



CHORUS LIMITED

(incorporated with limited liability in New Zealand)

Guaranteed by

Chorus New Zealand Limited

(incorporated with limited liability in New Zealand)

U.S.\$2,000,000,000

Euro Medium Term Note Programme

Under the Euro Medium Term Note Programme described in this Information Memorandum (the "**Programme**"), Chorus Limited (the "**Issuer**" or "**Chorus**") may from time to time issue notes (the "**Notes**") unconditionally and irrevocably guaranteed by Chorus New Zealand Limited (the "**Original Guarantor**") and any other Guarantors (as defined below) from time to time.

For the listing of any Notes which are agreed at the time of issue thereof to be listed on the Australian Securities Exchange operated by ASX Limited (ABN 98 008 624 691) ("**ASX**"), application will be made by the Issuer to ASX Limited. There is no assurance that the application to ASX Limited for listing of the Notes will be approved. Any Notes which are listed on the ASX will not be transferred through, or registered on, the Clearing House Electronic Sub-Register System ("**CHES**") operated by ASX Settlement Pty Limited (ABN 49 008 504 532) and will not be "Approved Financial Products" for the purposes of that system. Interests in the Notes will instead be held in, and transferred through, Euroclear and/or Clearstream, Luxembourg, and/or in relation to any Tranche (as defined below) of Notes, any other clearing system as may be agreed with the Issuer. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading, and/or quotation by any competent authority, stock exchange and/or quotation system or to 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. The relevant Pricing Supplement (as defined below) in respect of any Tranche of Notes will specify whether or not such Notes will be listed or quoted.

The ASX assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Information Memorandum, or the merits of the investments to which this Information Memorandum relates. Listing of any Notes on the ASX is not to be taken as an indication of the merits of the Issuer, the subsidiaries and associated companies of the Issuer, the Programme or the Notes. Tranches of Notes may be rated or unrated. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Pricing Supplement.

Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act 2001 of Australia (the "**Australian Corporations Act**") and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or 7.9 of the Australian Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Information Memorandum and anyone who receives this Information Memorandum must not distribute it to any person who is not entitled to receive it.

PROHIBITION OF SALES TO EEA RETAIL – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise

making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

EU MiFID II Product Governance/Target Market – The Pricing Supplement in respect of any Notes may include a legend entitled "EU MiFID II Product Governance/Target Market" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR Product Governance/Target Market – The Pricing Supplement in respect of any Notes may include a legend entitled "UK MiFIR Product Governance/Target Market" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the UK MiFIR Product Governance Rules set out in the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes issued or to be issued under the Programme are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products), unless otherwise stated in the Pricing Supplement in respect of any Notes.

Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the abilities of the Issuer and the Original Guarantor to fulfil their respective obligations under the Notes are discussed under "Risk Factors" below.

	Arranger Citigroup	
	Dealers HSBC	
Citigroup		MUFG
29 June 2022		

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IMPORTANT NOTICES

Each of the Issuer and the Original Guarantor accepts responsibility for the information contained in this Information Memorandum and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Information Memorandum is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" (the "**Conditions**") and any other terms and conditions not contained herein will be set out in a document specific to such Tranche called a pricing supplement (the "**Pricing Supplement**"). This Information Memorandum must be read and construed together with any supplements hereto and, in relation to any Tranche of Notes which is the subject of a Pricing Supplement, must be read and construed together with the relevant Pricing Supplement.

The Issuer and the Original Guarantor have confirmed to the Dealers named under "*Subscription and Sale*" below that this Information Memorandum contains all information which is (in the context of the Programme, the issue, offering and sale of the Notes and the guarantee of the Notes) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Information Memorandum does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme, the issue, offering and sale of the Notes and the guarantee of the Notes) not misleading in any material respect; and that all proper enquiries have been made to verify the foregoing.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Information Memorandum or any other document entered into in relation to the Programme or any information supplied by the Issuer or the Original Guarantor or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, the Original Guarantor or any Dealer.

None of the Dealers, the Trustee nor any of their respective affiliates have authorised the whole or any part of this Information Memorandum and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Information Memorandum. Neither the delivery of this Information Memorandum or any Pricing Supplement nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Information Memorandum is true subsequent to the date hereof or the date upon which this Information Memorandum has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer or the Original Guarantor since the date thereof or, if later, the date upon which this Information Memorandum has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Information Memorandum and any Pricing Supplement and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Information Memorandum or any Pricing Supplement comes are required by the Issuer, the Original Guarantor and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Information Memorandum or any Pricing Supplement and other offering material relating to the Notes, see "*Subscription and Sale*". In particular, the Notes and the guarantees thereof have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

Neither this Information Memorandum nor any Pricing Supplement constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Original Guarantor, the Dealers, the Trustee or any of them that any recipient of this Information Memorandum or any Pricing Supplement should subscribe for or purchase any Notes. Each recipient of this Information Memorandum or any Pricing Supplement shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and the Original Guarantor.

The maximum aggregate principal amount of Notes outstanding and guaranteed at any one time under the Programme will not exceed U.S.\$2,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into U.S. dollars at the date of the agreement to issue such Notes (calculated in accordance with the provisions of the amended and restated programme agreement dated 29 June 2022 ("**Programme Agreement**"))). The maximum aggregate principal amount of Notes which may be outstanding and guaranteed at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Programme Agreement.

In this Information Memorandum, unless otherwise specified, references to a "**Member State**" are references to a Member State of the European Economic Area, references to "**U.S.\$**" or "**U.S. dollars**" are to the lawful currency of the United States of America from time to time, references to "**EUR**" or "**euro**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended, references to "**£**" or "**GBP**" are to the lawful currency of the United Kingdom from time to time, and references to "**NZD**", "**NZ\$**" and "**New Zealand dollars**" are to New Zealand dollars.

References to the "**Chorus Group**" are to the Issuer and its wholly-owned subsidiaries, including the Original Guarantor, and references to the "**Crown**" are to Her Majesty the Queen acting in right of New Zealand. References to "**premises**" in connection with the Chorus Group's network are to a single building or structure located on a defined geographical site (such as may be evidenced by a certificate of title), which has a unique physical address recognised by New Zealand Post Limited ("**NZ Post**"), and is occupied by or could readily be occupied by a potential end-user.

The Issuer has prepared audited consolidated financial statements as at and for the years ended 30 June 2020 and 30 June 2021. In addition, half year financial results for the periods ended 31 December 2020 and 31 December 2021 have been prepared and published. The Original Guarantor has not published, and does not propose to publish, any separate financial statements.

Certain figures and percentages included in this Information Memorandum have been subject to rounding adjustments; accordingly, figures and percentages shown for the same category presented in different tables may vary slightly and figures and percentages shown as totals in certain tables may not be an arithmetic aggregation of the figures or percentages which precede them.

This Information Memorandum is not, and is not intended to be, a disclosure document within the meaning of section 9 of the Australian Corporations Act, or a Product Disclosure Statement for the purposes of Chapter 7 of the Australian Corporations Act. No action has been taken by the Issuer or any Guarantor that would permit a public offering of Notes in Australia. In particular, this Information Memorandum has not been lodged with the Australian Securities and Investments Commission. It is not intended to be used in connection with any offer for which such disclosure is required and does not contain all the information that would be required by those provisions if they applied. It is not to be provided in Australia to any "retail client" as defined in section 761G of the Australian Corporations Act. None of the Issuer or the Guarantors are licensed to provide financial product advice in respect of the Notes or the Guarantee. Cooling-off rights do not apply to the acquisition of the Notes.

This Information Memorandum is not, and is not intended to be, a Product Disclosure Statement for the purposes of Financial Markets Conduct Act 2013 of New Zealand. No action has been taken by the Issuer or any Guarantor that would permit a public offering of Notes in New Zealand.

In particular, this Information Memorandum has not been lodged with the New Zealand Registrar of Financial Services Providers. It is not intended to be used in connection with any offer for which such disclosure is required and does not contain all the information that would be required by those provisions if they applied.

Certain statements contained in this Information Memorandum, including those set out under "*Risk Factors*" and "*Description of the Chorus Group's Business*", and those incorporated by reference, constitute "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believe", "estimate", "anticipate", "intend", "may", "will" or "should" or in each case their negative, or other variations or comparable terminology. Such forward-looking statements involve risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Chorus Group, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks, uncertainties and other factors include, among others, general economic and business conditions, industry trends, competition, changes in government regulation, currency fluctuations, changes in operating strategy or development, political and economic uncertainty and other risks described in "*Risk Factors*". There can be no assurance that the results and events contemplated by the forward-looking statements contained in this Information Memorandum will, in fact, occur. These forward-looking statements speak only as at the date of this Information Memorandum. The Issuer and the Original Guarantor will not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this Information Memorandum except as required by law or by any appropriate regulatory authority.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the relevant Pricing Supplement may over-allot Notes or effect transactions, to the extent permitted by applicable laws, regulations and rules, and other than in the circumstances where such action would reasonably be expected to affect the price of the Notes traded within Australia or New Zealand or on a "financial market", as defined in the Australian Corporations Act, operated within Australia and with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be incorporated in, and form part of, this Information Memorandum:

- (a) Chorus' annual audited consolidated financial statements and related notes as at, and for the financial year ended, 30 June 2020 (including the audit report issued in respect thereof), as contained on pages 31 to 67 of Chorus' Annual Report for the year ended 30 June 2020, which has been provided to the ASX;
- (b) Chorus' annual audited consolidated financial statements and related notes as at, and for the financial year ended, 30 June 2021 (including the audit report issued in respect thereof), as contained on pages 26 to 59 of Chorus' Annual Report for the year ended 30 June 2021, which has been provided to the ASX;
- (c) Chorus' unaudited consolidated financial statements and related notes as at, and for the six months ended, 31 December 2021 (including the independent review report issued in respect thereof), as contained on pages 4 to 17 of Chorus' Half Year Results for the six months ended 31 December 2021);
- (d) the most recently published annual audited consolidated financial statements, and any interim consolidated financial statements, and related notes of Chorus published and provided to the ASX subsequently to the date of this Information Memorandum from time to time; and
- (e) each relevant Pricing Supplement,

except that (i) any forecast financial information, or analysis and/or opinions relating to forecast financial information, contained in the documents referred to at (a) to (d) above shall not be incorporated by reference in, nor form part of, this Information Memorandum, and (ii) any statement contained in this Information Memorandum or in a document which is incorporated by reference in this Information Memorandum shall be deemed to be modified or superseded to the extent that it is inconsistent with any statement contained in a subsequent such document.

Any information or other documents themselves incorporated by reference, either expressly or implicitly, in the documents incorporated by reference in this Information Memorandum shall not form part of this Information Memorandum.

Following the publication of this Information Memorandum a supplement may be prepared by the Issuer. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Information Memorandum or in a document which is incorporated by reference in this Information Memorandum. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Information Memorandum.

Copies of documents incorporated by reference in this Information Memorandum can be obtained from the offices of the Principal Paying Agent c/o Citibank, N.A., Dublin Branch, 1 North Wall Quay Dublin .

Internet site addresses in this Information Memorandum are included for reference only and the contents of any such internet sites are not incorporated by reference into, and do not form part of, this Information Memorandum.

The Issuer and the Original Guarantor will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Information Memorandum which is capable of affecting the assessment of any Notes, prepare a supplement to this Information Memorandum or publish a new Information Memorandum for use in connection with any

subsequent issue of Notes or may provide supplemental or additional information in a Pricing Supplement in connection with the issue of a particular Tranche of Notes.

GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, the Issuer may from time to time issue Notes denominated in any currency, subject as set out herein. A summary of the terms and conditions of the Programme and the Notes appears below. The applicable terms of any Notes will be agreed between the Issuer and the relevant Dealer prior to the issue of the Notes and will be set out in the Conditions of the Notes endorsed on, attached to, or incorporated by reference into, the Notes, as modified and supplemented by the applicable Pricing Supplement attached to, or endorsed on, such Notes, as more fully described under "*Forms of the Notes*" below.

The aggregate principal amount of Notes outstanding and guaranteed at any time will not exceed U.S.\$2,000,000,000 or its equivalent in other currencies, subject to increase as described below. For the purpose of calculating the U.S. dollar equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time, the maximum aggregate principal amount of Notes outstanding and guaranteed at any one time under the Programme will not exceed U.S.\$2,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into U.S. dollars at the date of the agreement to issue such Notes (calculated in accordance with the provisions of the Programme Agreement)). The maximum aggregate principal amount of Notes which may be outstanding and guaranteed at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Programme Agreement.

OVERVIEW

The following is an overview of the principal features of the Notes and is qualified in its entirety by the detailed information appearing elsewhere in this Information Memorandum and, in particular, under "Terms and Conditions of the Notes". Potential purchasers of Notes are urged to read this Information Memorandum in its entirety. Terms used in this overview and not otherwise defined shall have the meaning given to them in the "Terms and Conditions of the Notes".

