

DATED

[INSERT DATE]

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**UK INFRASTRUCTURE BANK LIMITED**  
(as guarantor)

- and -

**[\*\*NAME OF BENEFICIARY\*\*]**  
(as beneficiary)

**DEED OF GUARANTEE**

-in respect of -

**[INSERT DESCRIPTION OF GUARANTEED BONDS]**

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THIS DEED is made on

[insert date]

**BY:**

- (1) **UK Infrastructure Bank Limited**, a private limited company incorporated in England and Wales (with company number 06816271) whose registered office address is One Embankment, Neville Street, Leeds, England, LS1 4DW (the "**Guarantor**")

**IN FAVOUR OF:**

- (2) [**\*\*\*Name of Beneficiary\*\*\***], a [private limited company] incorporated in [England and Wales] (with company number [**\*\*\***]) whose registered office address is [**\*\*\***] and/or any additional or successor trustee appointed pursuant to the Bond Trust Deed and notified to the Guarantor, each acting in its capacity as trustee for the Holders (the "**Beneficiary**").

**RECITAL:**

The Company has requested the Guarantor to provide this Deed to the Beneficiary as guarantee cover of certain liabilities of the Company under the Guaranteed Bonds.

**NOW THIS DEED WITNESSES** as follows:

1. **INTERPRETATION**

1.1 **Definitions**

In this Deed the following expressions have the following meanings:

**"Account"** means, in respect of any payment made by the Guarantor pursuant to this Deed, the account of the Beneficiary (or as it may direct) or the Principal Paying Agent held at a bank in the United Kingdom which is specified in the relevant Notice of Demand.

**"Affected Guaranteed Obligations"** means those Guaranteed Obligations (identified in the relevant Notice of Demand) in respect of which a Non-payment has occurred or will occur, as specified in the relevant Notice of Demand.

**"Avoided Payment Amounts"** has the meaning given to it in clause 2.2 (*Avoided payment amounts*).

**"Bond Trust Deed"** means the bond trust deed (governed by [English law]) dated on or about the date of this Deed between the Company and the Beneficiary constituting the Guaranteed Bonds.

**"Business Day"** means any day on which banks and other financial institutions are open for business in London, but excluding Saturdays, Sundays and public and statutory holidays in England and Wales.

**"Company"** means [**\*\*\*name of company\*\*\***], a [private limited company] incorporated in [England and Wales] (with company number [**\*\*\***]) whose registered office address is [**\*\*\***].

**"Counter-Guarantor"** means:

- (a) HMT; or
- (b) following any assignment, novation or transfer (or replacement) pursuant to, and as contemplated by, clause 4.3 (*Transfer by HMT*) of the SIG, any Incoming Counter-Guarantor (as defined in the SIG).

**"Due Date"** means, in respect of any Guaranteed Amount, the date upon which such Guaranteed Amount falls due for payment pursuant to the Guaranteed Bonds.

**"Due for Payment"** means, in respect of any Guaranteed Amount, that the Due Date for such Guaranteed Amount (or the date of any pre-funding obligation which corresponds to any such Guarantee Amount) has been reached. For the avoidance of doubt, **"Due for Payment"** does not refer to any earlier date upon which payment of any Guaranteed Amounts may become due under the Guaranteed Obligations by reason of prepayment or early redemption (whether mandatory or optional), acceleration of maturity or otherwise.

**"Final Release Date"** means the date on which all the payment obligations of the Company under the Guaranteed Bonds are irrevocably and unconditionally satisfied in full.

**"Guarantee Document"** means:

- (a) this Deed;
- (b) the UKIB Security Assignment;
- (c) [the Security Sharing and Intercreditor Agreement;]
- (d) [\*\*\*]; or
- (e) any other document from time to time designated as such by the Guarantor.

**"Guarantee Fees"** means the guarantee fees payable by the Company to the Guarantor in consideration of the issue of this Deed, as specified in the fee letter dated on or about the date of this Deed between the Guarantor and the Company.

**"Guaranteed Amounts"** means, with respect to any Due Date, the sum of (without double counting) the following:

- (a) Scheduled Interest; and
- (b) Scheduled Principal.

