any Coupons attached thereto) delivered to it in accordance with this Clause 4 and Clause 5 (*Replacement Notes*) and shall ensure that they (or, in the case of Master Global Notes copies thereof) are authenticated, effectuated (if applicable) and delivered only in accordance with the terms hereof, of the Conditions and, if applicable, the relevant Note. The Issuer shall ensure that each of the Fiscal Agent and the Replacement Agent holds sufficient Notes or Coupons to fulfil its respective obligations under this Clause 4 and Clause 5 (*Replacement Notes*) and each of the Fiscal Agent and the Replacement Agent undertakes to notify the Issuer if it holds insufficient Notes or Coupons for such purposes.

4.10 Authority to authenticate and effectuate

Each of the Fiscal Agent and the Replacement Agent is authorised by the Issuer to authenticate and, if applicable, effectuate such Temporary Global Notes, Permanent Global Notes and Definitive Notes as may be required to be authenticated or, as the case may be, effectuated hereunder by the signature of any of their respective officers or any other person duly authorised for the purpose by the Fiscal Agent or (as the case may be) the Replacement Agent.

4.11 Exchange of Temporary Global Note

On each occasion on which a portion of a Temporary Global Note is exchanged for a portion of a Permanent Global Note or, as the case may be, for Definitive Notes, the Fiscal Agent shall:

- 4.11.1 *CGN Temporary Global Note*: in the case of a CGN Temporary Global Note, note or procure that there is noted on the schedule to the CGN Temporary Global Note the aggregate principal amount thereof so exchanged and the remaining principal amount of the CGN Temporary Global Note (which shall be the previous principal amount thereof less the aggregate principal amount so exchanged) and shall procure the signature of such notation on its behalf; and
- 4.11.2 *NGN Temporary Global Note*: in the case of an NGN Temporary Global Note, instruct the ICSDs (in accordance with the provisions of Schedule 6 (*Duties under the Issuer-ICSDs Agreement*)) to make appropriate entries in their records to reflect the aggregate principal amount thereof so exchanged and the remaining principal amount of the NGN Temporary Global Note (which shall be the previous principal amount thereof less the aggregate principal amount so exchanged).

The Fiscal Agent shall cancel or procure the cancellation of each Temporary Global Note against surrender of which full exchange has been made for a Permanent Global Note or Definitive Notes or, in the case of an NGN Temporary Global Note exchangeable for an NGN Permanent Global Note, instruct the Common Safekeeper to destroy such NGN Temporary Global Note.

4.12 **Exchange of Permanent Global Note**

On each occasion on which a portion of a Permanent Global Note is exchanged for Definitive Notes, the Fiscal Agent shall:

- 4.12.1 *CGN Permanent Global Note*: in the case of a CGN Permanent Global Note, note or procure that there is noted on the schedule to the CGN Permanent Global Note the aggregate principal amount thereof so exchanged and the remaining principal amount of the CGN Permanent Global Note (which shall be the previous principal amount thereof less the aggregate principal amount so exchanged) and shall procure the signature of such notation on its behalf; and
- 4.12.2 *NGN Permanent Global Note*: in the case of an NGN Permanent Global Note, instruct the ICSDs (in accordance with the provisions of Schedule 6 (*Duties under the Issuer-ICSDs Agreement*)) to make appropriate entries in their records to reflect the aggregate principal amount thereof so exchanged and the remaining principal amount of the NGN Permanent Global Note (which shall be the previous principal amount thereof less the aggregate principal amount so exchanged).

The Fiscal Agent shall cancel or procure the cancellation of each Permanent Global Note against surrender of which full exchange has been made for Definitive Notes.

4.13 **Delivery of Coupon sheets by Issuer**

The Issuer shall, in relation to any Definitive Notes to which a Talon is attached upon the initial delivery thereof, on each occasion on which a Talon becomes exchangeable for further Coupons, not less than five Local Banking Days before the date on which the final Coupon comprised in any Coupon sheet (which includes a Talon) matures (the "**Talon Exchange Date**"), ensure that there is delivered to the Fiscal Agent such

number of Coupon sheets as may be required in order to enable the Paying Agents to fulfil their obligations under Clause 4.14 (*Issuance of Notes – Delivery of Coupon sheets by Paying Agents*).

4.14 Delivery of Coupon sheets by Paying Agents

The relevant Paying Agent shall, against the presentation and surrender of any Talon, on or after the Talon Exchange Date in respect of such Talon, deliver a Coupon sheet *provided however that* if any Talon is presented and surrendered for exchange to a Paying Agent and the Replacement Agent has delivered a replacement therefor such Paying Agent shall forthwith notify the Issuer of such presentation and surrender and shall not exchange against the same unless and until it is so instructed by the Issuer. After making such exchange, the Paying Agent shall cancel each Talon surrendered to it and in respect of which a Coupon sheet shall have been delivered and shall (if such Paying Agent is not the Fiscal Agent) deliver the same to the Fiscal Agent.

4.15 Changes in Dealers

The Issuer undertakes to notify the Fiscal Agent of any changes in the identity of the Dealers appointed generally in respect of the Programme and the Fiscal Agent agrees to notify the other Paying Agents thereof as soon as reasonably practicable thereafter.

4.16 Election of Common Safekeeper

The Issuer hereby authorises and instructs the Fiscal Agent to elect an ICSD to be Common Safekeeper for each issue of an NGN Temporary Global Note or an NGN Permanent Global Note in relation to which one of the ICSDs must be Common Safekeeper. From time to time, the Issuer and the Fiscal Agent may agree to vary this election. The Issuer acknowledges that in connection with the election of either of the ICSDs as Common Safekeeper any such election is subject to the right of the ICSDs to jointly determine that the other shall act as Common Safekeeper in relation to any such issue and agrees that no liability shall attach to the Fiscal Agent in respect of any such election made by it.

5. REPLACEMENT NOTES

5.1 Delivery of replacements

Subject to receipt of sufficient Temporary Global Notes, Permanent Global Notes, Definitive Notes and Coupons in accordance with Clause 4.9 (*Issuance of Notes – Duties of Fiscal Agent and Replacement Agent*), the Replacement Agent shall, upon and in accordance with the instructions (which instructions may, without limitation, include terms as to the payment of expenses and as to evidence, security and indemnity) of the Issuer but not otherwise, authenticate (if necessary) and deliver a Temporary Global Note, Permanent Global Note, Definitive Note or Coupon, as the case may be, as a replacement for any of the same which has been mutilated or defaced or which has or has been alleged to have been destroyed, stolen or lost *provided however that*:

5.1.1 *Surrender or destruction*: no Temporary Global Note, Permanent Global Note, Definitive Note, or Coupon, as the case may be, shall be delivered as a replacement for any of the same which has been mutilated or defaced otherwise

than against surrender of the same or, in the case of an NGN Temporary Global Note or an NGN Permanent Global Note, appropriate confirmation of destruction from the Common Safekeeper; and

5.1.2 *Effectuation*: any replacement NGN Temporary Global Note or NGN Permanent Global Note shall be delivered to the Common Safekeeper together with instructions to effectuate it.

The Replacement Agent shall not issue a replacement for any of the same until the applicant has furnished the Replacement Agent with such evidence and indemnity as the Issuer, the Guarantors and/or the Replacement Agent may reasonably require and has paid such costs and expenses as may be incurred in connection with such replacement.

5.2 **Replacements to be numbered**

Each replacement Temporary Global Note, Permanent Global Note, Definitive Note, or Coupon delivered hereunder shall bear a unique certificate or (as the case may be) serial number.

5.3 **Cancellation of mutilated or defaced Notes**

The Replacement Agent shall cancel each mutilated or defaced Temporary Global Note, Permanent Global Note, Definitive Note or Coupon surrendered to it and in respect of which a replacement has been delivered.

5.4 **Notification**

The Replacement Agent shall notify the Issuer, the Guarantors and the other Paying Agents of the delivery by it in accordance herewith of any replacement Temporary Global Note, Permanent Global Note, Definitive Note, or Coupon specifying the serial number thereof and the certificate or (as the case may be) serial number (if any and if known) of the Note which it replaces and confirming (if such be the case) that the Note which it replaces has been cancelled and (if such is the case) destroyed in accordance with Clause 5.5 (*Replacement of Notes – Destruction*).

5.5 **Destruction**

Unless the Issuer and the Guarantors instruct otherwise, the Replacement Agent shall destroy each mutilated or defaced Temporary Global Note, Permanent Global Note, Definitive Note or Coupon surrendered to and cancelled by it and in respect of which a replacement has been delivered and shall furnish the Issuer and the Guarantors with a certificate as to such destruction specifying the certificate or serial numbers (if any) of the Temporary Global Note, Permanent Global Note, Definitive Notes (distinguishing between different denominations), in numerical sequence and the total number by payment or maturity date of Coupons (distinguishing Talons) so destroyed. In the case of an NGN Temporary Global Note or an NGN Permanent Global Note which has been destroyed by the Common Safekeeper, the Replacement Agent shall furnish the Issuer and the Guarantors with a copy of the confirmation of destruction received by it from the Common Safekeeper.

6. **ISSUER AND GUARANTORS REPRESENTATION AND UNDERTAKING IN RESPECT OF SANCTIONS**

6.1 Neither the Issuer nor the Guarantors nor any member of the Group nor, to the knowledge of the Issuer or the Guarantors, any director, officer, agent, employee or affiliate of the Issuer or the Guarantors or any member of the Group:

- (i) is currently a target of any economic sanctions administered by the Office of Foreign Assets Control of the US Department of Treasury (OFAC) or any other US, EU, United Nations or UK economic sanctions or any applicable equivalent sanctions authority ("**Sanctions**");
- (ii) has any business or financial dealings with any person on OFAC's Specially Designated Nationals and Blocked Persons List or equivalent list relating to Sanctions;
- (iii) is located, organised or resident in a country or territory that is the subject of Sanctions (a "**Sanctioned Country**") and
- (iv) will directly or knowingly indirectly lend, invest, contribute or otherwise make available the proceeds of the offering of the Notes to or for the benefit of any then-current target of Sanctions or persons or entity in a Sanctioned Country.

6.2 Clause 6.1 shall only apply for the benefit of the Fiscal Agent and Paying Agents to the extent that it does not result in a violation of Council Regulation (EC) No. 2271/96 of 22 November 1996 or any applicable anti-boycott laws or regulations.

7. **PAYMENTS TO THE FISCAL AGENT**

7.1 **Issuer or Guarantors to pay Fiscal Agent**

In order to provide for the payment of principal and interest in respect of the Notes as the same becomes due and payable, the Issuer (or, in default, the Guarantors) shall pay to the Fiscal Agent, on or before the date on which such payment becomes due, an amount equal to the amount of principal and/or (as the case may be) interest falling due in respect of the Notes on such date.

7.2 **Manner and time of payment**

Each amount payable by the Issuer or, as the case may be, the Guarantors under Clause 7.1 (*Payments to the Fiscal Agent – Issuer or Guarantors to pay Fiscal Agent*) shall be paid unconditionally by credit transfer in the currency in which the Notes of the relevant Series are denominated or, if different, payable and in immediately available, freely transferable, cleared funds not later than the relevant time set out in Schedule 8 (*Timetable for Payments to Fiscal Agent*), or as may be agreed between the Fiscal Agent and the Issuer from time to time, with such bank as the Fiscal Agent may from time to time by notice to the Issuer has specified for the purpose. The Issuer or (as the case may be) the Guarantors shall, before 10:00 a.m. (Local Time) on the second Local Banking Day before the due date of each payment by it under Clause 7.1 (*Payments to the Fiscal Agent – Issuer or Guarantors to pay Fiscal Agent*), procure that the bank effecting payment for it or the Issuer confirms by telematic system to the Fiscal Agent the payment instructions relating to such payment.