- Issuer:** Chorus Limited, a limited liability company incorporated under the Companies Act 1993 of New Zealand with company number 3454251 and having its registered office at Level 10, 1 Willis Street, Wellington 6011, New Zealand. Chorus Limited is the listed holding company of Chorus New Zealand Limited.
- Original Guarantor:** Chorus New Zealand Limited, a limited liability company incorporated under the Companies Act 1993 of New Zealand with company number 3454256 and having its registered office at Level 10, 1 Willis Street, Wellington 6011, New Zealand. Chorus New Zealand Limited is the operating company in the Chorus Group.
- Guarantors:** The Original Guarantor and such additional or alternative subsidiaries of the Issuer as may be appointed from time to time. The terms of the amended and restated trust deed dated 29 June 2022 (the "**Trust Deed**") provide for the mandatory accession as Guaranteeing Subsidiaries of each Material Subsidiary (as defined in the Trust Deed) of the Issuer as a Guarantor of Notes under the Programme and the release of a Guarantor at the option of the Issuer upon certification to the Trustee. As at the date of this Information Memorandum, the Original Guarantor is the sole Guarantor of Notes issued under the Programme.
- Risk Factors:** Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the abilities of the Issuer and the Guarantors to fulfil their respective obligations under the Notes are discussed under "*Risk Factors*" below.
- Arranger:** Citigroup Global Markets Limited.
- Dealers:** Citigroup Global Markets Limited
The Hongkong and Shanghai Banking Corporation Limited (incorporated in the Hong Kong SAR, acting through its New Zealand branch)
MUFG Securities Asia Limited
and any other Dealer appointed from time to time by the Issuer and the Guarantors either generally in respect of the Programme or in relation to a particular Tranche of Notes.
- Trustee:** The Law Debenture Trust Corporation p.l.c.
- Principal Paying Agent:** Citibank, N.A., London Branch.
- Registrar:** Citibank, N.A., London Branch.
- Listing and Trading:** For the listing of any Notes which are agreed at the time of issue thereof to be listed on the ASX, application will be made by the Issuer to ASX Limited. There is no assurance that the application to ASX Limited for the listing of the

Notes will be approved. Notes which are listed on the ASX will not be transferred through, or registered on, the CHESS operated by ASX Settlement Pty Limited (ABN 49 008 504 532) and will not be "Approved Financial Products" for the purposes of that system.

The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to 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.

The relevant Pricing Supplement in respect of the issue of any Notes will specify whether or not such Notes will be listed, quoted and/or admitted to trading on a stock or securities exchange.

- Clearing Systems:** Euroclear and/or Clearstream, Luxembourg and/or, in relation to any Tranche of Notes, any other clearing system as may be specified in the relevant Pricing Supplement.
- Initial Programme Amount:** Up to U.S.\$2,000,000,000 (or its equivalent in other currencies) aggregate principal amount of Notes outstanding and guaranteed at any one time.
- Issuance in Series:** Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.
- Forms of Notes:** The Notes will be issued in bearer or registered form as specified in the applicable Pricing Supplement. Notes may be issued in bearer form only ("**Bearer Notes**") or in registered form only ("**Registered Notes**"), as described in the "*Forms of the Notes*". Each Tranche of Notes will initially be in the form of either a Temporary Global Note, a Permanent Global Note or a Registered Global Note in each case as specified in the relevant Pricing Supplement. Each Global Note which is not intended to be issued in new global note form (a "**Classic Global Note**" or "**CGN**"), as specified in the relevant Pricing Supplement, will be deposited on or around the relevant issue date with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Global Note which is intended to be issued in new global note form (a "**New Global Note**" or "**NGN**"), as specified in the relevant Pricing Supplement, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Pricing Supplement, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Pricing Supplement as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note

or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.

Currencies: Notes may be denominated in any currency or currencies as may be agreed between the Issuer and the relevant Dealer(s), subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.

Status of the Notes: Notes will be issued on an unsubordinated basis and will constitute direct and unconditional obligations of the Issuer.

Status of the Guarantee: Notes will be unconditionally and irrevocably guaranteed by the Guarantors, on an unsubordinated basis ("**Guarantee**").

Issue Price: Notes may be issued at any price and either on a fully or partly paid basis, as specified in the relevant Pricing Supplement. The price and amount of Notes to be issued under the Programme will be determined by the Issuer, the Guarantors and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.

Maturities: Any maturity as may be agreed between the Issuer and the relevant Dealer(s), subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the Financial Services and Markets Act 2000 ("**FSMA**") by the Issuer.

Redemption: Notes may be redeemable at par or at such other Redemption Amount (detailed in a formula or otherwise) as may be specified in the relevant Pricing Supplement. Notes may also be redeemable in two or more instalments on such dates and in such manner as may be specified in the relevant Pricing Supplement.

Optional Redemption: Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or the

Noteholders to the extent (if at all) specified in the relevant Pricing Supplement.

Tax Redemption:	Except as described in " <i>Optional Redemption</i> " above, early redemption will only be permitted for tax reasons as described in Condition 11(b) (<i>Redemption and Purchase - Redemption for tax reasons</i>).
Interest:	Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series.
Denominations:	Notes will be issued in denominations of €100,000 or such other denominations as may be agreed between the Issuer and the relevant Dealer(s) and as indicated in the applicable Pricing Supplement provided that the minimum denomination of each Note will be €100,000 (or, if the Notes are denominated in a currency other than euro, at least the equivalent amount in such currency) or such other higher amount as may be required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.
Negative Pledge:	The Notes will have the benefit of a negative pledge as described in Condition 6 (<i>Negative Pledge</i>).
Cross Default:	The Notes will have the benefit of a cross default as described in Condition 14 (<i>Events of Default and Enforcement</i>).
Taxation:	All payments in respect of Notes will be made free and clear of withholding taxes of New Zealand, unless the withholding is required by law. In that event, the Issuer will (subject as provided in Condition 13 (<i>Taxation</i>)) pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding been required.
Governing Law:	English law.
Ratings:	<p>The Programme has been rated BBB by S&P Global Ratings Australia Pty Ltd ("S&P Global") and Baa2 by Moody's Investors Service Pty Limited ("Moody's").</p> <p>Tranches of Notes will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the relevant Pricing Supplement. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p>
Selling Restrictions:	For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, Member States of the European Economic Area, the United Kingdom, Hong Kong, Singapore, Japan, Australia and New Zealand, see " <i>Subscription and Sale</i> " below.

RISK FACTORS

Prospective investors should read and carefully consider the entire Information Memorandum, including the risks and uncertainties described below. Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Information Memorandum have the same meanings in this section.

The Issuer and the Original Guarantor believe that the following factors may affect their ability to fulfil their obligations under Notes issued under the Programme and the Guarantee. All of these factors are contingencies which may or may not occur and the Issuer and the Original Guarantor are not in a position to express a view on the likelihood of any such contingency occurring. Factors which the Issuer or the Original Guarantor believe may be material for the purpose of assessing the market risks associated with Notes issued under the Programme and the Guarantee are also described below. Additional risks not currently known to the Issuer or the Original Guarantor or that they now deem immaterial may also adversely affect the Issuer or the Original Guarantor or affect an investment in the Notes.

Risks relating to the Issuer

The Issuer is a holding company and accordingly substantially all of its assets consist of its shareholding in the Original Guarantor (as the sole operating subsidiary of the Issuer, at the date of this Information Memorandum). As such, a further activity of the Issuer is to provide financing to the Original Guarantor and to refinance these obligations. The ability of the Issuer to satisfy its obligations under the Notes will depend upon dividend payments and/or other payments to the Issuer by the Original Guarantor and/or financial support it may obtain from the Original Guarantor. The assets of the Issuer should not therefore be primarily relied upon by prospective investors in making an investment decision to purchase the Notes. Rather, any investment decision to purchase the Notes should be based primarily on the strength of the Original Guarantor.

Risks relating to the regulatory environment in which the Chorus Group operates

Regulation of services may adversely affect the Chorus Group's business

At the date of this Information Memorandum, the majority of the Chorus Group's revenue comes from services that are controlled by regulation; this is predominantly in the form of fibre services with some residual copper services, as discussed below.

The Chorus Group's regulated fibre revenues were estimated to be 64% of total revenues in the 6 months to 31 December 2021. Due to recent regulatory changes, described further below, all fibre services provided by the Chorus Group are subject to information disclosure regulations and a subset of these are also subject to price quality regulation by the New Zealand Commerce Commission (the "**NZCC**") under the New Zealand Telecommunications Act 2001 (the "**Telco Act**"). The majority of Chorus Group's remaining copper services have pricing and terms regulated by the NZCC under the Telco Act, with annual CPI adjustments, as well as a process for deregulation in Chorus Group and other local fibre companies ("**LFCs**") fibre areas.

In 2018, the Telecommunications (New Regulatory Framework) Amendment Act 2018 (the "**Amendment Act**") established the framework for the regulatory regime which applies to fibre services. Under the Amendment Act:

- the NZCC was required to develop and implement a new regulatory regime for fibre fixed line access services ("**FFLAS**"). The new regime came into effect on 1 January 2022. The remainder of this section focuses on this new regulatory framework; and
- the Chorus Group remains obliged to provide certain regulated copper services in accordance with the existing price and non-price terms determined by the NZCC, subject to annual CPI adjustments and a mechanism for deregulating and/or withdrawing copper services.

The new FFLAS regulatory framework:

- caps the revenue the Chorus Group is allowed to generate from FFLAS;
- requires the Chorus Group to comply with specified quality standards in the provision of FFLAS;
- requires the Chorus Group to implement geographically consistent pricing for FFLAS;
- provides for regulations requiring the Chorus Group to provide certain FFLAS, including anchor services (a basic broadband fibre service and a basic telephony fibre service), a direct fibre access service, and unbundled fibre services; and
- provides for regulations requiring the Chorus Group to disclose certain information about its fibre services to the NZCC.

Maximum revenue

Under the new fibre regime the NZCC determines the cap on revenue that the Chorus Group can receive from FFLAS following a prescribed consultative process. The maximum revenue the Chorus Group can earn in any regulatory year is specified by the NZCC in a Price-Quality Determination ("**PQ Determination**"), principally with reference to the efficient costs the Chorus Group is expected to incur in each regulatory period, including a return of and on invested capital ("**building blocks revenue**"). The PQ Determination sets the Chorus Group's allowable building blocks revenue in the first year of each regulatory control period, and that amount is then inflated by CPI in each subsequent year.

The revenue cap is intended to ensure that the Chorus Group is able to recover its efficient and prudently incurred costs and is prevented from earning 'excessive profits'. However, as explained above, building blocks revenue is determined by the NZCC prior to the commencement of the regulatory period (currently 1 January 2022 to 31 December 2024) on the basis of forecast costs. Therefore, there is a risk that actual costs will diverge from forecast. There are only limited mechanisms to re-open the revenue cap in the course of each regulatory control period.

After the initial three year regulatory period, the NZCC may conduct a review and recommend to the Minister for the Digital Economy and Communications (the "**Minister**") that the regulations be reset to provide for a price cap for all fibre services rather than a revenue cap. If this recommendation is made and the Minister accepts the recommendation and sets a reset date, the NZCC may move to implement price cap regulation rather than revenue cap regulation.

Quality standards

The PQ Determination sets certain quality standards that the Chorus Group must meet in providing the relevant FFLAS. The Chorus Group may incur pecuniary penalties if it fails to achieve these quality standards.

Geographically consistent pricing

The Amendment Act brings in new provisions requiring that the Chorus Group must charge all access seekers the same price for providing FFLAS that are in all material respects the same.

Anchor services

The Amendment Act gave the Minister power to determine the regulations for anchor services, the direct fibre access service and unbundled fibre service. In 2021, these regulations were made prescribing service descriptions and conditions and the maximum price (subject to annual CPI adjustments) for each of the following:

- **Broadband anchor service** being a Bitstream access service with a minimum download speed of 100 megabits per second and a minimum upload speed of 20 megabits per second provided over a point-to-multipoint fibre connection. The maximum price that can be charged for this service is \$47.87 per month.
- **Voice anchor service** being a voice only communication service provided over a point-to-multipoint fibre connection. The maximum price that can be charged for this service is \$26.02 per month.
- **Large user direct fibre access service** being a point-to-point dark fibre access service. The maximum price that can be charged per month is \$369.41.

Information disclosure

The NZCC has also made an Information Disclosure Determination (the "**ID Determination**") which specifies information that the Chorus Group must either publicly disclose or disclose to the NZCC. The ID Determination requires the disclosure of detailed information regarding the Chorus Group's expenditure and financial performance and is intended to enable the NZCC to monitor the Chorus Group's performance.

General

The Chorus Group is now in the first year of complying with the new regulatory regime for FFLAS. While outcomes from future reviews could adversely impact the Chorus Group's operations, market share, competitiveness, financial performance and financial position, as could future government policies, ministerial decisions, regulator decisions or other regulatory outcomes, the Chorus Group believes such risks are reduced now that the Chorus Group is subject to the new regulatory regime.

Non-compliance with the new regulatory framework could result in inquiries, investigations, litigation and/or fines.

Changes in regulation may require significant further investment without substantial return and have other consequences

Any further changes in regulation, regulatory reviews or determinations affecting the prices of fibre and copper services may impact demand for those services or an unbundled form of such services.

Changes to service specifications and/or non-price terms may also require the Chorus Group to invest in its network or do other things without price increases, other compensation, or in ways which do not provide appropriate cost recovery or an adequate return on investment.

Any such changes may adversely affect the Chorus Group's revenue and profitability.

Future government policies, ministerial decisions, regulator decisions or other regulatory outcomes could adversely impact the Chorus Group's operations, market share, competitiveness, financial performance and financial position.