**"Guaranteed Bonds"** means the [insert description of guaranteed bonds], as constituted by the Bond Trust Deed.

**"Guaranteed Bonds Document"** means:

- (a) the Bond Trust Deed;
- (b) [\*\*\*]; or
- (c) any other document from time to time designated as such by the Guarantor.

**"Guaranteed Obligations"** means the payment obligations of the Company in respect of the Guaranteed Amounts owing by the Company and outstanding under the Guaranteed Bonds from the date of this Deed to the Final Release Date.

**"HMT"** means The Lords Commissioners Of His Majesty's Treasury of 1 Horse Guards Road, London SW1A 2HQ.

**"Holder"** means any person who is for the time being a holder of a Guaranteed Bond (which, to the extent that such Guaranteed Bond is represented by a global bond held by a common depositary or common safekeeper for Euroclear and/or Clearstream, Luxembourg, shall mean such common depositary or common safekeeper).

**"Insolvency Act"** means the Insolvency Act 1986 of the United Kingdom.

**"Insolvency Law"** means any applicable United Kingdom bankruptcy or insolvency law (including the Insolvency Act).

**"Non-payment"** means, in relation to any Due Date, the failure of the Company to have paid to the Beneficiary or the Holders any Guaranteed Amounts (including breach of any pre-funding obligation which corresponds to any such Guaranteed Amounts) which are due on such Due Date (or which would have been due on such Due Date but for such Guaranteed Amounts having become due prior to such Due Date by reason of prepayment or early redemption (whether mandatory or optional), acceleration of maturity or otherwise).

**"Notice of Demand"** means a notice of demand in writing, in the form set out in the Schedule **Error! Reference source not found.** (or in such other form as the Guarantor and the Beneficiary may agree from time to time) and duly executed by the Beneficiary. For the avoidance of doubt, a demand for payment by the Beneficiary under this Deed which is not made in the form set out in the Schedule (or in such other form as the Guarantor and the Beneficiary may agree from time to time) shall be void.

**"Parties"** means the Guarantor and the Beneficiary as parties to this Deed.

**"Preference"** means:

- (a) a preference pursuant to Section 239 of the Insolvency Act;
- (b) an avoidance of any property disposition pursuant to Section 127 of the Insolvency Act;
- (c) a transaction at an undervalue pursuant to Section 238 of the Insolvency Act; or
- (d) any judgment, declaration, decision or similar analogous to paragraphs (a), (b) or (c) above pursuant to any Insolvency Law.

**"Principal Paying Agent"** means [\*\*\*insert name\*\*\*] as principal paying agent in respect of the Guaranteed Bonds, or any successor or replacement therefor appointed in accordance with the terms of the Guaranteed Bonds Documents and notified to the Guarantor.

**"Receipt"** means:

- (a) actual delivery to the Guarantor at the address, and for the attention of, specified in the form of Notice of Demand in the Schedule (or such other address, or attention of, as the Guarantor may, from time to time, notify to the Beneficiary with at least five Business Days' prior notice in writing); or
- (b) receipt by the Guarantor by email at the email address specified in the form of Notice of Demand in the Schedule (or such other email address as the Guarantor may, from time to time, notify to the Beneficiary with at least five Business Days' prior notice in writing),

in each case, prior to 12:00 noon on a Business Day. Delivery or receipt by email (as the case may be) either on a day that is not a Business Day or after 12:00 noon shall be deemed to be Receipt on the next succeeding Business Day.

**"Scheduled Interest"** means interest payable by the Company to the Holders or to the Beneficiary for the benefit of the Holders under the Guaranteed Bonds as specified and calculated in accordance with the Guaranteed Bonds (as may be adjusted in accordance

with the terms of the Guaranteed Bonds, but disregarding any default interest, any indemnity payments or any prepayment or early redemption penalties) together with any gross-up amounts payable by the Company to the Holders or to the Beneficiary for the benefit of the Holders in accordance with the terms of the Guaranteed Bonds.