7.3 **Exclusion of liens and interest**

The Fiscal Agent shall be entitled to deal with each amount paid to it under this Clause 7 in the same manner as other amounts paid to it as a banker by its customers *provided however that*:

7.3.1 *Liens*: it shall not exercise against the Issuer or the Guarantors any lien, right of set off or similar claim in respect thereof; and

7.3.2 *Interest*: it shall not be liable to any person for interest thereon except as expressly set forth in this Agreement.

7.4 **Application by Fiscal Agent**

The Fiscal Agent shall apply each amount paid to it hereunder in accordance with Clause 8 (*Payments to Noteholders*) and shall not be obliged to repay any such amount unless the claim for the relevant payment becomes void under Condition 12 (*Prescription*) or otherwise ceases in accordance with the Conditions, in which event it shall refund at the written request of the Issuer or (as the case may be) the Guarantors such portion of such amount as relates to such payment by paying the same by credit transfer to such account with such bank as the Issuer or (as the case may be) the Guarantors has by notice to the Fiscal Agent specified for the purpose.

7.5 **Failure to confirm payment instructions**

If the Fiscal Agent has not (i) by not later than the relevant time set out in Schedule 8 (*Timetable for Payments to Fiscal Agent*) or (ii) as may be agreed between the Fiscal Agent and the Issuer from time to time, received the full amount payable under Clause 7.1 (*Payments to the Fiscal Agent – Issuer or Guarantors to pay Fiscal Agent*), it shall forthwith notify the Issuer and the Guarantors and the Paying Agents thereof. If the Fiscal Agent subsequently receives notification of such payment instructions or payment of the amount due, it shall forthwith notify the Issuer and the Guarantors and the Paying Agents thereof.

8. **PAYMENTS TO NOTEHOLDERS**

8.1 **Payments by Paying Agents**

Each Paying Agent acting through its Specified Office shall make payments of interest or, as the case may be, principal in respect of Notes in accordance with the Conditions applicable thereto (and, in the case of a Temporary Global Note or a Permanent Global Note, the terms thereof) *provided however that*:

8.1.1 *Replacements*: if any Temporary Global Note, Permanent Global Note, Definitive Note or Coupon is presented or surrendered for payment to any Paying Agent and such Paying Agent has delivered a replacement therefor or has been notified that the same has been replaced, such Paying Agent shall forthwith notify the Issuer and the Guarantors of such presentation or surrender and shall not make payment against the same until it is so instructed by the Issuer or, as the case may be, the Guarantors and has received the amount to be so paid;

- 8.1.2 *No obligation:* a Paying Agent shall not be obliged (but shall be entitled) to make payments of principal or interest in respect of the Notes, if:
- (a) in the case of the Fiscal Agent, it has not received the full amount of any payment due to it under Clause 7.1 (*Payments to the Fiscal Agent – Issuer or Guarantors to pay Fiscal Agent*); or
 - (b) in the case of any other Paying Agent:
 - (i) it has been notified in accordance with Clause 7.5 (*Payments to the Fiscal Agent – Failure to confirm payment instructions*) that confirmation of the relevant payment instructions has not been received, unless it is subsequently notified that confirmation of such payment instructions has been received; or
 - (ii) it is not able to establish that the Fiscal Agent has received (whether or not at the due time) the full amount of any payment due to it under Clause 7.1 (*Payments to the Fiscal Agent – Issuer or Guarantors to pay Fiscal Agent*);
- 8.1.3 *Cancellation:* each Paying Agent shall cancel or procure the cancellation of each Temporary Global Note, Permanent Global Note, Definitive Note (in the case of early redemption, together with such unmatured Coupons or unexchanged Talons as are attached to or are surrendered with it at the time of such redemption), or, as the case may be, Coupon against surrender of which it has made full payment and shall (if such Paying Agent is not the Fiscal Agent) deliver or procure the delivery of each Temporary Global Note, Permanent Global Note, Definitive Note (together with as aforesaid) or Coupon so cancelled by it to the Fiscal Agent and, in the case of full payment in respect of an NGN Temporary Global Note or an NGN Permanent Global Note, the Fiscal Agent shall instruct the Common Safekeeper to destroy the relevant Global Note; and
- 8.1.4 *Recording of payments:* upon any payment being made in respect of the Notes represented by a Global Note, the relevant Paying Agent shall:
- (a) in the case of a CGN Temporary Global Note or a CGN Permanent Global Note, enter or procure that there is entered on the schedule thereto (or, in the absence of a schedule, on the face thereof) the amount of such payment and, in the case of payment of principal, the remaining principal amount of the Notes represented by such Global Note (which shall be the previous principal amount less the principal amount in respect of which payment has then been paid) and shall procure the signature of such notation on its behalf; and
 - (b) in the case of an NGN Temporary Global Note or an NGN Permanent Global Note, instruct the ICSDs (in accordance with the provisions of Schedule 6 (*Duties under the Issuer-ICSDs Agreement*)) to make appropriate entries in their records to reflect the amount of such payment and, in the case of payment of principal, the remaining principal amount of the Notes represented by such Global Note (which shall be the previous principal amount less the principal amount in respect of which payment has then been paid).

- 8.1.5 *Withholding taxes*: notwithstanding any other provision of this Agreement, each Paying Agent or the Issuer shall be entitled to make a deduction or withholding from any payment which it makes under this Agreement or any Notes for or on account of any Tax if and to the extent so required by Applicable Law, in which event such Paying Agent shall make such payment after such withholding or deduction has been made and shall account to the relevant Authority for the amount so withheld or deducted. For the avoidance of doubt, FATCA Withholding is a deduction or withholding which is deemed to be required by Applicable Law for the purposes of this Clause 8.1.5.

8.2 **FATCA withholding**

- 8.2.1 *Mutual undertaking regarding information reporting and collection obligations*: each party shall, within ten business days of a written request by another party, supply to that other party such forms, documentation and other information relating to it, its operations, or any Notes as that other party reasonably requests for the purposes of that other party's compliance with Applicable Law and shall notify the relevant other party reasonably promptly in the event that it becomes aware that any of the forms, documentation or other information provided by such party is (or becomes) inaccurate in any material respect; provided, however, that no party shall be required to provide any forms, documentation or other information pursuant to this Clause 8.2.1 to the extent that: (i) any such form, documentation or other information (or the information required to be provided on such form or documentation) is not reasonably available to such party and cannot be obtained by such party using reasonable efforts; or (ii) doing so would or might in the reasonable opinion of such party constitute a breach of any: (a) Applicable Law; (b) fiduciary duty; or (c) duty of confidentiality.

For purposes of this Clause 8.2.1, "Applicable Law" shall be deemed to include (i) any rule or practice of any Authority by which any party is bound or with which it is accustomed to comply; (ii) any agreement between any Authorities; and (iii) any agreement between any Authority and any party that is customarily entered into by institutions of a similar nature.

- 8.2.2 *Issuer Right to Redirect*. In the event that the Issuer determines in its sole discretion that any deduction or withholding for or on account of any Tax will be required by Applicable Law in connection with any payment due to any of the Paying Agents on any Notes, then the Issuer will be entitled to redirect or reorganise any such payment in any way that it sees fit in order that the payment may be made without such deduction or withholding provided that, any such redirected or reorganised payment is made through a recognised institution of international standing and otherwise made in accordance with this Agreement. The Issuer will promptly notify the Paying Agents of any such redirection or reorganisation. For the avoidance of doubt, FATCA Withholding is a deduction or withholding which is deemed to be required by Applicable Law for the purposes of this Clause 8.2.2.

8.3 **Exclusion of liens and commissions**

No Paying Agent shall exercise any lien, right of set off or similar claim against any person to whom it makes any payment under Clause 7.1 (*Payments to Noteholders – Payments by Paying Agents*) in respect thereof, nor shall any commission or expense be charged by it to any such person in respect thereof.

8.4 **Reimbursement by Fiscal Agent**

If a Paying Agent other than the Fiscal Agent makes any payment in accordance with Clause 7.1 (*Payments to Noteholders – Payments by Paying Agents*):

8.4.1 *Notification*: it shall notify the Fiscal Agent of the amount so paid by it, the certificate or serial number (if any) of the Temporary Global Note, Permanent Global Note, Definitive Note or Coupon against presentation or surrender of which payment of principal or interest was made and the number of Coupons by maturity against which payment of interest was made; and

8.4.2 *Payment*: subject to and to the extent of compliance by the Issuer or, as the case may be, the Guarantors with Clause 7.1 (*Payments to the Fiscal Agent – Issuer or Guarantors to pay Fiscal Agent*) (whether or not at the due time), the Fiscal Agent shall pay to such Paying Agent out of the funds received by it under Clause 7.1 (*Payments to the Fiscal Agent – Issuer or Guarantors to pay Fiscal Agent*), by credit transfer in immediately available, freely transferable, cleared funds to such account with such bank as such Paying Agent may by notice to the Fiscal Agent have specified for the purpose, an amount equal to the amount so paid by such Paying Agent.

8.5 **Appropriation by Fiscal Agent**

If the Fiscal Agent makes any payment in accordance with Clause 8.1 (*Payments to Noteholders – Payments by Paying Agents*), it shall be entitled to appropriate for its own account out of the funds received by it under Clause 7.1 (*Payments to the Fiscal Agent – Issuer or Guarantors to pay Fiscal Agent*) an amount equal to the amount so paid by it.

8.6 **Reimbursement by Issuer or Guarantors**

Subject to sub-clauses 8.1.1 and 8.1.2 (*Payments by Paying Agents*) if any Paying Agent makes a payment in respect of Notes at a time at which the Fiscal Agent has not received the full amount of the relevant payment due to it under Clause 7.1 (*Payments to the Fiscal Agent – Issuer or Guarantors to pay Fiscal Agent*), and the Fiscal Agent is not able out of the funds received by it under Clause 7.1 (*Payments to the Fiscal Agent – Issuer or Guarantors to pay Fiscal Agent*) to reimburse such Paying Agent therefor (whether by payment under Clause 8.4 (*Payments to Noteholders – Reimbursement by Fiscal Agent*) or appropriation under Clause 8.5 (*Payments to Noteholders – Appropriation by Fiscal Agent*)), the Issuer (or, in default, the Guarantors) shall from time to time on demand pay to the Fiscal Agent for the account of such Paying Agent:

8.6.1 *Unfunded amount*: the amount so paid out by such Paying Agent and not so reimbursed to it; and

8.6.2 *Funding cost*: interest on such amount from the date on which such Paying Agent made such payment until the date of reimbursement of such amount/an amount sufficient to indemnify such Paying Agent against any cost, loss or expense which it incurs as a result of making such payment and not receiving reimbursement of such amount;

provided however that any payment made under sub-clause 8.6.1 (Payments to Noteholders – Reimbursement by Issuer or Guarantors – Unfunded amount) shall satisfy pro tanto the Issuer's and the Guarantors' obligations under Clause 7.1 (Payments to the Fiscal Agent – Issuer or Guarantors to pay Fiscal Agent).