The Chorus Group is subject to other material regulation

The Chorus Group is subject to other regulatory determinations of the NZCC including annual fibre information disclosure requirements, a contribution towards the Telecommunications Development Levy ("**TDL**") imposed under the Telco Act and NZCC costs. In addition to enforceable regulatory determinations of the NZCC, the Chorus Group is subject to other obligations including open access obligations and telecommunications service obligations under the Telco Act and deeds with the Crown. Additionally, the Chorus Group is limited in the manner in which it can withdraw its copper services under the NZCC's Copper Withdrawal Code. This may require the Chorus Group to spend more on maintaining copper networks than it would otherwise choose to. Non-compliance with these requirements could result in inquiries,

investigations, litigation and/or fines. Such circumstances, and/or future changes to requirements, may adversely impact revenue and costs.

Furthermore, certain regulatory and legislative rules limit the Chorus Group's ability to pursue certain business opportunities and activities and, consequently, may affect the returns it can generate on its assets. There can be no assurances gained by the Chorus Group as to future policies, ministerial decisions or regulatory outcomes it may face which could adversely impact the Chorus Group's operations, market share, competitiveness and financial performance.

Further information on regulation applicable to the Chorus Group is set out under the heading "*Description of the Chorus Group's Business – Regulation of the Chorus Group*" below.

Regulatory proceedings and investigations

Regulatory proceedings and investigations in relation to the Chorus Group may in the future require considerable resources and management attention to be diverted to them, which may adversely affect the Chorus Group's business and results of operations.

Further information on the Chorus Group's regulatory environment is set out under "*Description of the Chorus Group's Business – Regulatory reviews and litigation*" and under "*Description of the Chorus Group's Business – Regulation of the Chorus Group*" below.

Risks relating to the Chorus Group's services and business

Demand for fibre services may vary

At the date of this Information Memorandum, the number of end-users choosing the Chorus Group's fibre network continues to grow. Rapid growth in network traffic could also constrain parts of the Chorus Group's network necessitating further investment.

The demand for existing copper based services provided by the Chorus Group is affected by fibre networks built by other LFCs in the approximately 25% of UFB candidate areas not awarded to the Chorus Group and by the continuing evolution of alternative technologies such as fixed wireless access and satellite services that may become more substitutable for fixed services across New Zealand. See further under "*Demand for the Chorus Group's services may decrease as a result of market factors*" below.

The Chorus Group's future revenues and profitability will be affected by both the level of fibre uptake and the mix of fibre services sold between basic plans and higher-priced premium services. Because an end-user's uptake of fibre will often be accompanied by an offsetting loss of revenue as the end-user disconnects from the copper network, the Chorus Group bears the cost of initially connecting premises to the fibre network. The Chorus Group's profitability may be adversely affected by uptake that is either too low, too high or that is overly weighted to basic services.

Factors such as consumer confidence, inflation (reduced disposable income) and attributed utility (e.g. risk of negative impact if the work from home or streamed video content trends reverse) could also affect ongoing demand.

Growth in the size of the addressable market for fibre services is partly determined by the number of new dwellings being built and released into the market. Risks to the development of new premises include supply chain shortages, cost escalations and financial instability of property developers. There are also demand-side risks such as population decline due to negative net migration and reduced affordability of new builds leading to low occupancy.

The Chorus Group supplies business and corporate fibre services. Demand for these services is driven by a number of factors including the health of the wider economy, work practices (for example, working from home versus corporate office), and availability of competing services.

The Chorus Group's profitability is also driven by the impact of inflation on input costs. There is a risk that high inflationary pressures cannot be offset by increases in pricing, leading to reduced profitability.

The Chorus Group is dependent on third party contractors and suppliers

The Chorus Group engages a number of external suppliers to build, operate and maintain its network and to supply services, equipment and materials. Significant failure by these parties could impact the Chorus Group's ability to meet its other obligations. For example, failure of a supplier could result in Chorus breaching a UFB Agreement and could affect the Chorus Group's financial position and performance, and potentially also breach agreements with the retail service providers ("**RSPs**").

The Chorus Group is dependent upon its skilled employees

The Chorus Group is dependent upon skilled and experienced employees to provide its services. If the Chorus Group is unable to attract and retain employees with key technical, service or institutional knowledge, this may impact the Chorus Group's ability to deliver its future plans and materially affect its financial performance. Potential factors that pose a risk to the Chorus Group's ability to retain experienced and skilled people and industry knowledge include employee exposure to significant work related pressures over recent years (including disruptions caused by COVID-19, the implementation of regulatory and transformational initiatives, the extended uncertainty about the Chorus Group's future structure in an environment where the UFB build is largely completed and, more recently, increasing international employment opportunities).

Health and safety

Keeping people healthy and safe is a priority of the Chorus Group. This includes a policy that no business objective will be prioritised over the health and safety of any person in the Chorus Group's work environments. Key risks in the field include working at heights and in confined spaces, driving, asbestos, and striking other networks and electrocution. The Chorus Group is committed to taking all reasonably practicable steps to ensure a safe and secure environment (for both employees and contractors) and anyone who is in, or in the vicinity of, its workplaces. The Chorus Group is focused on continued improvement to health and safety practices, and it continues to work closely with contractors on reducing the risk of work related injuries.

The Chorus Group manages the risk of modern slavery in its international supply chain and the risk of employment law breaches by subcontractors, particularly in relation to migrant workers engaged in its field workforce. The Chorus Group works collaboratively with its field service companies to minimise the risk through preventive education and mechanisms to proactively identify and resolve any breaches.

The Chorus Group's network may be constrained, damaged or interrupted

Rapid growth in network traffic could constrain parts of the Chorus Group's network necessitating further investment to provide additional capacity. This can also require rapid increases in the workforce of the Chorus Group and its service company partners generally or in particular regions. There is a risk that such volatility in workforce size can lead to delays and the quality of some installations falling below expected standards.

The Chorus Group's network infrastructure is vulnerable to damage or interruption from a range of risks, including equipment failure, cable cuts, power failures, weather, earthquake, fire, long term climate change and intentional damage. The Chorus Group's ongoing investment in a fibre to the premises network is helping mitigate the most significant potential transition and physical risks related to climate change.

Interruption to the operations of the Chorus Group's network could also result in lost revenue, capital expenditure, higher operating costs, reputational damage and liability to customers.

The Chorus Group relies on IT systems

The Chorus Group's own information technology ("IT") systems, and those third party systems on which it relies (including shared legacy systems with Spark New Zealand Limited ("**Spark**")), sit within a complex technical and operating environment. While the Chorus Group continues to reduce its risk by migrating fibre services and customers off shared legacy systems, the reducing copper customer base continues to be supported by these shared legacy systems.

The Chorus Group's own environment continues to grow in complexity as systems are progressively transitioned from third parties and as copper to fibre migration continues. These systems also face risks of failure.

The Chorus Group has incident, continuity and emergency management capability in order to address business disruption events and mitigate associated risks, including those relating to operation of the Chorus Group's network and IT systems and those of third parties on which it relies. However, no assurance can be provided that a major failure will not occur requiring significant and additional unexpected expenditure. Any interruption to the operations of the Chorus Group's network could result in lost revenue, additional capital expenditure requirements, higher operating costs, damage to the Chorus Group's reputation and liability to customers. If failures occur in the new UFB network, it may significantly affect end-user perceptions of the reliability of the network, breach NZCC quality standards and result in lower fibre uptake.

The Chorus Group may require significant capital resources to fund its business

The Chorus Group's ability to maintain an appropriate capital structure for its financial profile, either by refinancing debt on favourable terms or by raising new debt, may be adversely affected if it experiences a decline in its operating performance or revenues, there is a material and unexpected increase in capital expenditure, if financial market conditions are volatile or if it is unable to maintain its credit rating.

This could limit the Chorus Group's access to funding and/or increase its funding costs.

Risks relating to the Chorus Group's customer base and the market for its products and services

Demand for the Chorus Group's services may decrease as a result of market factors

The Chorus Group's revenue may reduce from any one or more factors, including greater numbers of customers and/or end-users:

- using services provided by third parties instead of those provided by the Chorus Group, including the lines of other LFCs in UFB candidate areas not awarded to the Chorus Group in the New Zealand Government's UFB network build and mobile network operators ("**MNOs**") fixed wireless services. This exposes the Chorus Group to increased fixed line competition in those areas. As the LFCs look to migrate end-users over time from the Chorus Group's copper based products and services to the LFC fibre based products and services, and MNO's target lower data usage and voice only customers the Chorus Group is likely to lose copper market share and revenue in those areas. Material loss of market share and any resulting material loss of revenue would likely have an adverse impact on the Chorus Group's earnings and profitability; and/or
- using mobile, satellite or other technologies instead of the Chorus Group's lines across Chorus' national copper and fibre footprint. If such substitution continues within the New Zealand market, the Chorus Group could experience a decline in the total number of fixed access lines across both the copper and fibre access network. This in turn could have an adverse impact on the Chorus Group's revenue and profitability.

The above risk factors either individually or in combination may reduce the Chorus Group's revenues, increase its costs or otherwise adversely impact its financial position and performance.

These risks could be increased if the Chorus Group fails to deliver adequate performance and an appropriate experience to its customers and end-users.

Concentration of the customer base

The Chorus Group has a concentrated customer base consisting predominantly of a small number of RSPs. The concentration of the Chorus Group's customer base heightens the risk that a dispute with a customer, or a customer's failure to pay for services (whether as a result of a dispute or a customer experiencing financial difficulty), will have a material adverse effect on the Chorus Group's cash flow and financial position.

Future carrying value of assets

Assessing the appropriateness of useful life and residual value estimates of network assets requires a number of factors to be considered such as the physical condition of the asset, expected period of use of the asset by the Chorus Group, technological advances, regulation and expected disposal proceeds from the future sale of the asset.

Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Prior to their maturity, the secondary market value of Notes may also be influenced by many factors including, without limitation, the operating performance of the Chorus Group, prevailing interest rates, market sentiment or risk aversion generally.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes and the Original Guarantor will make any payments under the Guarantee in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease:

- (i) the Investor's Currency-equivalent yield on the Notes;
- (ii) the Investor's Currency-equivalent value of the principal payable on the Notes; and
- (iii) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Inflation risk

Noteholders may suffer erosion on the return of their investments due to inflation. Noteholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Notes. An unexpected increase in inflation could reduce the actual returns.

Global financial turmoil has in the past led to volatility in international capital markets which may adversely affect the market price of the Notes

Global financial turmoil has in the past resulted in substantial and continuing volatility in international capital markets. Any future deterioration in global financial conditions could have a material adverse effect on worldwide financial markets, which may adversely affect the market price of the Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The rating(s) (if any) of the Notes will be specified in the applicable Pricing Supplement. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes.

A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

An issue may not proceed

The Issuer may decide not to proceed with an issue of Notes under the Programme. Where this is the case, the investor will have no rights against the Issuer or the Guarantors in relation to any expense incurred or loss suffered.

Risks related to Notes generally

Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each investor should have (either alone or with the help of a financial adviser):

- (i) sufficient knowledge and experience in financial and business matters to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes, and the information contained in this Information Memorandum and any applicable supplement or Pricing Supplement;
- (ii) access to, and knowledge of, appropriate analytical tools to evaluate the merits and risks an investment in the Notes and the impact the Notes will have on its overall investment portfolio in the context of its particular circumstances;
- (iii) sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) a thorough understanding of the terms and conditions of the Notes and be familiar with the behaviour of any relevant indices and financial markets;

- (v) the ability to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect an investment in the relevant Notes and its ability to bear the applicable risks; and
- (vi) the expertise to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact on the investor's overall investment portfolio.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios.

Particular issues of Notes may not be an appropriate investment for investors who are inexperienced with respect to:

- (i) the applicable interest rate indices, currencies, other indices or formulas, or redemption or other rights or options; and
- (ii) investments where the amount of principal and/or interest payable (if any) is based on the price, value, performance or some other factor and/or the creditworthiness of one or more entities; or investments where a currency of payment and the investor's currency are different.

Events of Default

Before the Trustee can accelerate the Notes following the occurrence of certain Events of Default, it must certify that the occurrence of such event is materially prejudicial to the interests of the Noteholders.

Modification, waivers and substitution

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and investors who voted in a manner contrary to the majority.

The Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders, Receiptholders or Couponholders, agree to:

- (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes, the Conditions, the Paying Agency Agreement or the Trust Deed, or determine that any Event of Default or Potential Event of Default shall not be treated as such; or
- (ii) any modification which is of a formal or minor or technical nature or is made to correct a manifest error; or
- (iii) the substitution of the Original Guarantor or any other Subsidiary as principal debtor under the Trust Deed and in relation to the Notes, Receipts and Coupons of any Series in place of the Issuer, in the circumstances described in Condition 18(c).

Change of law

The Conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the Issue Date of the relevant Notes.

Changes in law, including a change to the Issuer's legal status, control or tax residence and changes to the law governing the Notes, may alter the rights of investors from those at the time of the issue and may impact on the ability of an investor to enforce its rights as they existed at the Issue Date.

Further, changes in governmental policy and regulation may also have an impact on the Issuer and/or the Guarantors. In addition to changes in laws and regulations, the policies and practices of government regulators may change and political and diplomatic developments may have an unexpected or adverse impact on the terms and conditions of the Notes.