**"Scheduled Principal"** means principal repayable by the Company to the Holders or to the Beneficiary for the benefit of the Holders under the Guaranteed Bonds as specified in the Guaranteed Bonds (as may be adjusted in accordance with the terms of the Guaranteed Bonds, but disregarding any default interest, any capitalised interest, any indemnity payments or any prepayment or early redemption penalties) together with any gross-up amounts payable by the Company to the Holders or to the Beneficiary for the benefit of the Holders in accordance with the terms of the Guaranteed Bonds.

**"Security"** means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

**"Security Sharing and Intercreditor Agreement"** means the [\*\*\*name of document\*\*\*] (governed by [English law]) dated on or about the date of this Deed between the Company, the Beneficiary, [the Holders], the Guarantor, among others, relating to certain security sharing and other arrangements concerning the Guaranteed Bonds.]<sup>1</sup>

**"SIG"** means the Sovereign Infrastructure Guarantee (SIG) (governed by English law) dated [\*\*\*] between HMT, as payer, and the Guarantor, as payee (a copy of which has been provided by the Guarantor to the Beneficiary), as may be assigned, novated or transferred (or replaced) pursuant to, and as contemplated by, clause 4.3 (*Transfer by HMT*) of the SIG.

**"UKIB Security Assignment"** means the security assignment (governed by English law) dated on or about the date of this Deed between the Guarantor (as assignor) and the Beneficiary (as assignee for itself and the Holders) pursuant to which the Guarantor assigns by way of security for its obligations to make payments to the Beneficiary under this Deed certain rights of the Guarantor to receive certain payments from the Counter-Guarantor under the SIG.

## 1.2 Interpretation

Unless a contrary indication appears, a reference in this Deed to:

- (a) the **"Company"**, the **"Guarantor"**, the **"Beneficiary"**, any **"Holder"**, any **"Party"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Guaranteed Bonds and/or this Deed and, in the case of the Beneficiary, any person for the time being appointed as trustee for the Holders in accordance with the Bond Trust Deed and notified to the Guarantor;
- (b) a **"Guaranteed Bonds Document"**, this **"Deed"** or any other agreement or instrument is a reference to that Guaranteed Bonds Document, this Deed or other agreement or instrument as amended, novated, supplemented, extended or restated;
- (c) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);

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<sup>1</sup> References to a Security Sharing and Intercreditor Agreement required only where such arrangements are a feature of the relevant transaction.

- (d) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- (e) a provision of law is a reference to that provision as amended or re-enacted from time to time;
- (f) to "**including**" or "**in particular**" shall not be interpreted narrowly, but shall be deemed to be a reference to "including without limitation" and "in particular without limitation"; and
- (g) a time of day is a reference to London time.

1.3 Any reference in this Deed to a clause or the Schedule is, unless otherwise stated, to a clause of this Deed or the Schedule to this Deed.

1.4 The headings in this Deed are inserted for convenience only and shall be of no legal effect.

1.5 Unless the context otherwise requires, words denoting the singular number only shall include the plural and vice versa.

#### 1.6 **Third party rights**

A person (including a Holder) who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

## 2. **UKIB GUARANTEE**

### 2.1 **Guaranteed Amounts**

Subject to clauses 3 and 5.2, the Guarantor hereby agrees unconditionally and irrevocably:

- (a) to pay to the Beneficiary for the benefit of the Holders any Guaranteed Amounts which are Due for Payment but which are unpaid by reason of Non-payment, as if the Guarantor was the principal obligor; and
- (b) with the Beneficiary for itself and for the benefit of the Holders that if any payment (a "**guaranteed payment**") guaranteed by the Guarantor under paragraph (a) above is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Beneficiary for itself and for the benefit of the Holders immediately on demand against any cost, loss or liability the Beneficiary or a Holder incurs as a result of the Company not paying such guaranteed payment which would, but for such unenforceability, invalidity or illegality, have been payable by it under the Guaranteed Bonds Documents on the date when it would have been due. The amount payable by the Guarantor under this indemnity will not exceed the amount it would have had to pay under this clause 2 if the amount claimed had been recoverable on the basis of a guarantee.