8.7 **Interest**

Interest shall accrue for the purpose of sub-clause 8.6.2 (*Payments to Noteholders – Reimbursement by Issuer or Guarantors – Funding cost*) (as well after as before judgment) on the basis of a year of 365 days (366 days in the case of a leap year) in the case of an amount paid in sterling or 360 days in the case of an amount paid in any other currency and, in either case, the actual number of days elapsed and at the rate per annum which is the aggregate of one per cent. per annum and the rate per annum specified by the Fiscal Agent as reflecting its cost of funds for the time being in relation to the unpaid amount, provided that evidence of the basis of such rate is given to the Issuer.

8.8 **Partial payments**

If at any time and for any reason a Paying Agent makes a partial payment in respect of any Temporary Global Note, Permanent Global Note, Definitive Note or Coupon presented or surrendered for payment to or to the order of that Paying Agent, such Paying Agent shall:

8.8.1 *Endorsement*: in the case of a CGN Temporary Global Note, CGN Permanent Global Note, Definitive Note or Coupon endorse thereon a statement indicating the amount and date of such payment; and

8.8.2 *ICSDs' records*: in the case of an NGN Temporary Global Note or an NGN Permanent Global Note, instruct the ICSDs (in accordance with the provisions of Schedule 6 (*Duties under the Issuer-ICSDs Agreement*)) to make appropriate entries in their respective records to reflect such partial payments.

9. **MISCELLANEOUS DUTIES OF THE PAYING AGENTS**

9.1 **Records**

The Fiscal Agent shall:

9.1.1 *Records*: separately in respect of each Series of Notes, maintain a record of all Temporary Global Notes, Permanent Global Notes, Definitive Notes and Coupons delivered hereunder and of their redemption, payment, exchange, cancellation, mutilation, defacement, alleged destruction, theft or loss or replacement *provided however that* no record need be maintained of the serial numbers of Coupons (save insofar as that a record shall be maintained of the serial numbers of unmatured Coupons and/or unexchanged Talons missing at

the time of redemption or other cancellation of the relevant Definitive Notes and, in the case of Coupons, of any subsequent payments against such Coupons) and shall send forthwith to the other Paying Agents a list of any unmatured Coupons and/or unexchanged Talons missing upon redemption of the relevant Definitive Note;

- 9.1.2 *Certifications*: separately in respect of each Series of Notes, maintain a record of all certifications received by it in accordance with the provisions of any Temporary Global Note and all certifications received by it in accordance with Clause 9.3 (*Miscellaneous Duties of the Paying Agent – Cancellation*);
- 9.1.3 *Rate of exchange*: upon request by the Issuer or the Guarantors, inform the Issuer or the Guarantors of the spot rate of exchange quoted by it for the purchase of the currency in which the relevant Notes are denominated against payment of Euro (or such other currency specified by the Issuer or the Guarantors) on the date on which the Relevant Agreement (as defined in the Dealer Agreement) in respect of such Notes was made; and
- 9.1.4 *Inspection*: make such records available for inspection at all reasonable times by the Issuer, the Guarantors and the other Paying Agents.

9.2 **Information from Paying Agents**

The Paying Agents shall make available to the Fiscal Agent such information as may reasonably be required for:

- 9.2.1 the maintenance of the records referred to in Clause 9.1 (*Miscellaneous Duties of the Paying Agent – Records*); and
- 9.2.2 the Fiscal Agent to perform the duties set out in Schedule 6 (*Duties under the Issuer-ICSDs Agreement*).

9.3 **Cancellation**

The Issuer may from time to time deliver to the Fiscal Agent Definitive Notes and unmatured Coupons appertaining thereto for cancellation, whereupon the Fiscal Agent shall cancel such Definitive Notes and Coupons. In addition, the Issuer may from time to time:

- 9.3.1 *Fiscal Agent*: procure the delivery to the Fiscal Agent of a CGN Temporary Global Note or a CGN Permanent Global Note with instructions to cancel a specified aggregate principal amount of Notes represented thereby (which instructions shall be accompanied by evidence satisfactory to the Fiscal Agent that the Issuer or, as the case may be, the Guarantors is/are entitled to give such instructions) whereupon the Fiscal Agent shall note or procure that there is noted on the schedule to such CGN Temporary Global Note or (as the case may be) CGN Permanent Global Note the aggregate principal amount of Notes so to be cancelled and the remaining principal amount thereof (which shall be the previous principal amount thereof less the aggregate principal amount of the Notes so cancelled) and shall procure the signature of such notation on its behalf; or

9.3.2 *ICSDs*: instruct the Fiscal Agent to cancel a specified aggregate principal amount of Notes represented by an NGN Temporary Global Note or an NGN Permanent Global Note (which instructions shall be accompanied by evidence satisfactory to the Fiscal Agent that the Issuer, or as the case may be, the Guarantors is/are entitled to give such instructions) whereupon the Fiscal Agent shall instruct the ICSDs (in accordance with the provisions of Schedule 6 (*Duties under the Issuer-ICSDs Agreement*)) to make appropriate entries in their respective records to reflect such cancellation.

9.4 **Definitive Notes and Coupons in issue**

As soon as practicable (and in any event within three months) after each interest or other payment date in relation to any Series of Notes, after each date on which Notes are cancelled in accordance with Clause 9.3 (*Miscellaneous Duties of the Paying Agent – Cancellation*), and after each date on which the Notes fall due for redemption in accordance with the Conditions, the Fiscal Agent shall notify the Issuer, the Guarantors and the other Paying Agents (on the basis of the information available to it and distinguishing between the Notes of each Series) of the number of any Definitive Notes and/or the number of Coupons (by reference to maturity) against presentation or surrender of which payment has been made and of the number of any Definitive Notes (distinguishing between different denominations) or, as the case may be, Coupons which have not yet been presented or surrendered for payment.

9.5 **Destruction**

The Fiscal Agent:

9.5.1 *Cancelled Notes*: may destroy each Temporary Global Note, Permanent Global Note, Definitive Note and Coupon cancelled by it (or cancelled by another Paying Agent or Replacement Agent and delivered to it) in accordance with Clause 4.11 (*Issuance of Notes – Exchange of Temporary Global Note*), Clause 4.12 (*Issuance of Notes – Exchange of Permanent Global Note*), Clause 4.14 (*Issuance of Notes – Delivery of Coupon sheets by Paying Agents*), Clause 5.3 (*Replacement Notes – Cancellation of mutilated or defaced Notes*) or sub-clause 8.1.4 (*Payments to Noteholders – Payments by Paying Agents – Recording of Payments*) or Clause 9.3 (*Miscellaneous Duties of the Paying Agent – Cancellation*), in which case it shall furnish the Issuer and the Guarantors with a certificate as to such destruction distinguishing between the Notes of each Series and specifying the certificate or serial numbers of the Temporary Global Note, Permanent Global Note and Definitive Notes in numerical sequence (and containing particulars of any unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith) and the total number by payment or maturity date of Coupons (distinguishing Talons) so destroyed;

9.5.2 *Destruction by Common Safekeeper*: may instruct the Common Safekeeper to destroy each NGN Temporary Global Note and NGN Permanent Global Note in accordance with Clause 4.11 (*Issuance of Notes – Exchange of Temporary Global Note*) or Clause 8.1 (*Payments to Noteholders – Payments by Paying Agents*) in which case, upon receipt of confirmation of destruction from the Common Safekeeper, the Fiscal Agent shall furnish the Issuer and the Guarantors with a copy of such confirmation (provided that, if the Fiscal Agent

is the Common Safekeeper, the Fiscal Agent shall destroy each NGN Temporary Global Note and NGN Permanent Global Note in accordance with Clause 4.11 (*Issuance of Notes – Exchange of Temporary Global Note*) or Clause 8.1 (*Payments to Noteholders – Payments by Paying Agents*) and furnish the Issuer and the Guarantors with confirmation of such destruction); and

9.5.3 *Notes electronically delivered to the Common Safekeeper:* where it has delivered any authenticated Global Note to a Common Safekeeper for effectuation using electronic means, is authorised and instructed to destroy the authenticated Global Note retained by it following its receipt of confirmation from the Common Safekeeper that the relevant Global Note has been effectuated.

9.6 **Voting Certificates and Block Voting Instructions**

The Fiscal Agent and the Paying Agent shall co-operate with the Issuer and, if applicable, Euroclear and/or Clearstream, Luxembourg, and any stock exchange on which the Notes are for the time being listed, in relation to the convening and holding of Meetings. The Fiscal Agent and the Paying Agent shall, at the request of the holder of any Note held in Euroclear and/or Clearstream, Luxembourg, issue Voting Certificates and Block Voting Instructions in a form and manner which comply with the provisions of Schedule 1 (*Provisions for Meetings of Noteholders*) (except that it shall not be required to issue the same less than forty eight hours before the time fixed for any Meeting therein provided for) and shall perform and comply with the provisions of Schedule 1 (*Provisions for Meetings of Noteholders*). Each of the Fiscal Agent and the Paying Agent shall keep a full record of Voting Certificates and Block Voting Instructions issued by it and will give to the Issuer or, as the case may be, the Guarantors not less than twenty four hours before the time appointed for any Meeting or adjourned Meeting full particulars of all Voting Certificates and Block Voting Instructions issued by it in respect of such Meeting or adjourned Meeting.

9.7 **Provision of documents**

The Issuer or, in relation to sub-clauses 9.7.2 (*Miscellaneous Duties of the Paying Agent – Provision of documents – Documents for inspection*) and 9.7.3 (*Miscellaneous Duties of the Paying Agent – Provision of documents – Tax redemption*) the Guarantors, as the case may be, shall provide to the Fiscal Agent for distribution among the Paying Agents:

9.7.1 *Specimens:* at the same time as it is required to deliver any Definitive Notes pursuant to Clause 4.7 (*Issuance of Notes – Delivery of Definitive Notes*), specimens of such Notes;

9.7.2 *Documents for inspection:* sufficient copies of all documents required to be available for inspection as provided in the Base Prospectus or Drawdown Prospectus (as the case may be) or, in relation to any Notes, the Conditions; and

9.7.3 *Tax redemption:* in the event that the provisions of Condition 8(b) (*Redemption for tax reasons*) become relevant in relation to any Notes, the documents required thereunder.

9.8 Documents available for inspection

Each Paying Agent shall make available for inspection during normal business hours at its Specified Office such documents as may be specified as so available at the specified office of such agent in the Base Prospectus or Drawdown Prospectus (as the case may be) or, in relation to any Notes, the Conditions, or as may be required by any competent authority, stock exchange and/or quotation system by which any Notes may from time to time be admitted to listing, trading and/or quotation.

9.9 Deposit of Deed of Covenant and Deed of Guarantee

The Fiscal Agent acknowledges that a duly executed original of the Deed of Covenant and Deed of Guarantee have been deposited with and are held by it to the exclusion of the Issuer and the Guarantors and that each Accountholder (as defined in the Deed of Covenant) is entitled to production of such originals. The Fiscal Agent shall provide, at the request and expense of each Accountholder (as defined in the Deed of Covenant), certified copies of the Deed of Covenant and the Deed of Guarantee.

9.10 Notifications and filings

The Fiscal Agent shall (on behalf of the Issuer and the Guarantors) make all necessary notifications and filings as may be required from time to time in relation to the issue, purchase and redemption of Notes by all applicable laws, regulations and guidelines and, in particular but without limitation, those promulgated by, Japanese governmental or regulatory authorities, in the case of Notes denominated in Japanese Yen and the Bank of England, in the case of Notes denominated in or linked to sterling. Save as aforesaid, the Issuer or the Guarantors, as the case may be, shall be solely responsible for ensuring that each Note to be issued or other transactions to be effected hereunder shall comply with all applicable laws and regulations of any governmental or other regulatory authority and that all necessary consents and approvals of, notifications to and registrations and filings with, any such authority in connection therewith are effected, obtained and maintained in full force and effect.