Notes where denominations involve integral multiples: Definitive Notes

In relation to Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such case an investor who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If Definitive Notes are issued, holders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

The Guarantees provided by the Guarantors may be limited by applicable laws or subject to certain defences that may limit their validity and enforceability

The Guarantees given by the Guarantors provide holders of Notes with a direct claim against the relevant Guarantor in respect of the Issuer's payment obligations under the Notes. Enforcement of each Guarantee would be subject to certain generally available defences. Local laws and defences may vary, and may include those that relate to corporate benefit (*ultra vires*), fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, liability in tort, subordination and capital maintenance or similar laws and concepts. They may also include regulations or defences which affect the rights of creditors generally.

If a court were to find a Guarantee given by a Guarantor, or a portion thereof, void or unenforceable as a result of such local laws or defences, holders would cease to have any claim in respect of that Guarantor and would be creditors solely of the Issuer and any remaining Guarantors and, if payment had already been made under the relevant Guarantee, the court could require that the recipient return the payment to the relevant Guarantor.

Risks related to a particular issue of Notes

The risks of a particular Note will depend on the terms of the relevant Note, but may include, without limitation, the possibility of significant changes in:

- (a) the values of the applicable currencies, commodities, interest rates or other indices or formulae; or
- (b) the price, value, performance or any other applicable factor relating to one or more securities, assets or other property; or
- (c) the creditworthiness of entities other than the Issuer or the Guarantors.

Such risks generally depend on factors over which the Issuer and the Guarantors have no control and which cannot readily be foreseen, such as economic and political events and the supply of and demand for the relevant currencies, commodities, securities, assets or other property. Neither the current nor the historical price, value or performance of:

- (i) the relevant currencies, commodities, interest rates or other indices or formulae; or
- (ii) the relevant classes of securities, assets or other property; or
- (iii) the relevant entities,

should be taken as an indication of future price, value or performance during the term of any Note.

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature of Notes is likely to limit their market value and the secondary market of the Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Certain benchmark rates, including EURIBOR, may be discontinued or reformed in the future

The Euro Interbank Offered Rate ("**EURIBOR**") and other interest rates or other types of rates and indices which are deemed to be benchmarks are the subject of ongoing national and international regulatory discussions and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented.

Regulation (EU) No. 2016/1011 (the "**EU Benchmarks Regulation**") applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU. Regulation (EU) No. 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Benchmarks Regulation**") applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the UK. The EU Benchmarks Regulation or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to EURIBOR or another benchmark rate or index, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the terms of the EU Benchmark Regulation or UK Benchmark Regulation, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the benchmark. More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the discontinuance or unavailability of quotes of certain "benchmarks".

As an example of such benchmark reforms, on 21 September 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a "risk free overnight rate" which can serve as a basis for an alternative to current benchmarks used in a variety of financial instruments and contracts in the euro area. On 13 September 2018, the working group on Euro risk-free rates recommended the new Euro short-term rate ("**€STR**") as the new risk-free rate for the euro area. The €STR was published for the first time on 2 October 2019. Although EURIBOR has subsequently been reformed in order to comply with the terms of

the Benchmark Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark.

The elimination of EURIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest calculation provisions of the Conditions (as further described in Condition 8(m) (*Benchmark Replacement (Independent Adviser)*)), or result in adverse consequences to holders of any Notes linked to such benchmark (including Floating Rate Notes whose interest rates are linked to EURIBOR or any other such benchmark that is subject to reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities (including the Notes) based on the same benchmark.

The Conditions of the Notes provide for certain fallback arrangements in the event that a published benchmark (including any page on which such benchmark may be published (or any other successor service)) becomes unavailable or a Benchmark Event or a Benchmark Transition Event (each as defined in the Conditions), as applicable, otherwise occurs. Such an event may be deemed to have occurred prior to the issue date for a Series of Notes. Such fallback arrangements include the possibility that the rate of interest could be set by reference to a successor rate or an alternative rate and that such successor rate or alternative reference rate may be adjusted (if required) in accordance with the recommendation of a relevant governmental body or in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark, although the application of such adjustments to the Notes may not achieve this objective. Any such changes may result in the Notes performing differently (which may include payment of a lower interest rate) than if the original benchmark continued to apply. In certain circumstances the ultimate fallback of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used.

This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page. In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Adviser (as defined in the Conditions) in certain circumstances, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of and return on any such Notes.

Investors should consult their own independent advisers and make their own assessment about the potential risks arising from the possible cessation or reform of certain reference rates in making any investment decision with respect to any Notes linked to or referencing a benchmark.

The market continues to develop in relation to risk-free rates (including overnight rates) as reference rates for Floating Rate Notes

The use of risk-free rates including the Secured Overnight Financing Rate ("**SOFR**") as a reference rate for Eurobonds continues to develop. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates, but also how widely such rates and methodologies might be adopted.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Conditions and used in relation to Notes that reference risk-free rates issued under this Programme. The Issuer may in the future also issue Notes referencing SOFR or the SOFR Compounded Index that differ materially in terms of interest determination when compared with any previous Notes issued by it under this Programme. The development of risk-free rates for the Eurobond markets could result in reduced liquidity or increased volatility,

or could otherwise affect the market price of any Notes that reference a risk-free rate issued under this Programme from time to time.

In addition, the manner of adoption or application of risk-free rates in the Eurobond markets may differ materially compared with the application and adoption of risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

In particular, investors should be aware that several different methodologies have been used in risk-free rate notes issued to date. No assurance can be given that any particular methodology, including the compounding formula in the terms and conditions of the Notes, will gain widespread market acceptance. In addition, market participants and relevant working groups are still exploring alternative reference rates based on risk-free rates, including various ways to produce term versions of certain risk-free rates (which seek to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates. If the relevant risk-free rates do not prove to be widely used in securities like the Notes, the trading price of such Notes linked to such risk-free rates may be lower than those of Notes referencing indices that are more widely used.

Investors should consider these matters when making their investment decision with respect to any Notes which reference SOFR or any related indices.

Risk-free rates may differ from LIBOR and other inter-bank offered rates in a number of material respects and have a limited history

Risk-free rates may differ from The London Interbank Offered Rate ("**LIBOR**") and other inter-bank offered rates in a number of material respects. These include (without limitation) being backwards-looking, in most cases, calculated on a compounded or weighted average basis, risk-free, overnight rates and, in the case of SOFR, secured, whereas such interbank offered rates are generally expressed on the basis of a forward-looking term, are unsecured and include a risk-element based on interbank lending. As such, investors should be aware that risk-free rates may behave materially differently to interbank offered rates as interest reference rates for the Notes. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to an unsecured rate. For example, since publication of SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Risk-free rates offered as alternatives to interbank offered rates also have a limited history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Notes may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates such as correlations, may change in the future. Investors should not rely on historical performance data as an indicator of the future performance of such risk-free rates nor should they rely on any hypothetical data.

Furthermore, interest on Notes which reference a backwards-looking risk-free rate is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference such risk-free rates reliably to estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Further, in contrast to Notes linked to interbank offered rates, if Notes referencing backwards-looking rates become due and payable as a result of an Event of Default under Condition 14 (*Events of Default and Enforcement*), or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest Rate payable in respect of

such Notes shall be determined by reference to a shortened period ending immediately prior to the date on which the Notes become due and payable or are scheduled for redemption.

The administrator of SOFR or any related indices may make changes that could change the value of SOFR or any related index, or discontinue SOFR or any related index

The Federal Reserve Bank of New York (or its successor) as administrator of SOFR (and the SOFR Compounded Index) may make methodological or other changes that could change the value of this risk-free rate and/or index, including changes related to the method by which such risk-free rate is calculated, eligibility criteria applicable to the transactions used to calculate SOFR, or timing related to the publication of SOFR or any related indices. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SOFR or any related index (in which case a fallback method of determining the interest rate on the Notes will apply). The administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing any such risk-free rate.

Dual Currency Notes

The Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated.

Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected; and
- (iv) the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero, so they may lose all or a substantial portion of their principal.

Partly Paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as EURIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a

conversion, this will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

An investment in fixed rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of such fixed rate notes. Increases in relevant interest rates may adversely affect the market value of the Notes.

Notes issued at a substantial discount or premium

The market values of Notes issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Legal considerations relating to an investment in Notes

The investment activities of certain investors are or may be subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult their legal advisers to determine whether and to what extent:

- (i) Notes are legal investments for it;
- (ii) Notes can be used as collateral for various types of borrowing; and
- (iii) other restrictions apply to its purchase or pledge of any Notes.

Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

FORMS OF THE NOTES

Bearer Notes

Each Tranche of Bearer Notes will initially be in the form of either a temporary bearer global note (the "**Temporary Global Note**"), without interest coupons, or a permanent bearer global note (the "**Permanent Global Note**"), without interest coupons, in each case as specified in the relevant Pricing Supplement. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**Global Bearer Note**") which is not intended to be issued in new global note ("**NGN**") form, as specified in the relevant Pricing Supplement, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") and/or any other relevant clearing system, and each Global Bearer Note which is intended to be issued in NGN form, as specified in the relevant Pricing Supplement, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

On 13 June 2006 the European Central Bank (the "**ECB**") announced that Notes in NGN form are in compliance with the "Standards for the use of EU securities settlement systems in ESCB credit operations" of the central banking system for the euro (the "**Eurosystem**"), **provided that** certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

The relevant Pricing Supplement will indicate whether such Bearer Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Bearer Notes are to be so held does not necessarily mean that the Bearer Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria.

The relevant Pricing Supplement will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Notes

If the relevant Pricing Supplement specifies the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (a) presentation and (in the case of final exchange) presentation and surrender of the Temporary Global Note to or to the order of the Principal Paying Agent; and

- (b) receipt by the Principal Paying Agent of a certificate or certificates of non-U.S. beneficial ownership.

The principal amount of Notes represented by the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership provided, however, that in no circumstances shall the principal amount of Notes represented by the Permanent Global Note exceed the initial principal amount of Notes represented by the Temporary Global Note.

If:

- (a) the Permanent Global Note has not been delivered or the principal amount thereof increased by 5.00 p.m. (London time) on the seventh day after the bearer of the Temporary Global Note has requested exchange of an interest in the Temporary Global Note for an interest in a Permanent Global Note; or
- (b) the Temporary Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Temporary Global Note in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver a Permanent Global Note) will become void at 5.00 p.m. (London time) on such seventh day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under the Trust Deed).

The Permanent Global Note will become exchangeable, in whole but not in part only and at the request of the bearer of the Permanent Global Note, for Bearer Notes in definitive form ("**Definitive Notes**"):

- (a) on the expiry of such period of notice as may be specified in the Pricing Supplement; or
- (b) at any time, if so specified in the Pricing Supplement; or
- (c) if the Pricing Supplement specifies "in the limited circumstances described in the Permanent Global Note", then if either of the following events occurs:
 - (i) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or
 - (ii) any of the circumstances described in Condition 14 (*Events of Default and Enforcement*) occurs.

Whenever the Permanent Global Note is to be exchanged for Definitive Bearer Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Bearer Notes, duly authenticated and with Coupons and Talons attached (if so specified in the Pricing Supplement), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Bearer Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Permanent Global Note for Definitive Bearer Notes; or

- (b) the Permanent Global Note was originally issued in exchange for part only of a Temporary Global Note representing the Notes and such Temporary Global Note becomes void in accordance with its terms; or
- (c) the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Bearer Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on the date on which such Temporary Global Note becomes void (in the case of (b) above) or at 5.00 p.m. (London time) on such due date ((c) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Trust Deed).

Temporary Global Note exchangeable for Definitive Bearer Notes

If the relevant Pricing Supplement specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Bearer Notes" and also specify that the TEFRA C Rules are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Definitive Bearer Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the relevant Pricing Supplement specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Bearer Notes" and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Bearer Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Bearer Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Bearer Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Pricing Supplement), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Bearer Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Temporary Global Note for Definitive Bearer Notes; or
- (b) the Temporary Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver Definitive Bearer Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Temporary

Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under the Trust Deed).

Permanent Global Note exchangeable for Definitive Bearer Notes

If the relevant Pricing Supplement specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Bearer Notes", then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Bearer Notes:

- (a) on the expiry of such period of notice as may be specified in the relevant Pricing Supplement; or
- (b) at any time, if so specified in the relevant Pricing Supplement; or
- (c) if the relevant Pricing Supplement specifies "in the limited circumstances described in the Permanent Global Note", then if either of the following events occurs:
 - (i) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or
 - (ii) any of the circumstances described in Condition 14 (*Events of Default and Enforcement*) occurs.

Whenever the Permanent Global Note is to be exchanged for Definitive Bearer Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Bearer Notes, duly authenticated and with Coupons and Talons attached (if so specified in the Pricing Supplement), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Bearer Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Permanent Global Note for Definitive Bearer Notes; or
- (b) the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Bearer Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date ((b) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Trust Deed).

Registered Notes

The Registered Notes of each Tranche will initially be represented by a global note in registered form, without Receipts or Coupons, (a "**Registered Global Note**") which will be deposited with a common depository for, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg.

Payments of principal, interest and any other amount in respect of a Registered Global Note will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 12(C) (*Payment – Payments in respect of Registered Notes*)) as the registered holder of the Registered Global Note. None of the Issuer, the Trustee, the Guarantors, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in any Registered Global Note or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) an Event of Default has occurred, (ii) the Issuer has been notified that Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system acceptable to the Trustee is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered or required were the Notes represented by the Registered Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 20 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Registered Global Note) or the Trustee may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Registrar and the Trustee requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Definitive Bearer Note will be endorsed on that Note and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Pricing Supplement which supplements, amends and/or replaces those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions Relating to the Notes while in Global Form*" below.