### 2.2 **Avoided Payment Amounts**

In the event that the Beneficiary has notice that any payments of Guaranteed Amounts which have become Due for Payment and which have been made to the Beneficiary or to any Holder by or on behalf of the Company have been declared (in whole or in part) a Preference and are required to be repaid by the Beneficiary or such Holder pursuant to any Insolvency Law in accordance with a final non-appealable order of a court of competent jurisdiction, the Beneficiary on behalf of the relevant Holders shall be entitled to payment

from the Guarantor, upon Receipt by the Guarantor from the Beneficiary of a duly completed Notice of Demand, to the extent of such recovery (such amounts, the "**Avoided Payment Amounts**").

### 2.3 **SIG**

The Guarantor acknowledges the existence and content of the SIG and the UKIB Security Assignment, and that in particular (and subject to, and without altering the terms of, the SIG and the UKIB Security Assignment) that:

- (a) the SIG allows the Beneficiary (provided the Beneficiary has delivered an inclusion notice thereunder to the Counter-Guarantor relating to this Deed, and any other relevant conditions set out in the SIG have been complied with) to submit claims directly on the Counter-Guarantor where a valid Notice of Demand has been submitted to the Guarantor under this Deed but has not been paid in full by the Guarantor on the relevant date as required in clause 3.1 (*Time for payment*);
- (b) the UKIB Security Assignment (provided notice of assignment in the form set out in the SIG has been delivered by the Guarantor to the Counter-Guarantor, and any other relevant conditions set out in the UKIB Security Assignment have been complied with) requires the Counter-Guarantor to make payments directly to the Beneficiary (including in the circumstances set out in paragraph (a) above); and
- (c) the SIG allows for a Covered Demand (as defined in the SIG) to take the form of a Deemed Covered Demand (as defined in the SIG) meaning that in the circumstances set out in the definition of "Deemed Covered Demand" a claim or demand that would otherwise have been made by the Beneficiary on the Guarantor under this Guarantee may be delivered instead directly to HMT.

### 2.4 **Clawback**

If at any time the Guarantor pays any Guaranteed Amounts which were not Due for Payment or makes any payment which it had no obligation to make for any reason (including as a result of fraud on the part of the Beneficiary, or any inaccurate or misleading representation made by the Beneficiary), [subject to any relevant provisions of the Security Sharing and Intercreditor Agreement], the Beneficiary shall immediately repay such paid amounts on demand immediately following such a demand for repayment having been made by UKIB.

## 3. **PAYMENTS**

### 3.1 **Time for payment**

- (a) Save in respect of Avoided Payment Amounts, the Guarantor shall make payments which are due under this Deed to the Beneficiary by 4.00pm on the later of:
  - (i) the fifth Business Day following Receipt by the Guarantor of a duly completed Notice of Demand<sup>2</sup>; and

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<sup>2</sup> The underlying documents will include the mechanics necessary to enable any potential Shortfall to be identified in advance of the relevant Due Date and notified by the party responsible for calculating the same to the Beneficiary and for the Beneficiary to notify the Guarantor and produce the Notice of Demand a sufficient number of Business Days prior to the relevant payment obligation becoming due, such that payment is made on the Due Date (allowing also for the period required for a claim to be made on HMT in the circumstances referred to in the footnote below). The Guarantor will work with the Beneficiary to ensure that timing provisions function as anticipated.



- (ii) the [\*\*\*]<sup>3</sup> Business Day before the applicable Due Date.
- (b) The Guarantor shall make payments in respect of Avoided Payment Amounts which are due under clause 2.1 to the Beneficiary by 4.00pm on the fifth Business Day following Receipt by the Guarantor of a duly completed Notice of Demand.
- (c) Although not a term that applies to this Deed or that needs to be complied with in order for a claim by the Beneficiary on the Guarantor under this Deed to be valid, the Parties acknowledge that it is a condition in clause 3.1(a) (*Payment of Claims*) of the SIG that a copy of any claim made by the Beneficiary on the Guarantor under this Deed must be delivered on the same day to the Counter-Guarantor in accordance with the notice provisions set out in clause 6 (*Communications*) of the SIG).