9.11 Completion of distribution

The Fiscal Agent agrees with the Issuer and the Guarantors that, in relation to any Tranche of Notes which is sold to or through more than one Dealer, to the extent that it is notified by each Relevant Dealer that the distribution of the Notes of that Tranche purchased by such Relevant Dealer is complete, it will notify all the Relevant Dealers of the completion of distribution of the Notes of that Tranche.

9.12 Forwarding of notices

The Fiscal Agent shall immediately notify the Issuer and the Guarantors of any notice delivered to it declaring any Note due and payable by reason of an Event of Default or requiring any breach of any provision of this Agreement or the Conditions applicable to any Tranche of Notes to be remedied.

9.13 Publication of notices

The Fiscal Agent shall, upon and in accordance with the instructions of the Issuer or, as the case may be, the Guarantors but not otherwise, arrange for the publication in

accordance with the Conditions of any notice which is to be given to the holders of any Notes and shall supply a copy thereof to each other Paying Agent.

9.14 **Issuer-ICSDs Agreement**

The Fiscal Agent shall comply with the provisions set out in Schedule 6 (*Duties under the Issuer-ICSDs Agreement*).

9.15 **Spanish Tax Procedures**

9.15.1 The Fiscal Agent shall comply with the procedures set out in Schedule 7 (*Tax Reporting Procedures*) in order to assist the Issuer in complying with the Spanish Tax Procedures.

9.15.2 The parties acknowledge that such procedures may need to be revised:

- (a) from time to time in accordance with the applicable Spanish laws and regulations, further clarification from the Spanish tax authorities regarding such laws and regulations and the operational procedures of Euroclear and Clearstream, Luxembourg; and
- (b) in the event that the Notes are not in global form which are held by the Common Safekeeper for Euroclear and Clearstream, Luxembourg,

and, in such circumstances, the parties undertake to use their best endeavours to revise the procedures and, if required by the Issuer, ensure that Noteholders are made aware of such revised procedures. Any revision to the procedures agreed by the Issuer and Fiscal Agent shall be binding on all parties.

9.15.3 In this Agreement, "**Spanish Tax Procedures**" means the procedures applicable from time to time in relation to the reporting of information in respect of interest payments to the Spanish tax authorities and other related matters.

9.16 **General**

Each Paying Agent shall perform all other obligations and duties imposed upon it by the Conditions or this Agreement, and all applicable laws, regulations or guidelines.

10. **EARLY REDEMPTION AND EXERCISE OF OPTIONS**

10.1 **Exercise of call or other option**

If the Issuer or the Guarantors intend(s) (other than consequent upon an Event of Default) to redeem all or any of the Notes prior to their stated maturity date or to exercise any other option under the Conditions, it/they shall, not less than 14 days prior to the latest date for the publication of the notice of redemption or of exercise of such option required to be given to the holders of any Notes, give notice of such intention to the Fiscal Agent stating the date on which such Notes are to be redeemed or such option is to be exercised.

10.2 Exercise of put option

Each Paying Agent shall make available to Noteholders during the period specified in Condition 8(e) (*Redemption and Purchase – Redemption at the option of Noteholders*) for the deposit of Put Option Notices forms of Put Option Notice upon request during usual business hours at its Specified Office. Upon receipt by a Paying Agent of a duly completed Put Option Notice and, in the case of a Put Option Notice relating to Definitive Notes, such Definitive Notes in accordance with Condition 8(e) (*Redemption and Purchase – Redemption at the option of Noteholders*), such Paying Agent shall notify the Issuer and (in the case of a Paying Agent other than the Fiscal Agent) the Fiscal Agent thereof indicating the certificate or serial numbers (if any) and principal amount of the Notes in respect of which the Put Option is exercised. Any such Paying Agent with which a Definitive Note is deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder and shall hold such Definitive Note on behalf of the depositing Noteholder (but shall not, save as provided below or in the Conditions, release it) until the Optional Redemption Date (Put), when it shall present such Definitive Note to itself for payment of the redemption moneys therefor and interest (if any) accrued to such date in accordance with the Conditions and Clause 8 (*Payments to Noteholders*) and pay such amounts in accordance with the directions of the Noteholder contained in the Put Option Notice; *provided however that* if, prior to the Optional Redemption Date (Put), such Definitive Note becomes immediately due and payable or upon due presentation of such Definitive Note payment of such redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Definitive Note is held by a Paying Agent in accordance with the preceding sentence, the depositor of the relevant Definitive Note, and not the relevant Paying Agent, shall be deemed to be the bearer of such Definitive Note for all purposes. Any Paying Agent which receives a Put Option Notice in respect of Notes represented by a Permanent Global Note shall make payment of the relevant redemption moneys and interest accrued to the Optional Redemption Date (Put) in accordance with the Conditions, Clause 8 (*Payments to Noteholders*) and the terms of the Permanent Global Note.

10.3 Details of exercise

At the end of any applicable period for the exercise of such option or, as the case may be, not later than 7 days after the latest date for the exercise of such option in relation to a particular date, each Paying Agent shall promptly notify the Fiscal Agent of the principal amount of the Notes in respect of which such option has been exercised with it together with their certificate or, as the case may be, serial numbers and the Fiscal Agent shall promptly notify such details to the Issuer.

11. APPOINTMENT AND DUTIES OF THE CALCULATION AGENT

11.1 Appointment

The Issuer and the Guarantors will appoint a Calculation Agent in relation to each Series of Notes pursuant to the Form of Calculation Agent Appointment Letter contained in Schedule 3 of this Agreement and will be named as such in the relevant

Final Terms(s) or Drawdown Prospectus (as the case may be) for the purposes specified in this Agreement and in the Conditions and all matters incidental thereto.

11.2 **Acceptance of appointment**

11.3 **The Calculation Agent upon its appointment shall perform all matters expressed to be performed by it in, and otherwise comply with, the Conditions and the provisions of this Agreement and, in connection therewith, shall take all such action as may be incidental thereto. Calculations and determinations**

The Calculation Agent shall in respect of each Series of Notes in relation to which it is appointed as such:

11.3.1 *Determinations*: obtain such quotes and rates and/or make such determinations, calculations, adjustments, notifications and publications as may be required to be made by it by the Conditions at the times and otherwise in accordance with the Conditions; and

11.3.2 *Records*: maintain a record of all quotations obtained by it and of all amounts, rates and other items determined or calculated by it and make such records available for inspection at all reasonable times by the Issuer and the Guarantors and the Paying Agents.

12. **FEES AND EXPENSES**

12.1 **Fees**

The Issuer (or, in default, the Guarantors) shall pay to the Fiscal Agent for account of the Paying Agents such fees as may have been agreed between the Issuer, the Guarantors and the Fiscal Agent and recorded in a fee proposal dated 19 June 2009 from the Fiscal Agent to the Issuer and the Guarantors in respect of the services of the Paying Agents hereunder (plus any applicable value added tax). The Issuer (or, in default, the Guarantors) shall pay to any Calculation Agent such fees as may be agreed between the Issuer, the Guarantors and such Calculation Agent in respect of its services hereunder (plus any applicable value added tax). The Fiscal Agent shall have no obligation to act if it believes it will incur costs for which it will not be reimbursed. In such case, the Fiscal Agent shall notify the Issuer and the Guarantors prior to the scheduled exercise of such services.

12.2 **Front-end expenses**

The Issuer (or, in default, the Guarantors) shall on demand reimburse the Fiscal Agent, each Paying Agent and each Calculation Agent for all expenses (including, without limitation, legal fees and any publication, advertising, communication, courier, postage and other out of pocket expenses) properly incurred and duly documented in connection with its services hereunder (plus any applicable value added tax), other than such costs and expenses as are separately agreed to be reimbursed out of the fees payable under Clause 12.1 (*Fees and Expenses – Fees*).

12.3 Taxes

The Issuer (or, in default, the Guarantors) shall pay all stamp, registration and other taxes and duties (including any interest and penalties thereon or in connection therewith) which may be payable upon or in connection with the execution and delivery of this Agreement and any letters of appointment under which any Agent is appointed as agent hereunder, and the Issuer and the Guarantors shall jointly and severally indemnify each Agent on demand against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any applicable value added tax) which it may incur or which may be made against it as a result or arising out of or in relation to any failure to pay or delay in paying any of the same. All payments by the Issuer or (as the case may be) the Guarantors under this Clause 12 or sub-clause 13.3 (*Terms of appointment – Indemnity in favour of the Agents*) shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by the Kingdom of Spain or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer or (as the case may be) the Guarantors shall pay such additional amounts as will result in the receipt by the relevant Agent of such amounts as would have been received by it if no such withholding or deduction had been required.

13. TERMS OF APPOINTMENT

13.1 Agents' discretionary powers

Each of the Paying Agents and (in the case of sub-clauses 13.1.4 (*Terms of appointment – Agents' discretionary powers – Genuine documents*), 13.1.5 (*Terms of appointment – Agents' discretionary powers – Lawyers*) and 13.1.6 (*Terms of appointment – Agents' discretionary powers – Expense or liability*)) each Calculation Agent) may, in connection with its services hereunder:

- 13.1.1 *Absolute owner*: except as ordered by a court of competent jurisdiction or as required by law and notwithstanding any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof, but subject to sub-clause 8.1.1 (*Payments to Noteholders – Payments by Paying Agent – Replacements*), treat the holder of any Note or Coupon as the absolute owner thereof and make payments thereon accordingly;
- 13.1.2 *Correct terms*: assume that the terms of each Note or Coupon as issued are correct;
- 13.1.3 *Determination by Issuer*: refer any question relating to the ownership of any Note or Coupon or the adequacy or sufficiency of any evidence supplied in connection with the replacement of any Note or Coupon to the Issuer for determination by the Issuer and rely upon any determination so made;
- 13.1.4 *Genuine documents*: rely upon the terms of any notice, communication or other document reasonably believed by it to be genuine;
- 13.1.5 *Lawyers*: engage and pay for (at the Issuer's expense) the advice or services of any lawyers or other experts whose advice or services it reasonably considers

necessary and rely upon any advice so obtained. Each of the Paying Agents and Calculation Agents (as applicable) shall be protected and shall incur no liability as against the Issuer in respect of any action taken, or permitted to be taken, in accordance with such advice and in good faith. When reasonably practicable and permitted by law, each of the Paying Agents and Calculation Agents (as applicable) will inform the Issuer prior to such engagement of lawyers or other experts; and

- 13.1.6 *Expense or liability*: treat itself as being released from any obligation to take any action hereunder which it reasonably expects will result in any expense or liability to it, the payment of which within a reasonable time is not, in its reasonable opinion, assured to it.

13.2 **Extent of Duties**

Each Agent shall only be obliged to perform the duties set out herein and such other duties as are necessarily incidental thereto. No Agent shall:

- 13.2.1 *Fiduciary duty*: be under any fiduciary duty or other obligation towards or have any relationship of agency or trust for or with any person other than the Issuer and the Guarantors (save insofar as that any funds received by the Fiscal Agent under Clause 7.1 (*Payments to the Fiscal Agent – Issuer or Guarantors to pay Fiscal Agent*) shall, pending their application in accordance with Clause 8.4 (*Payments to Noteholders – Reimbursement by Fiscal Agent*) or Clause 8.5 (*Appropriation by Fiscal Agent*) or their repayment in accordance with Clause 7.4 (*Payments to the Fiscal Agent – Application by Fiscal Agent*), be held by it in a segregated account which shall be held on trust for the persons entitled thereto); or
- 13.2.2 *Enforceability of any Notes*: be responsible for or liable in respect of the legality, validity or enforceability of any Note or Coupon or any act or omission of any other person (including, without limitation, any other Agent, but excluding persons subcontracted by each Paying Agent or who act on its behalf).