Legend concerning United States persons

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, as supplemented, amended and/or replaced by the relevant Pricing Supplement, will be endorsed on each Note in definitive form issued under the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Summary of Provisions Relating to the Notes while in Global Form" below.

1. Introduction

- (a) *Programme:* Chorus Limited (the "**Issuer**") has established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to U.S.\$2,000,000,000 in aggregate principal amount of notes (the "**Notes**") guaranteed by Chorus New Zealand Limited (the "**Original Guarantor**") and certain other subsidiaries of the Issuer from time to time (together with the Original Guarantor, the "**Guarantors**").
- (b) *Pricing Supplement:* Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of a pricing supplement (the "**Pricing Supplement**") which supplements these terms and conditions (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as supplemented, amended and/or replaced by the relevant Pricing Supplement. In the event of any inconsistency between these Conditions and the relevant Pricing Supplement, the relevant Pricing Supplement shall prevail.
- (c) *Trust Deed:* The Notes are constituted by, are subject to, and have the benefit of, an amended and restated trust deed dated 29 June 2022 (as amended or supplemented from time to time, the "**Trust Deed**") between the Issuer, the Original Guarantor and The Law Debenture Trust Corporation p.l.c. as trustee (the "**Trustee**", which expression includes all persons for the time being trustee or trustees appointed under the Trust Deed).
- (d) *Paying Agency Agreement:* The Notes are the subject of an amended and restated issue and paying agency agreement dated 28 September 2016 (the "**Paying Agency Agreement**") between, amongst others, the Issuer, the Original Guarantor, Citibank, N.A., London Branch as principal paying agent (the "**Principal Paying Agent**", which expression includes any successor principal paying agent appointed from time to time in connection with the Notes), the paying agents named therein (together with the Principal Paying Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes), Citibank, N.A., London Branch as transfer agent (together with the Paying Agents, the "**Agents**") and the Trustee.
- (e) *The Notes:* All subsequent references in these Conditions to "Notes" are to the Notes which are the subject of the relevant Pricing Supplement and may be issued in bearer or registered form. Copies of the relevant Pricing Supplement are available for viewing at Citibank, N.A., London Branch, c/o Citibank, N.A., Dublin Branch, 1 North Wall Quay Dublin and copies may be obtained from Citibank, N.A., London Branch, c/o Citibank, N.A., Dublin Branch, 1 North Wall Quay Dublin .
- (f) *Summaries:* Certain provisions of these Conditions are summaries of the Trust Deed and the Paying Agency Agreement and are subject to their detailed provisions. The holders of the Notes (the "**Noteholders**") and the holders of the related interest coupons, if any, (the "**Couponholders**" and the "**Coupons**", respectively) are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Paying Agency Agreement applicable to them. Copies of the Trust Deed and the Paying Agency Agreement are available for inspection by Noteholders during normal business hours at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below.

2. Interpretation

(a) *Definitions:* In these Conditions the following expressions have the following meanings:

"**Accrual Yield**" has the meaning given in the relevant Pricing Supplement;

"**Additional Business Centre(s)**" means the city or cities specified as such in the relevant Pricing Supplement;

"**Additional Financial Centre(s)**" means the city or cities specified as such in the relevant Pricing Supplement;

"**Asset**" shall include an interest in, or in the assets of, any joint venture, partnership or similar venture (whether or not incorporated) in which any one or more of the Issuer and the Guarantors are participant(s);

"**Borrowed Moneys Indebtedness**" means:

- (a) indebtedness for moneys borrowed;
- (b) indebtedness in respect of guarantees or similar indemnities;
- (c) acceptance credits;
- (d) indebtedness in respect of negotiable instruments;
- (e) money owing in respect of interest rate and cross-currency swaps; and
- (f) payments under rental or lease arrangements entered into primarily for the purpose of raising or obtaining finance;

"**Business Day**" means other than in respect of Notes for which Reference Rate is specified as SOFR in the relevant Pricing Supplement:

- (a) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and
- (b) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

"**Business Day Convention**", in relation to any particular date, has the meaning given in the relevant Pricing Supplement and, if so specified in the relevant Pricing Supplement, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (a) "**Following Business Day Convention**" means that the relevant date shall be postponed to the first following day that is a Business Day;
- (b) "**Modified Following Business Day Convention**" or "**Modified Business Day Convention**" means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day save in respect of Notes for which the Reference Rate is SOFR, for which the final Interest Payment Date will not be postponed and interest on that payment will not accrue during the period from and after the scheduled final Interest Payment Date;

- (c) **"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) **"FRN Convention", "Floating Rate Convention" or "Eurodollar Convention"** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Pricing Supplement as the Specified Period after the calendar month in which the preceding such date occurred **provided, however, that:**
 - (i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
 - (ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
 - (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (e) **"No Adjustment"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

"Calculation Agent" means, in relation to the Notes of any Series, the Principal Paying Agent or such other Person specified in the relevant Pricing Supplement as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Pricing Supplement;

"Calculation Amount" has the meaning given in the relevant Pricing Supplement;

"Coupon Sheet" means, in respect of a Bearer Note, a coupon sheet relating to the Note;

"Day Count Fraction" means, in respect of the calculation of an amount for any period of time (the **"Calculation Period"**), such day count fraction as may be specified in these Conditions or the relevant Pricing Supplement and:

- (a) if **"Actual/Actual (ICMA)"** is so specified, means:
 - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;

- (iii) if "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iv) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;
- (v) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;

if "**30/360**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y₁**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M₁**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M₂**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D₁**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"**D₂**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30";

if "**30E/360**" or "**Eurobond Basis**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y₁**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M₁**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30; and

if "30E/360 (ISDA)" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

"**Early Redemption Amount (Tax)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement;

"**Early Termination Amount**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, these Conditions or the relevant Pricing Supplement;

"**Extraordinary Resolution**" has the meaning given to it in the Trust Deed;

"**Final Redemption Amount**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement;

"**First Interest Payment Date**" means the date specified in the relevant Pricing Supplement;

"Fixed Coupon Amount" has the meaning given in the relevant Pricing Supplement;

"Group" has the meaning given to it in the Trust Deed.

"Guarantee of the Notes" means the guarantee of the Notes given by the Guarantors in the Trust Deed;

"Initial Rate of Interest" means the Rate of Interest applicable with respect to the first Interest Period;

"Interest Amount" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

"Interest Commencement Date" means in relation to any interest-bearing Note, the date specified in the relevant Pricing Supplement from which the Note bears interest or, if no date is specified therein, the Issue Date;

"Interest Determination Date" has the meaning given in the relevant Pricing Supplement;

"Interest Payment Date" means the First Interest Payment Date and any other date or dates specified as such in, or determined in accordance with the provisions of, the relevant Pricing Supplement and, if a Business Day Convention is specified in the relevant Pricing Supplement:

- (a) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Pricing Supplement as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

"Interest Period" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date (or, if the Notes are redeemed on any earlier date, the relevant redemption date);

"ISDA Definitions" means the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Pricing Supplement) as published by the International Swaps and Derivatives Association, Inc.) or any successor definitional booklet for interest rate derivatives published from time to time as specified in the relevant Pricing Supplement);

"Issue Date" has the meaning given in the relevant Pricing Supplement;

"Margin" has the meaning given in the relevant Pricing Supplement;

"Maturity Date" has the meaning given in the relevant Pricing Supplement;

"Maximum Redemption Amount" has the meaning given in the relevant Pricing Supplement;

"Minimum Redemption Amount" has the meaning given in the relevant Pricing Supplement;

"Noteholder" and (in relation to a Note) **"holder"** means (in the case of a Bearer Note) the bearer of a Note and (in the case of a Registered Note) a person in whose name the Note is registered in the Register (or in the case of joint holders the first named thereof) save that, for so long as the Notes of any Series are represented by a Global Note each person who has for the time being a particular principal amount of such Notes credited to his securities account in the records of Clearstream, Luxembourg or Euroclear shall be deemed to be the Noteholder in respect of the principal amount of such Notes for all purposes hereof other than for the purpose of payments in respect thereof, the right to which shall be vested, as against the Issuer, solely in the bearer, in the case of a Bearer Note in Global Note form, or registered holder in the case of a Registered Global Note in accordance with and subject to the terms of the Trust Deed and such Global Note;

"Optional Redemption Amount (Call)" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement;

"Optional Redemption Amount (Put)" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement;

"Optional Redemption Date (Call)" has the meaning given in the relevant Pricing Supplement;

"Optional Redemption Date (Put)" has the meaning given in the relevant Pricing Supplement;

"Participating Member State" means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty;

"Payment Business Day" means:

- (a) if the currency of payment is euro, any day which is:
 - (i) a day on which commercial banks and foreign exchange markets settle payments in any Additional Financial Centre(s) specified herein; and
 - (ii) a TARGET Settlement Day; or
- (b) if the currency of payment is not euro, any day on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency;

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

"Principal Financial Centre" means, in relation to any currency, the principal financial centre for that currency **provided, however, that:**

- (a) in relation to euro, it means the principal financial centre of such Member State of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and
- (b) in relation to New Zealand dollars, it means Wellington and Auckland;

"Put Option Notice" means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"Put Option Receipt" means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"Rate of Interest" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Pricing Supplement or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Pricing Supplement;

"Redemption Amount" means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Pricing Supplement;

"Reference Banks" has the meaning given in the relevant Pricing Supplement or, if none, four major banks selected by the Issuer in the market that is most closely connected with the Reference Rate;

"Reference Price" has the meaning given in the relevant Pricing Supplement;

"Reference Rate" has the meaning given in the relevant Pricing Supplement in respect of the currency and period specified in the relevant Pricing Supplement. Other than in the case of U.S. dollar-denominated floating rate Notes or a Note for which the "Reference Rate" is specified in the relevant Pricing Supplement as being SOFR, the term "Reference Rate" shall, following the occurrence of a Benchmark Event under Condition 8(m) (*Benchmark Replacement (Independent Adviser)*), include any Successor Rate or Alternative Rate and shall, if a Benchmark Event should occur subsequently in respect of any such Successor Rate or Alternative Rate, also include any further Successor Rate or further Alternative Rate;

"Regular Period" means:

- (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period .

"Relevant Date" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Principal Paying Agent or the Trustee on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"Relevant Financial Centre" has the meaning given in the relevant Pricing Supplement;

"Relevant Screen Page" means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"Relevant Time" has the meaning given in the relevant Pricing Supplement;

"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, to alter the method of calculating the amount of any payment in respect of the Notes 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, the Guarantor or any other person or body corporate formed or to be formed (other than as permitted under Clause 8.3 of the Trust Deed);
- (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 (other than as permitted under Clause 8.3 of the Trust Deed);
- (e) to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution; or
- (f) to amend this definition;

"Security Interest" means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction, but not including a security interest in relation to personal property that is created or provided for by:

- (i) a transfer of an account receivable or chattel paper;
- (ii) a lease for a term of more than one year; or
- (iii) a commercial consignment,

that does not secure payment or performance of an obligation;

"Specified Currency" has the meaning given in the relevant Pricing Supplement;

"Specified Denomination(s)" has the meaning given in the relevant Pricing Supplement;

"Specified Office" has the meaning given in the Paying Agency Agreement;

"Specified Period" has the meaning given in the relevant Pricing Supplement;

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

- (a) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or

- (b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

"**Talon**" means a talon for further Coupons;

"**TARGET2**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

"**TARGET Settlement Day**" means any day on which TARGET2 is open for the settlement of payments in euro;

"**Total Tangible Assets**" has the meaning given to it in the Trust Deed;

"**Treaty**" means the Treaty establishing the European Communities, as amended;

"**Zero Coupon Note**" means a Note specified as such in the relevant Pricing Supplement.

(b) *Interpretation:* In these Conditions:

- (i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) if Talons are specified in the relevant Pricing Supplement as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (iii) if Talons are not specified in the relevant Pricing Supplement as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 13 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 13 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being "outstanding" shall be construed in accordance with the Trust Deed;
- (vii) if an expression is stated in Condition 2(a) to have the meaning given in the relevant Pricing Supplement, but the relevant Pricing Supplement gives no such meaning or specifies that such expression is "not applicable" then such expression is not applicable to the Notes;
- (viii) any reference to the Trust Deed or the Paying Agency Agreement shall be construed as a reference to the Trust Deed or the Paying Agency Agreement, as the case may be, as amended and/or supplemented up to and including the Issue Date of the Notes; and
- (ix) any reference to a provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

3. **Form, Denomination and Title**

The Notes are in bearer form or in registered form as specified in the applicable Pricing Supplement and, in the case of definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

All Registered Notes shall have the same Specified Denomination.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Pricing Supplement.

This Note may be an Instalment Note, a Dual Currency Note, a Partly Paid Note or a combination of any of the foregoing, depending upon the Redemption/Payment Basis shown in the applicable Pricing Supplement.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Subject as set out below, title to the Bearer Notes, Receipts and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Paying Agency Agreement. The Issuer, the Guarantors, the Trustee and any Agent may deem and treat the bearer of any Bearer Note or Registered Note as the absolute owner thereof free of any equity, set-off or counterclaim on the part of the Issuer against the original or any intermediate holder of such Bearer Note or Registered Note (whether or not such Bearer Note or Registered Note shall be overdue and notwithstanding any notation of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Bearer Global Note held on behalf of Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantors, the Trustee and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or, as the case may be, the registered holder of the Registered Global Note shall be treated by the Issuer, the Guarantors, the Trustee and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Guarantors, the Principal Paying Agent and the Trustee (whether specified in the applicable Pricing Supplement or otherwise).