### 3.2 Method of payment

Payments due under this Deed shall be made by the Guarantor by credit to the Account in the appropriate currency or currencies. Payment in full to the Account shall discharge the obligations of the Guarantor under this Deed to the extent of such payment, whether or not such payment is properly applied by or on behalf of the Beneficiary or the Principal Paying Agent.

### 3.3 Gross up

All payments by the Guarantor under this Deed shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any political subdivision or taxing authority therein or thereof, unless the withholding or deduction is required by law. In that event, the Guarantor will pay such additional amounts (if any) as may be necessary in order that the net amounts received by the Beneficiary for the benefit of the Holders after the withholding or deduction shall equal the respective net amounts which would have been receivable under the Guaranteed Bonds (after any applicable withholdings or deductions) from the Company had the Company satisfied its obligations thereunder.

## 4. SUBROGATION

Upon the Guarantor making any payment in respect of any Guaranteed Obligation(s) to the Account pursuant to this Deed, the Guarantor shall, to the extent of any such payment, be fully and automatically subrogated pursuant to applicable law to all of the Beneficiary's and the Holders' rights to payment of any amounts payable in respect of such Guaranteed Obligation (including:

- (a) any rights and benefits attached to, and any Security conferred or granted by law, contract or otherwise in respect of, the Affected Guaranteed Obligations; and
- (b) any default interest on any of the Affected Guaranteed Obligations accrued pursuant to the Guaranteed Bonds after the date of payment by the Guarantor)<sup>4</sup>.

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<sup>3</sup> This period will be deal specific, but must in any event be long enough to allow for the circumstances where a claim may be made on HMT in the circumstances and in accordance with clause 4.2(b)(v) of the SIG (and additional 2 Business Days), plus any other additional days required in the underlying finance documentation payment mechanics.

<sup>4</sup> The Security Sharing and Intercreditor Agreement, to the extent there is one on a given transaction, should contain provisions dealing with any collections (including default interest) which the bond trustee or holders receive, which (net of enforcement costs) should be turned over to UKIB. As well as decision making (eg acceleration, enforcement, granting of waivers and consents).

**5. SCOPE OF GUARANTEE**

5.1 This Deed is not cancellable by the Guarantor for any reason, including the failure of the Guarantor to receive payment of any Guarantee Fees due in respect of this Deed. The Guarantee Fees are not refundable for any reason.

5.2 This Deed does not guarantee any early payment of any amount due under the Guaranteed Bonds (whether by reason of prepayment or early redemption (whether mandatory or optional), acceleration of maturity or otherwise) nor does it provide protection by way of guarantee or otherwise against any risk other than Non-payment or in respect of Avoided Payment Amounts, in each case as provided herein.

**6. IMMEDIATE RECOURSE**

The Guarantor waives any right it may have of first requiring the Beneficiary or any Holder to proceed against or to enforce any other rights or security against or to claim payment from any person before the Beneficiary may claim from the Guarantor under this Deed. This waiver applies irrespective of any law or any provision of this Deed or the Guaranteed Bonds to the contrary.

**7. PRESERVATION OF RIGHTS**

**7.1 Continuing obligations**

The obligations of the Guarantor under clause 2 are a continuing guarantee and will extend to the ultimate balance of the Guaranteed Obligations, regardless of any intermediate payment or discharge in whole or in part.

**7.2 Waiver of defences**

The obligations of the Guarantor under this Deed shall not in any way be affected by any act, omission, matter or thing which, but for this clause 7.2, would reduce, release or prejudice any of its obligations under this Deed (whether or not known to it or the Beneficiary or any Holder) including:

- (a) any lack of validity, enforceability or legality of, or any amendment to, any of the Guaranteed Obligations or the Guaranteed Bonds;
- (b) the granting of any time, consent, waiver or other indulgence or concession by any person to the Company;
- (c) any insolvency or similar proceedings in respect of the Company or any other person;
- (d) the existence of any claim, set-off or other right which the Company or the Guarantor may have at any time against the Beneficiary or any other person;
- (e) any incapacity, lack of power, authority or legal personality of or dissolution or change in the members or status of the Company or any other person;
- (f) any amendment, release, novation, supplement, extension, restatement or replacement of the Guaranteed Bonds or Guaranteed Bonds Documents however fundamental and of whatsoever nature;
- (g) the refusal or failure to take up, hold, perfect or enforce by any person any rights under or in connection with any guarantee, indemnity, security or other document

(including any failure to comply with any formality or other requirement or any failure to realise the full value of any security); or

- (h) any other act, omission, event, matter or circumstance which would have discharged or affected the liability of the Guarantor had it been the principal debtor under the Guaranteed Bonds, or anything done or omitted by any person which, but for this provision, might exonerate or discharge the Guarantor or otherwise reduce or extinguish its liability under this.

### 7.3 **Additional security**

This Deed and the guarantee and indemnity contained in clause 2.1 are in addition to and are not in any way prejudiced by any other guarantee or Security now or subsequently held by the Beneficiary or any Holder.

## 8. **TERMINATION**

- (a) This Deed shall terminate upon the last to occur of:
  - (i) the payment by the Guarantor of an amount or amounts equal to the aggregate amount of all Guaranteed Amounts payable hereunder;
  - (ii) the full payment, repayment and prepayment of all Guaranteed Amounts by the Company, any guarantor (other than the Guarantor), security provider or other person (other than the Guarantor); and
  - (iii)
    - (1) the day following the date on which any payment in respect of a Guaranteed Obligation could have been avoided in whole or in part under Insolvency Law; or
    - (2) if the Company becomes subject to any proceedings or other action pursuant to Insolvency Law ("**Insolvency Proceedings**") prior to the occurrence of paragraph (1) above, the last to occur of:
      - (A) the date of the final non-appealable conclusion or dismissal of the relevant Insolvency Proceedings without continuing jurisdiction by the court in such Insolvency Proceedings; and
      - (B) if the Beneficiary or a Holder is required to return any payment (or portion thereof) in respect of such Guaranteed Obligation that is declared a Preference as a result of such Insolvency Proceedings, the date on which the Guarantor has made all payments required to be made under the terms of this Deed to the Beneficiary for the benefit of the relevant Holders in respect of all Avoided Payment Amounts.
- (b) The provisions of this Deed shall continue in force notwithstanding the dissolution, striking-off of the Guarantor or the Guarantor otherwise ceasing to exist.

## 9. **ENTIRE AGREEMENT**

The Guarantee Documents constitute the entire agreement between the Guarantor, the Beneficiary and the Holders in respect of the Guarantor's obligation to make payments to the Beneficiary for the benefit of the Holders in respect of Guaranteed Amounts which become Due for Payment but shall have remained unpaid by reason of Non-payment or

Avoided Payment Amounts and supersedes any previous agreement between the Guarantor, the Beneficiary and the Holders in relation thereto.

## 10. CHANGES TO THE GUARANTOR

10.1 The rights and obligations of the Guarantor under this Deed shall not be assigned, novated or otherwise transferred (whether by virtue of any legislation or any scheme pursuant to any legislation or otherwise) to any person other than to any public body (being a single entity) acquiring the whole of the rights and the obligations of the Guarantor under this Deed and having the legal capacity, power and authority to become a party to and to perform the obligations of the Guarantor under this Deed, being:

- (a) a Minister of the Crown (within the meaning of the Ministers of the Crown Act 1975) pursuant to a transfer of functions order(s) under sections 1 and/or 2 of the Ministers of the Crown Act 1975);
- (b) a governmental body or department which has:
  - (i) sufficient financial standing or financial resources to perform the obligations of the Guarantor under this Deed; or
  - (ii) a credit rating from the credit rating agency (if any) then rating the Guaranteed Bonds at least equal to the then current rating of the Guarantor; or
- (c) any other public body whose obligations under this Deed are unconditionally and irrevocably guaranteed (in a form reasonably acceptable to the Company) by the Guarantor or a Minister of the Crown having the legal capacity, power and authority to perform the obligations of the Guarantor under this Deed,