13.3 **Indemnity in favour of the Agents**

The Issuer and the Guarantors shall jointly and severally indemnify each Agent against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any applicable value added tax) which it incurs, other than such costs and expenses as are separately agreed to be reimbursed out of the fees payable under Clause 12.1 (*Fees and Expenses – Fees*) and otherwise than by reason of its own gross negligence or fraud or wilful default, as a result or arising out of or in relation to its acting as the agent of the Issuer and the Guarantors in relation to the Notes.

13.4 **Indemnity in favour of the Issuer and Guarantors**

Each Agent shall severally indemnify the Issuer and the Guarantors against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any applicable value added tax) which it incurs as a result of the gross negligence or fraud or wilful default of such Agent or of their respective officers, directors or employees.

13.5 **Limitation of Liability**

The Agents, the Issuer and the Guarantors shall not be liable for any loss caused by an event of force majeure. Under no circumstances will any Party to this Agreement be liable in contract, tort (including negligence) or otherwise for any consequential, special, indirect or speculative loss or damage (including, but not limited to, loss of business, goodwill, opportunity or profit) caused as a consequence of an event of force majeure. These provisions will override all other provisions of this Agreement.

13.6 **Survival of indemnities**

The indemnities contained in Clauses 13.3 (*Terms of Appointment – Indemnity in favour of the Agents*) and 13.4 (*Terms of Appointment – Indemnity in favour of the Issuer and Guarantors*) above shall survive the termination of this Agreement.

13.7 **Know your customer**

If:

- (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement; or
- (ii) any change in the status of the Issuer or the composition of the shareholders of the Issuer after the date of this Agreement,

obliges the Paying Agent or the Registrar to comply with “know your customer” or similar identification procedures in circumstances where the necessary information is not already available to it, the Issuer shall promptly upon the request of the Paying Agent or the Registrar supply or procure the supply of such documentation and other evidence as is reasonably requested by the Paying Agent or the Registrar in order for the Paying Agent or Registrar to carry out and be satisfied that it has complied with all necessary “know your customer” or similar checks under all applicable laws and regulations.

14. **CHANGES IN AGENTS**

14.1 **Resignation**

Any Agent may resign its appointment as the agent of the Issuer and the Guarantors hereunder and/or in relation to any Series of Notes upon the expiration of not less than 30 days' notice to that effect by such Agent to the Issuer and the Guarantors (with a copy, in the case of a Paying Agent or Calculation Agent) *provided however that:*

14.1.1 *Payment date:* if in relation to any Series of Notes any such resignation which would otherwise take effect less than 30 days before or after the maturity date or other date for redemption of such Series or any interest or other payment date in relation to any such Series it shall not take effect, in relation to such Series only, until the thirtieth day following such date; and

14.1.2 *Successors:* in respect of any Series of Notes, in the case of the Fiscal Agent, the Calculation Agent or the Required Paying Agent, such resignation shall not be effective until a successor thereto has been appointed by the Issuer and the

Guarantors as their agent in relation to such Series of Notes or in accordance with Clause 14.5 (*Changes in Agents – Agents may appoint successors*) and notice of such appointment has been given in accordance with the Conditions.

14.2 **Revocation**

The Issuer and the Guarantors (acting together) may revoke their appointment of any Agent as their agent hereunder and/or in relation to any Series of Notes by not less than thirty days' notice to that effect to such Agent (with a copy, in the case of a Paying Agent or Calculation Agent) *provided however that* in respect of any Series of Notes, in the case of the Fiscal Agent, the Calculation Agent or any Required Paying Agent, such revocation shall not be effective until a successor thereto has been appointed by the Issuer and the Guarantors as their agent in relation to such Series of Notes and notice of such appointment has been given in accordance with the Conditions.

14.3 **Automatic termination**

The appointment of any Agent shall terminate forthwith if:

- 14.3.1 *Incapacity*: such Agent becomes incapable of acting;
- 14.3.2 *Receiver*: a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or any part of the undertaking, assets and revenues of such Agent;
- 14.3.3 *Insolvency*: such Agent admits in writing its insolvency or inability to pay its debts as they fall due;
- 14.3.4 *Liquidator*: an administrator or liquidator of such Agent or the whole or any part of the undertaking, assets and revenues of such Agent is appointed (or application for any such appointment is made);
- 14.3.5 *Composition*: such Agent 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 indebtedness;
- 14.3.6 *Winding-up*: an order is made or an effective resolution is passed for the winding-up of such Agent; or
- 14.3.7 *Analogous event*: any event occurs which has an analogous effect to any of the foregoing.

If the appointment of the Fiscal Agent, Calculation Agent or any Required Paying Agent is terminated in accordance with this Clause 14.3, the Issuer and the Guarantors (acting together) shall forthwith appoint a successor in accordance with Clause 14.4 (*Additional and successor agents*).

14.4 **Additional and successor agents**

The Issuer and the Guarantors (acting together) may appoint a successor fiscal agent or calculation agent and additional or successor paying agents and shall forthwith give

notice of any such appointment to the continuing Agents and the Noteholders, whereupon the Issuer, the Guarantors, the continuing Agents, and the additional or successor fiscal agent, calculation agent or paying agent shall acquire and become subject to the same rights and obligations between themselves as if they had entered into an agreement in the form *mutatis mutandis* of this Agreement.

14.5 **Agents may appoint successors**

If the Fiscal Agent, Calculation Agent or any Required Paying Agent gives notice of its resignation in accordance with Clause 14.1 (*Changes in Agents – Resignation*) and by the tenth day before the expiry of such notice a successor has not been duly appointed in accordance with Clause 14.4 (*Changes in Agents – Additional and successor agents*), the Fiscal Agent or (as the case may be) Calculation Agent or Required Paying Agent may itself, following such consultation with the Issuer and the Guarantors as is practicable in the circumstances, appoint as its successor any reputable and experienced financial institution and give notice of such appointment to the Issuer, the Guarantors, the remaining Agents and the Noteholders, whereupon the Issuer, the Guarantors, the remaining Agents and such successor shall acquire and become subject to the same rights and obligations between themselves as if they had entered into an agreement in the form *mutatis mutandis* of this Agreement.

14.6 **Release**

Upon any resignation or revocation taking effect under Clause 14.1 (*Changes in Agents – Resignation*) or 13.2 (*Changes in Agents – Revocation*) or any termination taking effect under Clause 13.3 (*Changes in Agents – Automatic termination*), the relevant Agent shall:

- 14.6.1 *Discharge*: be released and discharged from its obligations under this Agreement (save that it shall remain entitled to the benefit of and subject to Clause 12.3 (*Fees and Expenses – Taxes*), Clause 13 (*Terms of Appointment*) and Clause 14 (*Changes in Agents*));
- 14.6.2 *Fiscal Agent's records*: in the case of the Fiscal Agent, deliver to the Issuer, the Guarantors and to its successor a copy, certified as true and up-to-date by an officer or authorised signatory of the Fiscal Agent, of the records maintained by it in accordance with Clause 9.1 (*Miscellaneous Duties of the Paying Agents – Records*);
- 14.6.3 *Calculation Agent's records*: in the case of any Calculation Agent, deliver to the Issuer, the Guarantors and its successor a copy, certified as true and up-to-date by an officer or authorised signatory of such Calculation Agent, of the records maintained by it in accordance with Clause 11 (*Appointment and Duties of the Calculation Agent*); and
- 14.6.4 *Moneys and papers*: forthwith (upon payment to it of any amount due to it in accordance with Clause 12 (*Fees and Expenses*) or Clause 13.3 (*Terms of Appointment – Indemnity in favour of the Agents*)) transfer all moneys and papers (including any unissued Notes held by it hereunder and any documents held by it pursuant to 9.8 (*Miscellaneous Duties of the Paying Agents – Documents available for inspection*)) to its successor and, upon appropriate

notice, provide reasonable assistance to its successor for the discharge of its duties and responsibilities hereunder.

14.7 **Merger**

Any legal entity into which any Agent is merged or converted or any legal entity resulting from any merger or conversion to which such Agent is a party shall, to the extent permitted by applicable law, be the successor to such Agent without any further formality, whereupon the Issuer, the Guarantors, the other Agents and such successor shall acquire and become subject to the same rights and obligations between themselves as if they had entered into an agreement in the form *mutatis mutandis* of this Agreement. Notice of any such merger or conversion shall forthwith be given by such successor to the Issuer, the Guarantors, the other Agents and the Noteholders.

14.8 **Changes in Specified Offices**

If any Agent decides to change its Specified Office (which may only be effected within the same city unless the prior written approval of the Issuer and the Guarantors has been obtained), it shall give notice to the Issuer and the Guarantors (with a copy to the other Agents) of the address of the new Specified Office stating the date on which such change is to take effect, which date shall be not less than 30 days after the date of such notice. The Issuer (or, in default, the Guarantors) shall at the Agent's expense not less than 14 days prior to the date on which such change is to take effect (unless the appointment of the relevant Agent is to terminate pursuant to any of the foregoing provisions of this Clause 14 on or prior to the date of such change) give notice thereof to the Noteholders.

15. **NOTICES**

15.1 **Addresses for Notices**

All notices and communications hereunder shall be made in writing in the English language (by letter or fax), shall be effective upon receipt by the addressee and shall be sent as follows:

15.1.1 if to the Issuer to it at:

Address: Paseo del Conde de los Gaitanes, 177
28109 Alcobendas (Madrid)
Spain

Fax: +34 91 650 9808

Attention: Teresa Quiros

15.1.2 if to the Guarantors to each at:

Address: Red Eléctrica Corporación, Sociedad Anónima
Paseo del Conde de los Gaitanes, 177
28109 Alcobendas (Madrid)
Spain

Fax: +34 91 650 9808

Attention: Teresa Quiros

Address: Red Eléctrica de España, Sociedad Anónima Unipersonal
Paseo del Conde de los Gaitanes, 177
28109 Alcobendas (Madrid)
Spain

Fax: +34 91 650 9808

Attention: Teresa Quiros

15.1.3 if to the Fiscal Agent or a Paying Agent to it at the address or fax number specified against its name in Schedule 2 (*The Specified Offices of the Agents*)

or, in any case, to such other address or fax number or for the attention of such other person or department as the addressee has by prior notice to the sender specified for the purpose.

15.2 Effectiveness

Every notice or communication sent in accordance with Clause 15.1 (*Notices – Addresses for notices*) shall be effective, when sent by letter or fax, upon receipt by the addressee, *provided however that* any such notice or communication which would otherwise take effect after 4:00 p.m. on any particular day shall not take effect until 10:00 a.m. on the immediately succeeding business day in the place of the addressee.

16. LAW AND JURISDICTION

16.1 Governing law

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

16.2 English courts

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**"), arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation, arising out of or in connection with this Agreement) or the consequences of its nullity.

16.3 Appropriate forum

The parties agree that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that they will not argue to the contrary.