4. **Transfers of Registered Notes**

- (a) *Transfers of interests in Registered Global Notes:* Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Registered Global Note only in the authorised denominations set out in the applicable Pricing Supplement and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be and in accordance with the terms and conditions specified in the Paying Agency Agreement.
- (b) *Transfers of Registered Notes in definitive form:* A Registered Note in definitive form may, upon the terms and subject to the conditions set forth in the Trust Deed, be transferred in whole or in part (in the authorised denominations set out in the applicable Pricing Supplement). In order to effect any such transfer (i) the holder or holders must (a) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (b) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe. Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations) authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.
- (c) *Costs of registration:* Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.
- (d) *Closed Periods:* The Issuer shall not be required:
- (i) in the event of a partial redemption of Notes under Condition 11(d):
 - (A) to register the transfer of Registered Notes (or parts of Registered Notes) during the period beginning on the 65th day before the date of the partial redemption and ending on the day on which notice is given specifying the serial numbers of Notes called (in whole or in part) for redemption (both inclusive); or
 - (B) to register the transfer of any Registered Note, or part of a Registered Note, called for redemption; or

- (ii) to register the transfer of Registered Notes (or parts of Registered Notes) (A) during the period of 10 Business Days in London immediately prior to any Record Date in respect of that Note or (B) during the period commencing on the Record Date in respect of the final Interest Payment Date in respect of that Note and ending on such Interest Payment Date.

5. Status and Guarantee

- (a) *Status of the Notes:* The Notes constitute direct and unconditional obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.
- (b) *Guarantee of the Notes:* The Guarantors have in the Trust Deed unconditionally and irrevocably guaranteed the due and punctual payment of all sums expressed to be payable by the Issuer under the Trust Deed in respect of the Notes, Receipts or Coupons. This Guarantee of the Notes constitutes direct and unconditional obligations of each Guarantor which will at all times rank at least *pari passu* with all other present and future unsecured obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

6. Negative Pledge

- (a) Save as provided herein and in paragraph (b) below, so long as any of the Notes remain outstanding (as defined in the Trust Deed) the Issuer and the Guarantors will not create or permit to exist any Security Interest over any of their respective Assets to secure any indebtedness or liabilities (direct or contingent) for Borrowed Moneys Indebtedness unless the Issuer or the relevant Guarantor, as the case may be, shall simultaneously with or prior to the creation of such Security Interest, take or procure to be taken any and all action necessary to procure that the benefit of the Security Interest is extended equally and rateably to the Notes, provided that this covenant shall not apply to, and accordingly the Issuer and any of the Guarantors shall be at liberty to create or permit to exist without breach hereof, any Security Interest:
 - (i) arising by operation of law or statute in the ordinary course of business, or securing taxes or other governmental or regulatory levies, duties or imposts, or any Security Interest in the nature of a contractor's, supplier's or vendor's lien, so long as (in each of the foregoing cases) the payment of the money secured thereby is not in default or the liability therefor of the Issuer or the relevant Guarantor is being contested by appropriate proceedings; or
 - (ii) created over any Asset acquired, constructed, repaired, maintained or improved, for the sole purpose of financing or refinancing the cost of such acquisition, construction, repair, maintenance or improvement, or over the land upon which such Asset is situated, provided that any Security Interest created pursuant to this paragraph:
 - (A) secures no more than the fair value of the Asset (as acquired, constructed, maintained or improved) as at the time such Security Interest is created; and
 - (B) does not secure Borrowed Money Indebtedness owed to Crown Infrastructure Partners Limited; or
 - (iii) over any Assets of the Subsidiary which becomes a Guaranteeing Subsidiary after the date of the Trust Deed, which existed, or which such Subsidiary was contractually bound to enter into, at the date it became a Guaranteeing Subsidiary and which was not created in anticipation of such Subsidiary becoming a Guaranteeing Subsidiary; or

- (iv) over any Assets acquired by the Issuer or the relevant Guarantor after the date of the Trust Deed, which existed at the date of, and was not created in anticipation of, the acquisition thereof by the Issuer or the relevant Guarantor concerned; or
 - (v) created or permitted to exist over the whole or any part of its right, title or interest (whether by way of shareholding, partnership share or otherwise) in, or in the Assets of, any joint venture, partnership or similar venture (whether or not incorporated) the sole purpose of which is the development or exploitation of a project (a "**Project Venture**"), to secure Borrowed Moneys Indebtedness incurred by the Issuer or the relevant Guarantor in connection with its interest in such Project Venture and created or permitted to exist only in favour of a participant or participants therein, provided no such participant is Crown Infrastructure Partners Limited; or
 - (vi) over Assets of the Issuer or the relevant Guarantor comprising cash, deposits, financial instruments or other monetary Assets, where such Security Interest does not extend to other Assets of the Issuer or the relevant Guarantor and is created to secure new borrowings or indebtedness undertaken or incurred to raise or acquire such cash, deposits, instruments or other monetary Assets and the giving of such Security Interest is consistent with ordinary banking or business principles or practices then current and applicable in the relevant market and/or jurisdiction in relation to indebtedness of that nature; or
 - (vii) created in substitution for any Security Interest otherwise permitted hereunder; or
 - (viii) in favour of the Issuer or the relevant Guarantor provided that the Issuer or the relevant Guarantor, as the case may be, in whose favour it is created retains at all times the sole beneficial ownership of and all rights, powers and benefits in relation to such Security Interest; or
 - (ix) created with the prior written consent of the Trustee after, if the Trustee so requires, approval by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.
- (b) Notwithstanding the provisions of paragraph (a) above, the Issuer/Guarantor(s) may, in addition to and separately from the Security Interests permitted under paragraph (a) above, create or permit to exist any Security Interest of any nature over any of its or their Assets to secure any Borrowed Moneys Indebtedness if and to the extent that the aggregate principal amount of the Borrowed Moneys Indebtedness so secured by all such Security Interests created or permitted to subsist by this paragraph (b) (but other than any Security Interests attaching only to Assets which are not included in the Total Tangible Assets of the Group) does not exceed five per cent of the Total Tangible Assets of the Group.

7. Fixed Rate Note Provisions

- (a) *Application:* This Condition 7 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Initial Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 12 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders that it has received all sums due in

respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

- (c) *Fixed Coupon Amount:* The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.
- (d) *Calculation of interest amount:* The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- (e) *Step-up rate of interest:* If this Condition 7(e) is specified as applicable in the applicable Pricing Supplement, the Rate of Interest will be the Initial Rate of Interest specified in the applicable Pricing Supplement. The Initial Rate of Interest shall be subject to adjustment (each such adjustment, a "**Rate Adjustment**") in the event of a Step-up Rating Change (if any) or a subsequent Step-down Rating Change (if any), as the case may be, in accordance with the following provisions. Any Rate Adjustment shall apply in respect of the Interest Period commencing on the Interest Payment Date falling on or immediately following the date of the relevant Step-up Rating Change or Step-down Rating Change, as the case may be, until either a further Rate Adjustment becomes effective or the date of redemption, as the case may be.

For any Interest Period commencing on or after the first Interest Payment Date immediately following the date of a Step-up Rating Change, if any, the Rate of Interest shall be increased by the Ratings Downgrade Step-up Margin specified in the applicable Pricing Supplement.

In the event that a Step-down Rating Change occurs after the date of a Step-up Rating Change (or on the same date but subsequent thereto), then for any Interest Period commencing on the first Interest Payment Date following the date of such Step-down Rating Change, the Rate of Interest shall be the Initial Rate of Interest.

The Issuer shall use all reasonable efforts to maintain credit ratings for Notes issued, or to be issued, by it from both Rating Agencies (as defined below). In the event that either Rating Agency fails to or ceases to assign a rating to Notes issued, or to be issued, by the Issuer, the Issuer shall use all reasonable efforts to obtain a rating of Notes issued, or to be issued, by it from a Substitute Rating Agency (as defined below), and references in this Condition 7(e) to Moody's or S&P Global (each as defined below), as the case may be, or the ratings thereof, shall be to such Substitute Rating Agency or, as the case may be, the equivalent ratings thereof. In the event that such a rating is not obtained from a Substitute Rating Agency, then, for the purposes of the foregoing adjustments to the Rate of Interest, the ratings assigned by the remaining Rating Agency shall be deemed also to be the ratings assigned by the other Rating Agency.

In the event that both Rating Agencies fail to or cease to assign a rating to Notes issued, or to be issued, by the Issuer and the Issuer fails to obtain a rating of Notes issued, or to be issued, by it from a Substitute Rating Agency, a Step-up Rating Change will be deemed to have occurred on the date of such failure but not otherwise. If a rating of Notes issued, or to be issued, by the Issuer is subsequently assigned by one or more Rating Agencies or a Substitute Rating Agency, then if such rating (or ratings if more than one) is at least *Baa3*, in the case of Moody's, or at least *BBB-*, in the case of S&P Global, or the equivalent ratings in the case of a Substitute Rating Agency, a Step-down Rating Change will be deemed to have occurred on the date of such assignment.

The Rate of Interest will only be subject to adjustment due to a Step-up Rating Change or a deemed Step-up Rating Change as provided above upon the first occurrence on or after the Interest Commencement Date of a Step-up Rating Change and may occur only once. An adjustment to the Rate of Interest following the occurrence of a Step-down Rating Change or a deemed Step-down Rating Change as provided above may only occur once and, in any event, only after the occurrence of the Step-up Rating Change.

The Issuer shall cause each Rating Change (if any) and the applicable Rate of Interest to be notified to the Principal Paying Agent, the Trustee, any stock exchange on which the relevant Notes are for the time being listed and the Noteholders (in accordance with Condition 20 (*Notices*)) as soon as practicable after such Rating Change.

In this Condition:

"Rating Agencies" means Moody's Investor Service Limited ("**Moody's**") and S&P Global Ratings, a division of S&P Global Inc. ("**S&P Global**"), any of their successors and any Substitute Rating Agency;

"Rating Change" means a Step-up Rating Change and/or a Step-down Rating Change;

"Step-down Rating Change" means, subject as provided above in relation to a deemed Step-down Rating Change, the first public announcement after a Step-up Rating Change by both Rating Agencies of an increase in, or confirmation of, the rating of Notes issued, or to be issued, by the Issuer to at least *Baa3*, in the case of Moody's, and to at least *BBB-*, in the case of S&P Global. For the avoidance of doubt, any further increases in the credit rating of Notes issued, or to be issued, by the Issuer above *Baa3*, in the case of Moody's, or above *BBB-*, in the case of S&P Global, shall not constitute a Step-down Rating Change;

"Step-up Rating Change" means, subject as provided above in relation to a deemed Step-up Rating Change, the first public announcement by either or both Rating Agencies of a decrease in the rating of Notes issued, or to be issued, by the Issuer to below *Baa3*, in the case of Moody's, or below *BBB-*, in the case of S&P Global. For the avoidance of doubt, any further decrease in the credit rating of Notes issued, or to be issued, by the Issuer below *Baa3*, in the case of Moody's, or below *BBB-*, in the case of S&P Global, shall not constitute a Step-up Rating Change;

"Substitute Rating Agency" means a rating agency of equivalent international standing by the Issuer;

(f) *Minimum Volume/Coupon Step-up*: If this Condition 7(f) is specified as applicable in the applicable Pricing Supplement the Rate of Interest applicable to the Notes shall be subject to adjustment in accordance with the applicable Pricing Supplement.

8. **Floating Rate Note Provisions**

(a) *Application*: This Condition 8 (*Floating Rate Note Provisions*) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable.

(b) *Accrual of interest*: The Notes bear interest from the Interest Commencement Date at the Initial Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 12 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 8 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) *Screen Rate Determination:* If Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be (other than in respect of Notes for which SOFR or any related index is specified as the Reference Rate in the relevant Pricing Supplement) determined by the Calculation Agent on the following basis:

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iii) if, in the case of (i) above, such rate does not appear on that page or, in the case of (ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Issuer will:
 - (A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
 - (B) provide such quotations to the Calculation Agent who shall determine the arithmetic mean of such quotations; and
- (iv) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, requested and selected by the Issuer, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided, however, that** if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

(d) *ISDA Determination:* If ISDA Determination is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "ISDA Rate" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Pricing Supplement;

- (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Pricing Supplement; and
- (iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) the first day of that Interest Period or (B) as specified in the relevant Pricing Supplement.

(e) *Interest – Floating Rate Notes referencing SOFR (Screen Rate Determination)*

- (i) This Condition 8(e) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable, Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined and the "Reference Rate" is specified in the relevant Pricing Supplement as being "SOFR".
- (ii) Where "SOFR" is specified as the Reference Rate in the Pricing Supplement, the Rate of Interest for each Interest Period will, subject as provided below, be the Benchmark plus or minus (as specified in the relevant Pricing Supplement) the Margin, all as determined by the Calculation Agent on each Interest Determination Date.
- (iii) For the purposes of this Condition 8(e):

"Benchmark" means Compounded SOFR, which is a compounded average of daily SOFR, as determined for each Interest Period in accordance with the specific formula and other provisions set out in this Condition 8(e).