(such entity, the "**Incoming Guarantor**"), provided that:

- (i) the SIG (or a replacement on materially the same terms) provides the same support to the assigned, novated or transferred (or replacement) deed as it does to this Deed prior to such assignment, novation or transfer (or replacement); and
- (ii) the UKIB Security Assignment (or a replacement on materially the same terms) continues to provide effective security to the Beneficiary (and a new notice of assignment is delivered thereunder to the Counter-Guarantor),

and if the UKIB Security Assignment is replaced, the Beneficiary shall upon request by the Guarantor execute a deed of release of the original UKIB Security Assignment (and give a corresponding notice of release to the Counter-Guarantor).

10.2 A transfer of rights and obligations under this clause 10 (*Changes to the Guarantor*) will be effective only if the Incoming Guarantor confirms to the Beneficiary in form and substance satisfactory to the Beneficiary that it is bound by the this Deed in place of the Guarantor. On the transfer becoming effective in this manner the Guarantor will be released from its obligations under this Deed to the extent that they are transferred to the Incoming Guarantor.

## 11. PARTIAL INVALIDITY

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability

of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

12. **REMEDIES AND WAIVERS**

No failure to exercise, nor any delay in exercising, on the part of the Beneficiary, any right or remedy under this Deed shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed. No election to affirm this Deed on the part of the Beneficiary shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

13. **GOVERNING LAW**

This Deed and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

14. **ENFORCEMENT**

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

(b) The Guarantor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes.

15. **WAIVER OF IMMUNITY**

(a) The Guarantor waives generally all immunity it or its assets or revenues may otherwise have in any jurisdiction, including immunity in respect of:

(i) the giving of any relief by way of injunction or order for specific performance or for the recovery of assets or revenues; and

(ii) the issue of any process against its assets or revenues for the enforcement of a judgment or, in an action in rem, for the arrest, detention or sale of any of its assets and revenues.

(b) The Guarantor agrees that in any proceedings in England & Wales this waiver shall have the fullest scope permitted by the State Immunity Act 1978 and that this waiver is intended to be irrevocable for the purposes of the State Immunity Act 1978.

**IN WITNESS** whereof this Deed has been executed as a deed by the Guarantor, and is intended to be, and is hereby delivered, as a deed by the Guarantor, and executed by the Beneficiary, with effect from the date stated at the beginning of this Deed.

## SCHEDULE

### Form of Notice of Demand

To<sup>5</sup>: UK Infrastructure Bank Limited  
One Embankment  
Neville Street  
Leeds LS1 4DW<sup>6</sup>

Attention: Portfolio Management<sup>7</sup>

Email: Portfolio.management@ukib.org.uk<sup>8</sup>

#### Deed of Guarantee dated {insert date} — Notice of Demand

1. We refer to the Deed of Guarantee dated {insert date} (the "**Guarantee**") executed by the UK Infrastructure Bank Limited (the "**Guarantor**") in favour of [\*\*\*name of beneficiary\*\*\*] (the "**Beneficiary**") in respect of liabilities of [\*\*\*name of company\*\*\*] (the "**Company**") under [description of guaranteed bonds] (the "**Guaranteed Bonds**").
2. Unless the context otherwise requires, capitalised terms used in this Notice of Demand and not defined herein shall have the meanings provided in the Guarantee.
3. The undersigned, a duly authorised officer of the Beneficiary, hereby certifies and undertakes to the Guarantor that:
  - (a) the Beneficiary is the Bond Trustee under the Bond Trust Deed for the Holders;
  - (b) **EITHER** the {Beneficiary understands, on the basis of notification received from the Principal Paying Agent, that the deficiency in respect of the Guaranteed Amounts which {are/were} Due for Payment on {insert Due Date} (the "**Affected Guaranteed Obligations**") {will be/was/is} {insert applicable currency and amount} (the "**Shortfall**") (and of such Shortfall (i) {insert amount} is Scheduled Interest on the Affected Guaranteed Obligations and (ii) {insert amount} is Scheduled Principal on the Affected Guaranteed Obligations);} **OR** {the Beneficiary or the Holders {has/have} been required to repay {insert applicable currency and amount} (the "**Avoided Payment Amount**") to the Company on {insert date} in connection with a Preference declared or required to be recovered from the Beneficiary or such Holder(s) pursuant to any Insolvency Law in accordance with a final non-appealable order of a court of competent jurisdiction;}
  - (c) the Beneficiary is making a claim under the Guarantee for the {Shortfall/Avoided Payment Amount} to be applied to the payment of the Guaranteed Amounts which {are Due for Payment (or applied against any pre-funding obligation which