16.4 Process agent

Each of the Issuer and of the Guarantors agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to Law Debenture Corporate

Services Limited at Fifth Floor, 100 Wood Street, London EC2V 7EX or, if different, its registered office for the time being or at any address of the Issuer or the Guarantors in Great Britain at which process may be served on it. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer and the Guarantors, the Issuer and the Guarantors (acting together) shall, on the written demand of any Agent addressed to the Issuer and the Guarantors and delivered to the Issuer and the Guarantors appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Agent shall be entitled to appoint such a person by written notice addressed to the Issuer and the Guarantors and delivered to the Issuer and the Guarantors. Nothing in this paragraph shall affect the right of any Agent to serve process in any other manner permitted by law. This clause applies to Proceedings in England and to Proceedings elsewhere.

17. AGENTS AS HOLDERS OF NOTES

Neither any agent nor any other person whether acting for itself or in any other capacity will be precluded from becoming the owner of, or acquiring any interest in, holding or disposing of any Note, Coupon or Talon or any shares or other securities of the Issuer or any of its subsidiary, holding or associated companies, with the same rights as it would have had if such Agent were not acting as Agent or from entering into or being interested in any contracts or transactions with the Issuer or any of its subsidiary, holding or associated companies, or from acting on, or as depositary, trustee or agent for, any committee or body of holders of any securities of the Issuer or any of its subsidiary, holding or associated companies, and will not be liable to account for any profit.

18. MODIFICATION

For the avoidance of doubt, this Agreement may be amended by further agreement among the parties hereto and without the consent of the Noteholders.

19. COUNTERPARTS

This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when so executed shall constitute one and the same binding agreement between the parties.

20. RIGHTS OF THIRD PARTIES

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

AS WITNESS the hands of the duly authorised representatives of the parties hereto the day and year first before written.

SCHEDULE 1
PROVISIONS FOR MEETINGS OF NOTEHOLDERS

1. DEFINITIONS

In this Agreement and the Conditions, the following expressions have the following meanings:

"Block Voting Instruction" means, in relation to any Meeting, a document in the English language issued by a Paying Agent:

- (a) certifying that certain specified Notes (the "**deposited Notes**") have been deposited with such Paying Agent (or to its order at a bank or other depository) or blocked in an account with a clearing system and will not be released until the earlier of:
 - (i) the conclusion of the Meeting; and
 - (ii) the surrender to such Paying Agent, not less than 48 hours before the time fixed for the Meeting (or, if the Meeting has been adjourned, the time fixed for its resumption), of the receipt for the deposited or blocked Notes and notification thereof by such Paying Agent to the Issuer and the Guarantors;
- (b) certifying that the depositor of each deposited Note or a duly authorised person on its behalf has instructed the relevant Paying Agent that the votes attributable to such deposited Note are to be cast in a particular way on each resolution to be put to the Meeting and that, during the period of 48 hours before the time fixed for the Meeting, such instructions may not be amended or revoked;
- (c) listing the total number and (if in definitive form) the certificate numbers of the deposited Notes, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, the resolution; and
- (d) authorising a named individual or individuals to vote in respect of the deposited Notes in accordance with such instructions;

"Chairman" means, in relation to any Meeting, the individual who takes the chair in accordance with paragraph 7 (*Chairman*);

"Extraordinary Resolution" means a resolution passed at a Meeting duly convened and held in accordance with this Schedule by a majority of not less than three quarters of the votes cast;

"Meeting" means a meeting of Noteholders (whether originally convened or resumed following an adjournment);

"Proxy" means, in relation to any Meeting, a person appointed to vote under a Block Voting Instruction other than:

- (a) any such person whose appointment has been revoked and in relation to whom the Fiscal Agent has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such Meeting; and
- (b) any such person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the Meeting when it is resumed;

"Relevant Fraction" means:

- (a) for all business other than voting on an Extraordinary Resolution, one tenth;
- (b) for voting on any Extraordinary Resolution other than one relating to a Reserved Matter, one more than half; and
- (c) for voting on any Extraordinary Resolution relating to a Reserved Matter, three quarters;

provided, however, that, in the case of a Meeting which has resumed after adjournment for want of a quorum it means:

- (i) for all business other than voting on an Extraordinary Resolution relating to a Reserved Matter, the fraction of the aggregate principal amount of the outstanding Notes represented or held by two or more persons being or representing Noteholders actually present at the Meeting; and
- (ii) for voting on any Extraordinary Resolution relating to a Reserved Matter, one quarter;

"Reserved Matter" means any proposal:

- (a) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity or the date for any such payment;
- (b) to effect the exchange or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or either of the Guarantors or any other person or body corporate formed or to be formed;
- (c) to change the currency in which amounts due in respect of the Notes are payable;
- (d) to modify any provision of the Guarantee of the Notes;
- (e) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or

(f) to amend this definition;

"Voter" means, in relation to any Meeting, the bearer of a Voting Certificate, a Proxy or the bearer of a Definitive Note who produces such Definitive Note at the Meeting;

"Voting Certificate" means, in relation to any Meeting, a certificate in the English language issued by a Paying Agent and dated in which it is stated:

- (a) that certain specified Notes (the **"deposited Notes"**) have been deposited with such Paying Agent (or to its order at a bank or other depository) or blocked in an account with a clearing system and will not be released until the earlier of:
 - (i) the conclusion of the Meeting; and
 - (ii) the surrender of such certificate to such Paying Agent; and
- (b) that the bearer of such certificate is entitled to attend and vote at the Meeting in respect of the deposited Notes;

"Written Resolution" means a resolution in writing signed by or on behalf of all holders of Notes who for the time being are entitled to receive notice of a Meeting in accordance with the provisions of this Schedule, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Notes;

"24 hours" means a period of 24 hours including all or part of a day upon which banks are open for business in both the places where the relevant Meeting is to be held and in each of the places where the Paying Agents have their Specified Offices (disregarding for this purpose the day upon which such Meeting is to be held) and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid; and

"48 hours" means 2 consecutive periods of 24 hours.

2. **ISSUE OF VOTING CERTIFICATES AND BLOCK VOTING INSTRUCTIONS**

The holder of a Note may obtain a Voting Certificate from any Paying Agent or require any Paying Agent to issue a Block Voting Instruction by depositing such Note with such Paying Agent or arranging for such Note to be (to its satisfaction) held to its order or under its control or blocked in an account with a clearing system not later than 48 hours before the time fixed for the relevant Meeting. A Voting Certificate or Block Voting Instruction shall be valid until the release of the deposited Notes to which it relates. So long as a Voting Certificate or Block Voting Instruction is valid, the bearer thereof (in the case of a Voting Certificate) or any Proxy named therein (in the case of a Block Voting Instruction) shall be deemed to be the holder of the Notes to which it relates for all purposes in connection with the Meeting. A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Note.

3. **REFERENCES TO DEPOSIT/RELEASE OF NOTES**

Where Notes are represented by a Global Note or are held in definitive form within a clearing system, references to the deposit, or release, of Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of such clearing system.

4. **VALIDITY OF BLOCK VOTING INSTRUCTIONS**

A Block Voting Instruction shall be valid only if it is deposited at the Specified Office of the Fiscal Agent, or at some other place approved by the Fiscal Agent, at least 24 hours before the time fixed for the relevant Meeting or the Chairman decides otherwise before the Meeting proceeds to business. If the Fiscal Agent requires, a notarised copy of each Block Voting Instruction and satisfactory proof of the identity of each Proxy named therein shall be produced at the Meeting, but the Fiscal Agent shall not be obliged to investigate the validity of any Block Voting Instruction or the authority of any Proxy.

5. **CONVENING OF MEETING**

The Issuer and the Guarantors (acting together) may convene a Meeting at any time, and shall be obliged to do so upon the request in writing of Noteholders holding not less than one tenth of the aggregate principal amount of the outstanding Notes.

6. **NOTICE**

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting shall be given to the Noteholders and the Paying Agents (with a copy to the Issuer and each of the Guarantors). The notice shall set out the full text of any resolutions to be proposed and shall state that the Notes may be deposited with, or to the order of, any Paying Agent for the purpose of obtaining Voting Certificates or appointing Proxies not later than 48 hours before the time fixed for the Meeting.

7. **CHAIRMAN**

An individual (who may, but need not, be a Noteholder) nominated in writing by the Issuer and the Guarantors (acting together) may take the chair at any Meeting but, if no such nomination is made or if the individual nominated is not present within 15 minutes after the time fixed for the Meeting, those present shall elect one of themselves to take the chair failing which, the Issuer may appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as was the Chairman of the original Meeting.

8. **QUORUM**

The quorum at any Meeting shall be at least two Voters representing or holding not less than the Relevant Fraction of the aggregate principal amount of the outstanding Notes; *provided, however, that*, so long as at least the Relevant Fraction of the aggregate principal amount of the outstanding Notes is represented by a Global Note, a single Proxy representing the holder thereof shall be deemed to be two Voters for the purpose of forming a quorum.

9. **ADJOURNMENT FOR WANT OF QUORUM**

If within 15 minutes after the time fixed for any Meeting a quorum is not present, then:

- (a) in the case of a Meeting requested by Noteholders, it shall be dissolved; and
- (b) in the case of any other Meeting, it shall be adjourned for such period (which shall be not less than 14 days and not more than 42 days) and to such place as the Chairman determines; *provided, however, that:*
 - (i) the Meeting shall be dissolved if the Issuer and the Guarantors (acting together) so decide; and
 - (ii) no Meeting may be adjourned more than once for want of a quorum.

10. **ADJOURNED MEETING**

The Chairman may, with the consent of (and shall if directed by) any Meeting, adjourn such Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place.

11. **NOTICE FOLLOWING ADJOURNMENT**

Paragraph 6 (*Notice*) shall apply to any Meeting which is to be resumed after adjournment for want of a quorum save that:

- (a) 10 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and
- (b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason.

12. **PARTICIPATION**

The following may attend and speak at a Meeting:

- (a) Voters;
- (b) representatives of the Issuer, the Guarantors and the Fiscal Agent;
- (c) the financial advisers of the Issuer and the Guarantors;
- (d) the legal counsel to the Issuer, the Guarantors and the Fiscal Agent; and
- (e) any other person approved by the Meeting.

13. **SHOW OF HANDS**

Every question submitted to a Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairman's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution. Where there is only one Voter, this paragraph shall not apply and the resolution will immediately be decided by means of a poll.

14. **POLL**

A demand for a poll shall be valid if it is made by the Chairman, the Issuer, either of the Guarantors or one or more Voters representing or holding not less than one fiftieth of the aggregate principal amount of the outstanding Notes. The poll may be taken immediately or after such adjournment as the Chairman directs, but any poll demanded on the election of the Chairman or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business as the Chairman directs.

15. **VOTES**

Every Voter shall have:

- (a) on a show of hands, one vote; and
- (b) on a poll, the number of votes obtained by dividing the aggregate principal amount of the outstanding Note(s) represented or held by him by the unit of currency in which the Notes are denominated.

In the case of a voting tie the Chairman shall have a casting vote.

Unless the terms of any Block Voting Instruction state otherwise, a Voter shall not be obliged to exercise all the votes to which he is entitled or to cast all the votes which he exercises in the same way.

16. **VALIDITY OF VOTES BY PROXIES**

Any vote by a Proxy in accordance with the relevant Block Voting Instruction shall be valid even if such Block Voting Instruction or any instruction pursuant to which it was given has been amended or revoked, *provided that* the Fiscal Agent has not been notified in writing of such amendment or revocation by the time which is 24 hours before the time fixed for the relevant Meeting. Unless revoked, any appointment of a Proxy under a Block Voting Instruction in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment; *provided, however, that* no such appointment of a Proxy in relation to a Meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such Meeting when it is resumed. Any person appointed to vote at such a Meeting must be re-appointed under a Block Voting Instruction Proxy to vote at the Meeting when it is resumed.