Daily SOFR rates will not be published in respect of any day that is not a U.S. Government Securities Business Day, such as a Saturday, Sunday or holiday. For this reason, in determining Compounded SOFR in accordance with the specific formula and other provisions set forth herein, the daily SOFR rate for any U.S. Government Securities Business Day that immediately precedes one or more days that are not U.S. Government Securities Business Days will be multiplied by the number of calendar days from and including such U.S. Government Securities Business Day to, but excluding, the following U.S. Government Securities Business Day.

If the Issuer determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of Compounded SOFR (or the daily SOFR used in the calculation hereof) prior to the relevant SOFR Determination Time, then the provisions under Condition 8(e)(iv) below will apply.

"Business Day" means any weekday that is a U.S. Government Securities Business Day and is not a legal holiday in New York and each (if any) Additional Business Centre(s) and is not a date on which banking institutions in those cities are authorised or required by law or regulation to be closed;

"Compounded SOFR" with respect to any Interest Period, means the rate of return of a daily compound interest investment computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

"d" is the number of calendar days in:

- (A) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or
- (B) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

"**d₀**" is the number of U.S. Government Securities Business Days in:

- (A) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or
- (B) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

"**i**" is a series of whole numbers from one to **d₀**, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

- (A) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or
- (B) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period,

to and including the last U.S. Government Securities Business Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "p" U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes are due and payable);

"**ni**" for any U.S. Government Securities Business Day 'i' in the relevant Interest Period or Observation Period (as applicable), is the number of calendar days from, and including, such U.S. Government Securities Business Day 'i' to, but excluding, the following U.S. Government Securities Business Day ("**i+1**");

"**Observation Period**" in respect of an Interest Period means the period from, and including, the date falling "p" U.S. Government Securities Business Days preceding the first day in such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to, but excluding, the date falling "p" U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" for any Interest Period or Observation Period (as applicable) means the number of U.S. Government Securities Business Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Pricing Supplement or if no such period is specified, five U.S. Government Business Days;

"**SOFR**" with respect to any U.S. Government Securities Business Day, means:

- (A) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the "**SOFR Determination Time**"); or

- (B) subject to Condition 8(e)(iv) below, if the rate specified in (i) above does not so appear, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website;

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate);

"SOFR Administrator's Website" means the website of the Federal Reserve Bank of New York, or any successor source;

"SOFRI" means the SOFR for:

- (A) where "Lag" is specified as the Observation Method in the applicable Pricing Supplement, the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i"; or
- (B) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the relevant U.S. Government Securities Business Day "i"; and

"U.S. Government Securities Business Day" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

- (ii) If the Issuer determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Issuer will have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of the Trustee or Noteholders.

Any determination, decision or election that may be made by the Issuer pursuant to this section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

- (A) will be conclusive and binding absent manifest error;
- (B) will be made in the sole discretion of the Issuer; and
- (C) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

"Benchmark" means, initially, Compounded SOFR, as such term is defined above; provided that if the Issuer determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Compounded SOFR (or the published daily SOFR used in the calculation thereof) or the then-current Benchmark, then "Benchmark" shall mean the applicable Benchmark Replacement.

"Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

- (A) the sum of: (1) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (2) the Benchmark Replacement Adjustment;
- (B) the sum of: (1) the ISDA Fallback Rate and (2) the Benchmark Replacement Adjustment; or
- (C) the sum of: (1) the alternate rate of interest that has been selected by the Issuer as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (2) the Benchmark Replacement Adjustment;

"Benchmark Replacement Adjustment" means the first alternative set forth in the order below that can be determined by the issuer or its designee as of the Benchmark Replacement Date:

- (A) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (B) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (C) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer determines is reasonably necessary);

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (A) in the case of clause (i) or (ii) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or

- (B) in the case of clause (iii) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (A) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (B) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (C) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

"ISDA Fallback Adjustment" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

"ISDA Fallback Rate" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"Reference Time" with respect to any determination of the Benchmark means (i) if the Benchmark is Compounded SOFR, the SOFR Determination Time, and (ii) if the Benchmark is not Compounded SOFR, the time determined by the Issuer after giving effect to the Benchmark Replacement Conforming Changes;

"Relevant Governmental Body" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

"Unadjusted Benchmark Replacement" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

- (ii) Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under Condition 8(e)(iv) above will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 20 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee (copying the Agents) a certificate signed by two authorised signatories of the Issuer:

- (A) confirming (1) that a Benchmark Transition Event has occurred, (2) the relevant Benchmark Replacement and, (3) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 8(e); and
- (B) certifying that the relevant Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment.
- (iii) If the Interest Rate cannot be determined in accordance with the foregoing provisions of this Condition 8(e), the Interest Rate shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Interest Rate which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(f) *Interest – SOFR Compounded Index (Screen Rate Determination)*

This Condition 8(f) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable, Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, and "Index Determination" is specified in the relevant Pricing Supplement as being applicable.

Where "Index Determination" is specified in the relevant Pricing Supplement as being applicable, the Rate of Interest for each Interest Period will be the compounded daily reference rate for the relevant Interest Period, calculated in accordance with the following formula:

$$\frac{(\text{Compounded Index End}}{\text{Compounded Index Start}} - 1) \times \frac{\text{Numerator}}{d}$$

and rounded to the Relevant Decimal Place, plus or minus the Margin (if any), all as determined and calculated by the Calculation Agent, where:

"**Compounded Index**" shall mean the SOFR Compounded Index as specified in the relevant Pricing Supplement;

"**d**" is the number of calendar days from (and including) the day on which the relevant Compounded Index Start is determined to (but excluding) the day on which the relevant Compounded Index End is determined;

"End" means the relevant Compounded Index value on the day falling the Relevant Number of Index Days prior to the Interest Payment Date for such Interest Period, or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

"Index Days" means, in the case of the SOFR Compounded Index, U.S. Government Securities Business Days;

"Numerator" means, in the case of the SOFR Compounded Index, 360;

"Relevant Decimal Place" shall, unless otherwise specified in the Pricing Supplement, be the seventh decimal place, rounded up or down, if necessary (with 0.0000005 being rounded upwards);

"Relevant Number" is as specified in the applicable Pricing Supplement, but, unless otherwise specified shall be five;

"SOFR Compounded Index" means the Compounded Daily SOFR rate as published at 15:00 (New York time) by Federal Reserve Bank of New York (or a successor administrator of SOFR) on the website of the Federal Reserve Bank of New York, or any successor source; and

"Start" means the relevant Compounded Index value on the day falling the Relevant Number of Index Days prior to the first day of the relevant Interest Period.

Provided that a Benchmark Event has not occurred in respect of the relevant Compounded Index, if, with respect to any Interest Period, the relevant rate is not published for the relevant Compounded Index either on the relevant Start or End date, then the Calculation Agent shall calculate the rate of interest for that Interest Period as if Index Determination was not specified in the applicable Pricing Supplement and as if Compounded Daily SOFR (as defined in Condition 8(e) (*Interest – Floating Rate Notes referencing SOFR*)) had been specified instead in the Pricing Supplement, and in each case "Observation Shift" had been specified as the Observation Method in the relevant Pricing Supplement, and where the Observation Shift Period for the purposes of that definition in Condition 8(e) (*Interest – Floating Rate Notes referencing SOFR*) shall be deemed to be the same as the Relevant Number specified in the Pricing Supplement. For the avoidance of doubt, if a Benchmark Event has occurred in respect of the relevant Compounded Index, the provisions of Condition 8(m) (*Benchmark Replacement (Independent Adviser)*) shall apply.

- (g) *Maximum or Minimum Rate of Interest:* If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Pricing Supplement, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.
- (h) *Calculation of Interest Amount:* The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a **"sub-unit"** means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- (i) *Calculation of other amounts:* If the relevant Pricing Supplement specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined,

calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Pricing Supplement.

- (j) *Publication:* The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.
- (k) *Notifications etc:* All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Guarantors, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.
- (l) *Determination of Rate of Interest following acceleration:* If (i) the Notes become due and payable in accordance with Condition 14 (*Events of Default and Enforcement*) and (ii) the Rate of Interest for the Interest Period during which the Notes become due and payable is to be determined by reference to either of Condition 8(e) (*Interest – Floating Rate Notes referencing SOFR*) or Condition 8(f) (*Interest – SOFR Compounded Index (Screen Rate Determination)*), then the final Interest Determination Date shall be the date on which the Notes become so due and payable, and such Rate of Interest shall continue to apply to the Notes for so long as interest continues to accrue thereon as provided in the Conditions.
- (m) *Benchmark Replacement (Independent Adviser)*

Other than in the case of a U.S. dollar-denominated floating rate Note for which the Reference Rate is specified in the relevant Pricing Supplement as being "SOFR", if a Benchmark Event occurs in relation to the Reference Rate when the Rate of Interest (or any component part thereof) for any Interest Period remains to be determined by reference to such Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 8(m)(ii)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 8(m)(iii)) and any Benchmark Amendments (in accordance with Condition 8(m)(iv)).

In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, Agents or the Noteholders for any determination made by it pursuant to this Condition 8(m) and the Trustee will not be liable for any loss, liability, cost, charge or expense which may arise as a result thereof.

- (i) If (A) the Issuer is unable to appoint an Independent Adviser or (B) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 8(m) prior to the relevant Interest Determination Date, the Reference Rate applicable to the relevant Interest Period shall be the Reference Rate applicable as at the last preceding Interest Determination Date. If there has not been a first Interest Payment Date, the Reference Rate shall be the Reference Rate applicable to the first Interest Period. For the avoidance of doubt, any adjustment pursuant to this

Condition 8(m)(i) shall apply to the relevant Interest Period only. Any subsequent Interest Period may be subject to the subsequent operation of this Condition 8(m).

- (ii) If the Independent Adviser determines in its discretion that:
 - (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 8(m)(iii)) subsequently be used in place of the Reference Rate to determine the Rate of Interest (or the relevant component part(s) thereof) for the relevant Interest Period and all following Interest Periods, subject to the subsequent operation of this Condition 8(m) in the event of a further Benchmark Event affecting the Successor Rate; or
 - (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 8(m)(iii)) subsequently be used in place of the Reference Rate to determine the Rate of Interest (or the relevant component part(s) thereof) for the relevant Interest Period and all following Interest Periods, subject to the subsequent operation of this Condition 8(m)) in the event of a further Benchmark Event affecting the Alternative Rate.
- (iii) If the Independent Adviser determines in its discretion (A) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (B) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall apply to the Successor Rate or the Alternative Rate (as the case may be).
- (iv) If any relevant Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 8(m) and the Independent Adviser determines in its discretion (A) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the 'Benchmark Amendments') and (B) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 8(m)(v), without any requirement for the consent or approval of relevant Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice (and for the avoidance of doubt, the Trustee shall, at the direction and expense of the Issuer, consent to and effect such consequential amendments to the Trust Deed, Paying Agency Agreement and these Conditions as the Trustee may be required in order to give effect to this Condition 8(m)).
- (v) Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 8(m) will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 20 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.
- (vi) No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee (copying the Agents) a certificate signed by two authorised signatories of the Issuer:
 - (A) confirming (1) that a Benchmark Event has occurred, (2) the relevant Successor Rate, or, as the case may be, the relevant Alternative Rate and, (3) where applicable, any relevant Adjustment Spread and/or the specific terms of any relevant Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 8(m); and
 - (B) certifying that (1) the relevant Benchmark Amendments are necessary to ensure the proper operation of such relevant Successor Rate, Alternative

Rate and/or Adjustment Spread and (2) the intent of the drafting of such changes is solely to implement the relevant Benchmark Amendments.

The Trustee and the Agents shall be entitled to rely on such certificate (without further enquiry and without liability to any person) as sufficient evidence thereof.

- (vii) The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of such Successor Rate or Alternative Rate and such Adjustment Spread (if any) and such Benchmark Amendments (if any)) be binding on the Issuer, the Trustee and Principal Paying Agent, the Calculation Agent, the other Paying Agents and the Noteholders.
- (viii) As used in this Condition 8(m):

"Adjustment Spread" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines is required to be applied to the relevant Successor Rate or the relevant Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (B) (if no such recommendation has been made, or in the case of an Alternative Rate), the Independent Adviser, determines is customarily applied to the relevant Successor Rate or Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate; or
- (C) (if no such determination has been made) the Independent Adviser determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (D) (if the Independent Adviser determines that no such industry standard is recognised or acknowledged) the Independent Adviser determines to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Rate (as the case may be).

"Alternative Rate" means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with this Condition 8(m) is customary in market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) for a commensurate period and in the Specified Currency;

"Benchmark Amendments" has the meaning given to it in Condition 8(m)(iv);

"Benchmark Event" means:

- (A) the relevant Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

- (B) a public statement by the administrator of the relevant Reference Rate that (in circumstances where no successor administrator has been or will be appointed that will continue publication of such Reference Rate) it has ceased publishing such Reference Rate permanently or indefinitely or that it will cease to do so by a specified future date (the "**Specified Future Date**"); or
- (C) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will, by a specified future date (the "**Specified Future Date**"), be permanently or indefinitely discontinued; or
- (D) a public statement by the supervisor of the administrator of the relevant Reference Rate that means that such Reference Rate will, by a specified future date (the "**Specified Future Date**"), be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or
- (E) a public statement by the supervisor of the administrator of the relevant Reference Rate (as applicable) that, in the view of such supervisor, such Reference Rate is or will, by a specified future date (the "**Specified Future Date**"), be no longer representative of an underlying market; or
- (F) it has or will, by a specified date within the following six months, become unlawful for the Calculation Agent to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (as applicable) (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable).