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<sup>5</sup> Note clause 3.1(c) (*Time for payment*) which mentions that a copy of this notice of demand should also be delivered to HMT at the same time.

<sup>6</sup> Definition of "Receipt" says that this address may be changed by the Guarantor giving the Beneficiary at least five Business Days' prior notice in writing.

<sup>7</sup> Definition of "Receipt" says that this 'attention' may be changed by the Guarantor giving the Beneficiary at least five Business Days' prior notice in writing.

<sup>8</sup> Definition of "Receipt" says that this email address may be changed by the Guarantor giving the Beneficiary at least five Business Days' prior notice in writing.

corresponds to any such Guaranteed Amounts)/were paid but found to be a Preference};

- (d) the Beneficiary agrees that, following payment of funds by the Guarantor, it shall use reasonable endeavours to procure:
- (i) that such amounts are applied directly to the payment of Guaranteed Amounts which {are Due for Payment (or applied against any pre-funding obligation which corresponds to any such Guaranteed Amounts)/were paid but found to be a Preference};
  - (ii) that such funds are not applied for any other purpose; and
  - (iii) the maintenance of an accurate record of such payments with respect to each Guaranteed Obligation and the corresponding claim on the Guarantee and the proceeds thereof.

(and, for the purposes of (i) and (ii) above, it shall be sufficient if the Beneficiary directs the Guarantor to make payment to the Principal Paying Agent); and

- (e) payment should be made by the Guarantor in {insert currency} by credit to an account in the name of {insert name of Beneficiary or Principal Paying Agent} with {insert name of bank}<sup>9</sup>, of {insert address of bank}, Sort Code {insert sort code} and Account Number {insert account number}.

4. The Beneficiary acknowledges that the Guarantee provides that, effective as of the date on which the Shortfall or the Avoided Payment Amount (as the case may be) is credited to such account, the Guarantor shall, to the extent of such payment, be fully and automatically subrogated pursuant to applicable law to all of the Beneficiary's and the Holders' rights to payment of any amounts payable in respect of such Shortfall or Avoided Payment Amount (as the case may be) (including without limitation:
- (a) any rights and benefits attached to, and any Security conferred or granted by law, contract or otherwise in respect of, the Affected Guaranteed Obligations; and
  - (b) any default interest on any of the Affected Guaranteed Obligations accrued pursuant to the Guaranteed Bonds after the date of payment by the Guarantor).
5. This Notice of Demand may be revoked by written notice by the Beneficiary to the Guarantor at any time prior to the date specified in paragraph 3(b) above on which Guaranteed Amounts are Due for Payment to the extent that moneys are actually received in respect of the Guaranteed Obligations prior to such date from a source other than the Guarantor.
6. This Notice of Demand and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.
7. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this notice (including any non-contractual obligation arising out of or in connection with this notice) (a "**Dispute**").
8. The parties to this notice agree the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

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<sup>9</sup> This must be held with a bank in the UK.

**IN WITNESS WHEREOF** the Beneficiary has executed and delivered this Notice of Demand on {insert date}.

Executed by

**[\*\* Name of Beneficiary\*\*]**

acting by:

.....

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**EXECUTION PAGE**

Executed as a deed by **UK** )  
**Infrastructure Bank Limited** acting by: )

.....  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

.....  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Executed by  
**\*\*\*Name of Beneficiary\*\*\***  
acting by:

.....  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

[.....  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_]