17. **POWERS**

A Meeting shall have power (exercisable by Extraordinary Resolution), without prejudice to any other powers conferred on it or any other person:

- (a) to approve any Reserved Matter;
- (b) to approve any proposal by the Issuer and the Guarantors (acting together) for any modification, abrogation, variation or compromise of any of the Conditions or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes;
- (c) to approve any proposal by the Guarantors for any modification of any provision of the Guarantee of the Notes or any arrangement in respect of the obligations of the Guarantors thereunder;
- (d) to approve any proposal by the Issuer and the Guarantors (acting together) for any modification of any provision of the Deed of Covenant or the Deed of Guarantee insofar as it relates to the Deed of Covenant or any arrangement in respect of the obligations of the Issuer thereunder;
- (e) to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes and the Deed of Covenant or the substitution of any person for either of the Guarantors as guarantor under the Guarantee of the Notes and the Deed of Covenant;
- (f) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Notes or the Deed of Covenant, any proposed breach by the Guarantors of their obligations under the Guarantee of the Notes or the Deed of Guarantee insofar as it relates to the Deed of Covenant or any act or omission which might otherwise constitute an event of default under the Notes;
- (g) to authorise the Fiscal Agent or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;
- (h) to give any other authorisation or approval which is required to be given by Extraordinary Resolution; and
- (i) to appoint any persons as a committee to represent the interests of the Noteholders and to confer upon such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution.

18. **EXTRAORDINARY RESOLUTION BINDS ALL HOLDERS**

An Extraordinary Resolution shall be binding upon all Noteholders and holders of Coupons and Talons whether or not present at such Meeting and each of the Noteholders shall be bound to give effect to it accordingly. Notice of the result of every vote on an Extraordinary Resolution shall be given to the Noteholders and the Paying Agents (with a copy to the Issuer and Guarantors) within 14 days of the conclusion of the Meeting.

19. **MINUTES**

Minutes shall be made of all resolutions and proceedings at each Meeting. The Chairman shall sign the minutes, which shall be prima facie evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

20. **WRITTEN RESOLUTION**

A Written Resolution shall take effect as if it were an Extraordinary Resolution.

SCHEDULE 2
THE SPECIFIED OFFICES OF THE AGENTS

The Fiscal Agent:

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

Fax: + 44 20 7547 6149
Email: TSS-GDS.EUR@db.com
Attention: Debt & Agency Services

SCHEDULE 3
FORM OF CALCULATION AGENT APPOINTMENT LETTER

[On letterhead of the Issuer]

*[for use if the Calculation Agent is **not** a Dealer]*

[•]

[Calculation Agent]
[Address]

Dear Sirs,

Red Eléctrica Financiaciones, Sociedad Anónima Unipersonal
EUR 5,000,000,000
Euro Medium Term Note Programme
Guaranteed by Red Eléctrica Corporación, Sociedad Anónima and Red Eléctrica de
España, Sociedad Anónima Unipersonal

We refer to the amended and restated fiscal agency agreement dated [*insert date*] entered into in respect of the above Euro Medium Term Note Programme (as amended or supplemented from time to time, the "**Agency Agreement**") between ourselves as Issuer, Red Eléctrica Corporación, Sociedad Anónima and Red Eléctrica de España, Sociedad Anónima Unipersonal as Guarantors, Deutsche Bank AG, London Branch as fiscal agent and certain other financial institutions named therein, a copy of which has been supplied to you by us.

All terms and expressions which have defined meanings in the Agency Agreement shall have the same meanings when used herein.

EITHER

[We hereby appoint you as Calculation Agent at your specified office detailed in the Confirmation as our agent in relation to [•] (the "**Notes**") upon the terms of the Agency Agreement for the purposes specified in the Agency Agreement and in the Conditions and all matters incidental thereto.]

OR

[We hereby appoint you as Calculation Agent at your specified office detailed in the Confirmation set out below as our agent in relation to each Series of Notes in respect of which you are named as Calculation Agent in the relevant Final Terms or Drawdown Prospectus (as the case may be) upon the terms of the Agency Agreement and (in relation to each such Series of Notes) in the Conditions and all matters incidental thereto.]

We hereby agree that, notwithstanding the provisions of the Agency Agreement or the Conditions, your appointment as Calculation Agent may only be revoked in accordance with Clause 14.2 (*Changes in Agents – Revocation*) thereof.

Please complete and return to us the Confirmation on the copy of this letter duly signed by an authorised signatory confirming your acceptance of this appointment.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law and the provisions of Clause 16 (*Law and Jurisdiction*) of the Agency Agreement shall apply to this letter as if set out herein in full.

A person who is not a party to the agreement described in this letter has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of such agreement.

Yours faithfully

RED ELÉCTRICA FINANCIACIONES, SOCIEDAD ANÓNIMA UNIPERSONAL

By:

RED ELÉCTRICA CORPORACIÓN, SOCIEDAD ANÓNIMA

By:

RED ELÉCTRICA DE ESPAÑA, SOCIEDAD ANÓNIMA UNIPERSONAL

By:

FORM OF CONFIRMATION

EITHER

We hereby accept our appointment as Calculation Agent of the Issuer and the Guarantors in relation to the Notes, and shall perform all matters expressed to be performed by the Calculation Agent in, and shall otherwise comply with, the Conditions and the provisions of the Agency Agreement and, in connection therewith, shall take all such action as may be incidental thereto.

OR

We hereby accept our appointment as Calculation Agent of the Issuer and the Guarantors in relation to each Series of Notes in respect of which we are named as Calculation Agent in the relevant Final Terms or Drawdown Prospectus (as the case may be), and shall perform all matters expressed to be performed by the Calculation Agent in, and shall otherwise comply with (in relation to each such Series of Notes) the Conditions and the provisions of the Agency Agreement and, in connection therewith, shall take all such action as may be incidental thereto.

For the purposes of [the Notes] [each such Series of Notes] and the Agency Agreement our specified office and communication details are as follows:

Address: []

Fax: []

Attention: []

[*Calculation Agent*]

By:

Date:

**SCHEDULE 4
FORM OF PUT OPTION NOTICE**

To: Deutsche Bank AG, London Branch

**RED ELÉCTRICA FINANCIACIONES, SOCIEDAD ANÓNIMA UNIPERSONAL
EUR 5,000,000,000
Euro Medium Term Note Programme**

guaranteed by

RED ELÉCTRICA CORPORACIÓN, SOCIEDAD ANÓNIMA

and

RED ELÉCTRICA DE ESPAÑA, SOCIEDAD ANÓNIMA UNIPERSONAL

PUT OPTION NOTICE

OPTION 1 (DEFINITIVE NOTES) - *[complete/delete as applicable]*

By depositing this duly completed Notice with the above Paying Agent in relation to *[specify relevant Series of Notes]* (the "**Notes**") in accordance with Condition 8(e) (*Redemption at the option of Noteholders*), the undersigned holder of the Notes specified below and deposited with this Put Option Notice exercises its option to have such Notes redeemed in accordance with Condition 8(e) (*Redemption at the option of Noteholders*) on [•].

This Notice relates to the Note(s) bearing the following certificate numbers and in the following denominations:

Certificate Number	Denomination
.....
.....
.....

OPTION 2 (PERMANENT GLOBAL NOTE) - *[complete/delete as applicable]*

By depositing this duly completed Notice with the above Paying Agent for the *[specify relevant Series of Notes]* (the "**Notes**") in accordance with Condition 8(e) (*Redemption and Purchase – Redemption at the option of Noteholders*) and the terms of the Permanent Global Note issued in respect of the Notes, the undersigned holder of the Permanent Global Note exercises its option to have EUR[•] of the Notes redeemed accordance with Condition 8(e) (*Redemption and Purchase – Redemption at the option of Noteholders*) on [•].

[END OF OPTIONS]

Payment should be made by *[complete and delete as appropriate]*:

~ [currency] cheque drawn on a bank in [currency centre] and in favour of [name of payee] and mailed at the payee's risk by uninsured airmail post to [name of addressee] at [addressee's address].]

OR

~ transfer to [details of the relevant account maintained by the payee] with [name and address of the relevant bank].]

All notices and communications relating to this Put Option Notice should be sent to the address specified below.

Name of holder:

Contact details:

.....

.....

Signature

of holder:

Date:

[To be completed by Paying Agent:]

Received by:

[Signature and stamp of Paying Agent:]

At its office at

.....

On

THIS NOTICE WILL NOT BE VALID UNLESS ALL OF THE PARAGRAPHS REQUIRING COMPLETION HAVE BEEN DULY COMPLETED.

**SCHEDULE 5
FORM OF PUT OPTION RECEIPT**

**RED ELÉCTRICA FINANCIACIONES, SOCIEDAD ANÓNIMA UNIPERSONAL
EUR 5,000,000,000
Euro Medium Term Note Programme**

guaranteed by

RED ELÉCTRICA CORPORACIÓN, SOCIEDAD ANÓNIMA

and

RED ELÉCTRICA DE ESPAÑA, SOCIEDAD ANÓNIMA UNIPERSONAL

PUT OPTION RECEIPT*

We hereby acknowledge receipt of a Put Option Notice relating to [*specify relevant Series of Notes*] (the "**Notes**") having the certificate number(s) and denomination(s) set out below. We will hold such Note(s) in accordance with the terms of the Conditions of the Notes and the amended and restated Agency Agreement dated [*insert date*] relating thereto.

In the event that, pursuant to such Conditions and the Agency Agreement, the depositor of such Note(s) becomes entitled to their return, we will return such Definitive Note(s) to the depositor against presentation and surrender of this Put Option Receipt.

Certificate Number	Denomination
.....
.....
.....

Dated: [•]

DEUTSCHE BANK AG, LONDON BRANCH

By:

duly authorised

* A Receipt will only be issued in the case of a Definitive Note.

SCHEDULE 6
DUTIES UNDER THE ISSUER-ICSDS AGREEMENT

In relation to each Tranche of Notes that are, or are to be, represented by an NGN Temporary Global Note or an NGN Permanent Global Note, the Fiscal Agent will comply with the following provisions:

1. *Initial issue outstanding amount:* The Fiscal Agent will inform each of the ICSDs, through the Common Service Provider appointed by the ICSDs to service the Notes, of the initial issue outstanding amount (the "IOA") for such Tranche on or prior to the relevant Issue Date.
2. *Mark up or mark down:* If any event occurs that requires a mark up or mark down of the records which an ICSD holds for its customers to reflect such customers' interest in the Notes, the Fiscal Agent will (to the extent known to it) promptly provide details of the amount of such mark up or mark down, together with a description of the event that requires it, to the ICSDs (through the Common Service Provider) to ensure that the IOA of the Notes remains at all times accurate.
3. *Reconciliation of records:* The Fiscal Agent will at least once every month reconcile its record of the IOA of the Notes with information received from the ICSDs (through the Common Service Provider) with respect to the IOA maintained by the ICSDs for the Notes and will promptly inform the ICSDs (through the Common Service Provider) of any discrepancies.
4. *Resolution of discrepancies:* The Fiscal Agent will promptly assist the ICSDs (through the Common Service Provider) in resolving any discrepancy identified in the IOA of the Notes.
5. *Details of payments:* The Fiscal Agent will promptly provide the ICSDs (through the Common Service Provider) details of all amounts paid by it under the Notes (or, where the Notes provide for delivery of assets other than cash, of the assets so delivered).
6. *Change of amount:* The Fiscal Agent will (to the extent known to it) promptly provide to the ICSDs (through the Common Service Provider) notice of any changes to the Notes that will affect the amount of, or date for, any payment due under the Notes.
7. *Notices to Noteholders:* The Fiscal Agent will (to the extent known to it) promptly provide to the ICSDs (through the Common Service Provider) copies of all information that is given to the holders of the Notes.
8. *Communications from ICSDs:* The Fiscal Agent will promptly pass on to the Issuer all communications it receives from the ICSDs directly or through the Common Service Provider relating to the Notes.
9. *Default:* The Fiscal Agent will (to the extent known to it) promptly notify the ICSDs (through the Common Service Provider) of any failure by the Issuer to make any payment or delivery due under the Notes when due.

SCHEDULE 7 TAX REPORTING PROCEDURES

The following is a summary of the procedures implemented to facilitate collection of the relevant information necessary to enable the Issuer and/or the Guarantors, as the case may be, to comply with its reporting obligations pursuant to Additional Provision One of Law 10/2014.

The following is only a summary and is subject to any changes in Spanish tax law and/or regulations, or the interpretation thereof, which the Spanish tax authorities may promulgate from time to time.

1. *Certificate:* In connection with each payment in respect of any series of Notes, the Fiscal Agent shall deliver to the Issuer by close of business on the Business Day immediately preceding the day on which such payment is made (the "**Certificate Time**") a duly completed and executed certificate in the form set forth in Annex 1 hereto. This certificate will reflect the information required to be reported in it at the Certificate Time. Such certificate may be delivered by email, in .pdf form, or by fax, provided that the original of the relevant certificate is received by the Issuer by no later than the 10th day of the month immediately following the relevant day for payment as described above.
2. *Preparations for payment:* The Fiscal Agent will make the appropriate calculations of interest payable, after making the relevant deductions in accordance with Condition 10 (*Taxation*), will prepare the credit confirmation for Euroclear and Clearstream, Luxembourg based on the documentation (if any) received from the common depository or, as the case may be, the common service provider, and provided that no communication to the contrary has been previously received from the Issuer before that time.
3. **Payment Upon Receipt of Certificate:**
 - (a) The Issuer will transfer to Fiscal Agent for value on the relevant payment date (as described under paragraph 1 above) 100% of the amount then due and payable in respect of the relevant Notes (as applicable).
 - (b) On the relevant payment date, the Fiscal Agent will transfer to Euroclear and Clearstream, Luxembourg 100% of the principal or interest (as applicable) then due and payable in respect of the Notes.
 - (c) Euroclear and Clearstream, Luxembourg and their Participants and Customers will credit the relevant amounts of principal or interest (as applicable) to the accounts of those persons who were Noteholders as of the payment date.
4. **Payment Upon Failure to Deliver Certificate:**
 - (a) The Issuer will transfer to the Fiscal Agent for value on the relevant payment date (as described under paragraph 1 above) 100% of the principal or interest (as applicable) then due and payable in respect of the Notes (as applicable).
 - (b) If the Issuer has not received from the Fiscal Agent by the Certificate Time a duly completed certificate in the form set out in Annex 1, then on the relevant payment date, the Fiscal Agent will transfer to Euroclear and Clearstream,

Luxembourg the corresponding amount, net of the Spanish applicable withholding, of the principal or interest (as applicable) then due and payable in respect of the Notes and shall withhold the amounts corresponding to applicable Spanish tax law in accordance with the instructions of the Issuer from time to time (each, a "**withholding instruction**"). For the avoidance of doubt, this paragraph 4(b) shall be a withholding instruction generally in respect of any payment to be made in the circumstances described in this paragraph 4(b), unless otherwise notified by the Issuer to the Fiscal Agent.

- (c) Euroclear and Clearstream, Luxembourg and their Participants and Customers will credit the relevant amounts of principal or interest (as applicable), net of the amounts withheld by the Fiscal Agent in respect of applicable Spanish tax laws, to the accounts of those persons who were Noteholders as of the relevant payment date.
- (d) If, after the relevant payment date but before the 10th day of the month immediately following the relevant payment date the Fiscal Agent provides the duly completed certificate in the form set forth in Annex 1 to the Issuer, then the Issuer shall instruct the Fiscal Agent to immediately transfer the amounts withheld in respect of the relevant payment pursuant to paragraph 4(b) above to each of Euroclear and Clearstream, Luxembourg by way of reimbursement of the amounts withheld on the relevant payment date and completion of the corresponding payment of principal or interest (as applicable) in respect of the Notes.
- (e) On the 10th day of the month immediately following the relevant payment date, the Fiscal Agent shall return to the Issuer any remaining amount of the amounts withheld in respect of the relevant payment.

Set out below is the Annex provided by Royal Decree 1065/2007. Sections in English have been translated from the original Spanish. In the event of any discrepancy, the Spanish version will prevail.

ANNEX 1

The translation into English of this certificate is for information only and, in the case of discrepancy with the Spanish language version, such Spanish version will prevail

Anexo al Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos, aprobado por Real Decreto 1065/2007

Modelo de declaración a que se refieren los apartados 3, 4 y 5 del artículo 44 del Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos

Annex to approving the General Regulations of the tax inspection and management procedures and developing the common rules of the procedures to apply taxes, as passed by Royal Decree 1065/2007, of 27 July.

Declaration form referred to in paragraphs 3, 4 and 5 of Article 44 of the General Regulations of the tax inspection and management procedures and developing the common rules of the procedures to apply taxes

Don (nombre), con número de identificación fiscal (...)⁽¹⁾, en nombre y representación de (entidad declarante), con número de identificación fiscal (...)⁽¹⁾ y domicilio en (...) en calidad de (marcar la letra que proceda):

(name), with tax identification number (...)⁽¹⁾, in the name and on behalf of (entity), with tax identification number (...)⁽¹⁾ and address in (...) as (function - mark as applicable):

(a) Entidad Gestora del Mercado de Deuda Pública en Anotaciones.

(a) Management Entity of the Public Debt Market in book entry form.

(b) Entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero.

(b) Entity that manages the clearing and settlement system of securities resident in a foreign country.

(c) Otras entidades que mantienen valores por cuenta de terceros en entidades de compensación y liquidación de valores domiciliadas en territorio español.

(c) Other entities that hold securities on behalf of third parties within clearing and settlement systems domiciled in the Spanish territory.

(d) Agente de pagos designado por el emisor.

(d) Fiscal Agent appointed by the Issuer.

Formula la siguiente declaración, de acuerdo con lo que consta en sus propios registros:

Makes the following statement, according to its own records:

1. En relación con los apartados 3 y 4 del artículo 44:

1. In relation to paragraphs 3 and 4 of Article 44:

1.1 Identificación de los valores.....

1.1 Identification of the securities.....

1.2 Fecha de pago de los rendimientos (o de reembolso si son valores emitidos al descuento o segregados)

1.2 Income payment date (or refund if the securities are issued at discount or are segregated)

1.3 Importe total de los rendimientos (o importe total a reembolsar, en todo caso, si son valores emitidos al descuento o segregados).....

1.3 Total amount of income (or total amount to be refunded, in any case, if the securities are issued at discount or are segregated)

1.4 Importe de los rendimientos correspondiente a contribuyentes del Impuesto sobre la Renta de las Personas Físicas, excepto cupones segregados y principales segregados en cuyo reembolso intervenga una Entidad Gestora

1.4 Amount of income corresponding to Personal Income Tax taxpayers, except segregated coupons and segregated principals for which reimbursement an intermediary entity is involved.....

1.5 Importe de los rendimientos que conforme al apartado 2 del artículo 44 debe abonarse por su importe íntegro (o importe total a reembolsar si son valores emitidos al descuento o segregados).

1.5 Amount of income which according to paragraph 2 of Article 44 must be paid gross (or total amount to be refunded if the securities are issued at discount or are segregated).

2. En relación con el apartado 5 del artículo 44.

2. In relation to paragraph 5 of Article 44.

2.1 Identificación de los valores.....

2.1 Identification of the securities.....

2.2 Fecha de pago de los rendimientos (o de reembolso si son valores emitidos al descuento o segregados)

2.2 Income payment date (or refund if the securities are issued at discount or are segregated)

2.3 Importe total de los rendimientos (o importe total a reembolsar si son valores emitidos al descuento o segregados

2.3 Total amount of income (or total amount to be refunded if the securities are issued at discount or are segregated)

2.4 Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero A.

2.4 Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country A.

2.5 Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero B.

2.5 Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country B.

2.6 Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero C.

2.6 Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country C.

Lo que declaro ena dede

I declare the above in on the.... of of

(1) En caso de personas, físicas o jurídicas, no residentes sin establecimiento permanente se hará constar el número o código de identificación que corresponda de conformidad con su país de residencia

(1) In case of non-residents (individuals or corporations) without permanent establishment in Spain it shall be included the number or identification code which corresponds according to their country of residence.

SCHEDULE 8
TIMETABLE FOR PAYMENTS TO FISCAL AGENT

Currency	Description	Cut off time for receipt of payment by Fiscal Agent (London Time)
AED	U.A.E Dirham	Issue Date -1
AUD	Australia \$	Issue Date -1
BGN	Bulgarian Lev	09.00 Hrs
BHD	Bahrain Dina	Issue Date -1
CAD	Canadian \$	14.00 Hrs
CHF	Swiss Franc	10.00 Hrs
CZK	Czech Koruna	09.00 Hrs
DKK	Danish Krone	10.00 Hrs
EEK	Estonian Kroon	12.30 Hrs
EUR	Euro	12.00 Hrs
GBP	Sterling	12.00 Hrs
HKD	Hong Kong \$	Issue Date -1
HUF	Hungarian Forint	10.00 Hrs
ISK	Icelandic Isk	12.00 Hrs
JPY	Japanese Yen	Issue Date -1
MXN	Mexican Nuevo Peso (VICS)	14.00 Hrs
NOK	Norwegian Krone	11.00 Hrs
NZD	New Zealand \$	Issue Date -1
PLN	Zloty	Issue Date -1
RON	Romanian New Leu	09.00 Hrs
RUB	Russian Ruble	08.00 Hrs
SAR	Saudi Riyal	Issue Date -1

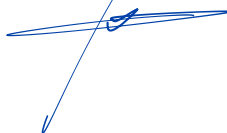
Currency	Description	Cut off time for receipt of payment by Fiscal Agent (London Time)
SEK	Swedish Krona	11.00 Hrs
SGD	Singapore \$	Issue Date -1
TRY	Turkish Lira	10.30 Hrs
USD	USD Dollar	14.00 Hrs
ZAR	South African Rand	09.00 Hrs

SIGNATURES

The Issuer

RED ELÉCTRICA FINANCIACIONES, SOCIEDAD ANÓNIMA UNIPERSONAL

By: TOMÁS GALLEGO

A handwritten signature in blue ink, consisting of a horizontal line with a small loop and a diagonal stroke crossing it.

The Guarantors

RED ELÉCTRICA CORPORACIÓN, SOCIEDAD ANÓNIMA

By: FERNANDO FRÍAS

A handwritten signature in blue ink, featuring a large, stylized 'F' and 'R' with a horizontal line through them.

RED ELÉCTRICA DE ESPAÑA, SOCIEDAD ANÓNIMA UNIPERSONAL

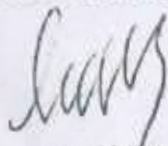
By: ROSA VELASCO

A handwritten signature in blue ink, consisting of the letters 'RVM' with a horizontal line underneath.

The Fiscal Agent

DEUTSCHE BANK AG, LONDON BRANCH

By:



Paul Yetton
Vice President

By:



KIERAN OEDRA
VICE PRESIDENT