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (B), (C), (D), or (E) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed to occur until the date falling six months prior to such Specified Future Date.

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer at its own expense;

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

- (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (1) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (2) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (3) a group of the aforementioned central banks or other supervisory authorities or (4) the Financial Stability Board or any part thereof; and

"**Successor Rate**" means a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body.

9. **Zero Coupon Note Provisions**

- (a) *Application:* This Condition 9 (*Zero Coupon Note Provisions*) is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Pricing Supplement as being applicable.
- (b) *Late payment on Zero Coupon Notes:* If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:
 - (i) the Reference Price; and
 - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

10. **Dual Currency Note Provisions**

- (a) *Application:* This Condition 10 (*Dual Currency Note Provisions*) is applicable to the Notes only if the Dual Currency Note Provisions are specified in the relevant Pricing Supplement as being applicable.
- (b) *Rate of Interest:* If the rate or amount of interest falls to be determined by reference to an exchange rate, the rate or amount of interest payable shall be determined in the manner specified in the relevant Pricing Supplement.

11. **Redemption and Purchase**

- (a) *Scheduled redemption:* Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 12 (*Payments*).
- (b) *Redemption for tax reasons:* The Notes may be redeemed at the option of the Issuer in whole, but not in part:
 - (i) at any time (if the Floating Rate Note Provisions are not specified in the relevant Pricing Supplement as being applicable); or
 - (i) on any Interest Payment Date (if the Floating Rate Note Provisions are not specified in the relevant Pricing Supplement as being applicable),

on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if, immediately before giving such notice, the Issuer satisfies the Trustee that:

- (A) (1) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 13 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of New Zealand or any political subdivision or any authority thereof or therein having power to tax (including, without limitation, any increase in the rate of Approved Issuer Levy payable pursuant to the Stamp and Cheque Duties Act 1971 (NZ)), or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes; and (2) such obligation

cannot be avoided by the Issuer taking reasonable measures available to it (but not including paying the increased amount of Approved Issuer Levy); or

- (B) (1) a Guarantor has or (if a demand was made under the Guarantee of the Notes) would become obliged to pay additional amounts as provided or referred to in Condition 13 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of New Zealand or any political subdivision or any authority thereof or therein having power to tax (including, without limitation, any increase in the rate of Approved Issuer Levy payable pursuant to the Stamp and Cheque Duties Act 1971 (NZ)), or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes and (2) such obligation cannot be avoided by the Guarantor taking reasonable measures available to it (but not including paying the increased amount of Approved Issuer Levy),

provided, however, that no such notice of redemption shall be given earlier than:

- (1) where the Notes may be redeemed at any time, 90 days prior to the earliest date on which the Issuer or the relevant Guarantor would be obliged to pay such additional amounts if a payment in respect of the Notes were then due or (as the case may be) a demand under the Guarantee of the Notes were then made; or
- (2) where the Notes may be redeemed only on an Interest Payment Date, 60 days prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer or the relevant Guarantor would be obliged to pay such additional amounts if a payment in respect of the Notes were then due or (as the case may be) a demand under the Guarantee of the Notes were then made.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver or procure that there is delivered to the Trustee a certificate signed by two Authorised Signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred. The Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the circumstances set out above, in which event it shall be conclusive and binding on the Noteholders. Upon the expiry of any such notice as is referred to in this Condition 11(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 11.

- (c) *Redemption at the option of the Issuer:* If the Call Option is specified in the relevant Pricing Supplement as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Pricing Supplement, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).
- (d) *Partial redemption:* If the Notes are to be redeemed in part only on any date in accordance with Condition 11(c) (*Redemption at the option of the Issuer*), in the case of Bearer Notes the Notes to be redeemed shall be selected by the drawing of lots in such place as the Principal Paying Agent approves and in such manner as the Principal Paying Agent considers appropriate, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the notice to Noteholders referred to in Condition 11(c) (*Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed, and, in the case of Registered Notes,

each shall be redeemed in part in the proportion which the aggregate principal amount of the outstanding Notes to be redeemed on the relevant Optional Redemption Date (Call) bears to the aggregate principal amount of outstanding Notes on such date. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Pricing Supplement, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

- (e) *Redemption at the option of Noteholders:* If the Put Option is specified in the relevant Pricing Supplement as being applicable, the Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 11(e), the holder of a Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put), deposit a duly completed Put Option Notice in the form obtainable from the Paying Agent and, in the case of a Put Option Notice relating to Definitive Notes, such Definitive Notes with any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 11(e), may be withdrawn; **provided, however, that** if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of such Definitive Note, the 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 Note is held by a Paying Agent in accordance with this Condition 11(e), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.
- (f) *No other redemption:* The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) to (e) above.
- (g) *Early redemption of Zero Coupon Notes:* Unless otherwise specified in the relevant Pricing Supplement, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:
 - (i) the Reference Price; and
 - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Pricing Supplement for the purposes of this Condition 11(g) or, if none is so specified, a Day Count Fraction of 30E/360.

- (h) *Purchase:* The Issuer, a Guarantor or any of their respective Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, **provided that** (in the case of Bearer Notes) all unmatured Coupons are purchased therewith.
- (i) *Cancellation:* All Notes so redeemed or purchased by the Issuer, a Guarantor or any of their respective Subsidiaries and any unmatured Coupons attached to or surrendered with them shall be cancelled and may not be reissued or sold.

12. **Payments**

(A) **Payments Generally**

- (a) *Payments in New York City:* Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.
- (b) *Payments subject to fiscal laws:* Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 13 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 13 (*Taxation*)) any law implementing an intergovernmental approach thereto.
- (c) *Payments on business days:* If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.
- (d) *Partial payments:* If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon or, in the case of Registered Notes, record upon the Register a statement indicating the amount and date of such payment.

(B) Payments in respect of Bearer Notes

- (a) *Principal:* Payments of principal shall be made only against presentation and (**provided that** payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency.
- (b) *Interest:* Payments of interest shall, subject to paragraph (f) below, be made only against presentation and (**provided that** payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in paragraph (a) above.
- (c) *Deductions for unmatured Coupons:* If the relevant Pricing Supplement specifies that the Fixed Rate Note Provisions are applicable and a Bearer Note is presented without all unmatured Coupons relating thereto:
 - (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; **provided, however, that** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment; and
 - (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:

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

Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) above against presentation and **(provided that** payment is made in full) surrender of the relevant missing Coupons.

- (d) *Unmatured Coupons void:* If the relevant Pricing Supplement specifies that this Condition 12(B)(d) is applicable or that the Floating Rate Note Provisions are applicable, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 11(b) (*Redemption for tax reasons*), Condition 11(e) (*Redemption at the option of Noteholders*), Condition 11(c) (*Redemption at the option of the Issuer*) or Condition 14 (*Events of Default and Enforcement*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.
 - (e) *Payments on business days:* If the due date for payment of any amount in respect of any Bearer Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.
 - (f) *Payments other than in respect of matured Coupons:* Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Bearer Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by paragraph (c) above).
 - (g) *Partial payments:* If a Paying Agent makes a partial payment in respect of any Bearer Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.
 - (h) *Exchange of Talons:* On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Bearer Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Principal Paying Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 15 (*Prescription*)). Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.
- (C) Payments in respect of Registered Notes**
- (a) *Principal:* Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the Specified Office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as

defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the "**Register**") at the close of business on the fifteenth day (being for the purpose of this paragraph (a) a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date (the "**Record Date**"). Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the nominal amount of the Notes held by a holder is less than U.S.\$250,000 (or its approximate equivalent in any other Specified Currency), payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, "**Designated Account**" means the account (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register and "**Designated Bank**" means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Wellington respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

- (b) *Interest:* Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Registered Note (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the Record Date at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) and instalments of principal (other than the final instalment) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption and the final instalment of principal will be made in the same manner as payment of the principal in respect of such Registered Note.

13. **Taxation**

- (a) *Gross up:* All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer or a Guarantor shall be made free and clear of, and 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 or on behalf of New Zealand or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer or (as the case may be) the relevant Guarantor shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon:
- (i) held by or on behalf of a holder in respect of which the liability to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon arises by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon; or

- (ii) presented for payment in New Zealand if such withholding or deduction would not have been required if the Note or Coupon was presented for payment outside New Zealand; or
 - (iii) where such withholding or deduction is for or on account of New Zealand resident withholding tax; or
 - (iv) held by or on behalf of a holder which is associated with the Issuer or the relevant Guarantor for the purposes of the Approved Issuer Levy or non-resident withholding tax rules in the Income Tax Act 2007 of New Zealand or which holds the Note or Coupon or derives the interest jointly with a New Zealand resident; or
 - (v) where the relevant Note or Coupon is presented for payment more than 30 days after the Relevant Date except to the extent that the holder of such Note or Coupon would have been entitled to such additional amounts on presenting such Note or Coupon for payment on the last day of such period of 30 days.
- (b) *Resident Withholding Tax:* The Issuer or the Guarantors (as applicable) are required by law to deduct New Zealand resident withholding tax from the payment of interest to the holder of any Note on any Interest Payment Date or the Maturity Date, if:
- (i) the holder is a resident of New Zealand for income tax purposes or otherwise receives payments of principal or interest from the Issuer or a Guarantor subject to the New Zealand resident withholding tax rules (a "**New Zealand Holder**"); and
 - (ii) at the time of such payment the New Zealand Holder does not have RWT-exempt status for New Zealand resident withholding tax purposes.

Prior to any Interest Payment Date or Maturity Date any New Zealand Holder:

- (i) must notify the Issuer or the Guarantors (as applicable) or a Paying Agent that the New Zealand Holder is the holder of a Note; and
- (ii) must notify the Issuer or the Guarantors (as applicable) or a Paying Agent of any circumstances, and provide the Issuer or the Guarantors (as applicable) or the relevant Paying Agent with any information (including notification of the New Zealand Holder's RWT-exempt status for New Zealand resident withholding tax purposes and providing the New Zealand Holder's IRD number), that may enable the Issuer or the Guarantors (as applicable) to make the payment of interest to the New Zealand Holder without deduction on account of a New Zealand resident withholding tax.

A New Zealand Holder must notify the Issuer and the Guarantors (as applicable), prior to any Interest Payment Date or the Maturity Date, of any change in the New Zealand Holder's circumstances from those previously notified that could affect the Issuer's or a Guarantor's payment or withholding obligations in respect of any Note. By accepting payment of the full face amount of a Note or any interest thereon on any Interest Payment Date or Maturity Date, a New Zealand Holder will be deemed to have indemnified the Issuer or the Guarantors (as applicable) for all purposes in respect of any liability which the Issuer or the Guarantors (as applicable) may incur for not deducting any amount from such payment on account of New Zealand resident withholding tax.

- (c) *Taxing jurisdiction:* If the Issuer or the Guarantor becomes subject at any time to any taxing jurisdiction other than New Zealand, references in these Conditions to New Zealand shall be construed as references to New Zealand and/or such other jurisdiction.

14. **Events of Default and Enforcement**

If any of the following events occurs, then the Trustee at its discretion may and, if so requested in writing by holders of at least one quarter of the aggregate principal amount

of the outstanding Notes or if so directed by an Extraordinary Resolution, shall (subject to the Trustee in each case, being indemnified and/or secured and/or prefunded to its satisfaction having certified in writing that the happening of any of the events described in paragraphs (c), (d), (f) and (in the case of any event having an analogous effect to any of the foregoing) (g) below, is in its opinion materially prejudicial to the interests of the Noteholders) give written notice to the Issuer declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their Early Termination Amount together with accrued interest (if any) without further action or formality:

- (a) default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of 14 days; or
- (b) the Issuer or any Guarantor fails to perform or observe any of its other obligations under these Conditions or the Trust Deed and (except in any case where the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days next following the service by the Trustee on the Issuer or the relevant Guarantor (as the case may be) of notice requiring the same to be remedied; or
- (c) any Borrowed Moneys Indebtedness of the Issuer or any Guarantor exceeding NZ\$10,000,000 (in aggregate) or its equivalent in any other currency is not repaid on its original maturity date (or within any applicable grace periods), or becomes due and payable by reason of default before its original maturity date, other than where contested in good faith by appropriate proceedings; or
- (d) the Issuer or any Guarantor is unable to pay its debts as they fall due, commences negotiations with any one or more of its creditors with a view to the readjustment or rescheduling of its indebtedness generally, or makes a general assignment for the benefit of or an arrangement or composition with or for the benefit of its creditors; or
- (e) any order is made by any competent court or an effective resolution is passed or legislation is enacted for the liquidation, winding up or dissolution of the Issuer or any Guarantor, or a statutory manager is appointed in respect of the Issuer or any Guarantor under the Corporations (Investigations and Management) Act 1989 of New Zealand or any analogous or replacement legislation, or any analogous proceedings are taken in respect of the Issuer or any Guarantor, or the Issuer or any Guarantor ceases or threatens in writing to cease to carry on the whole or substantially the whole of its business, other than for the purposes of a reconstruction, amalgamation or reorganisation where the Issuer or the relevant Guarantor, as the case may be, is solvent and which (except in the case of an amalgamation with, or the distribution of Assets to, another Guarantor or Guarantors) has been approved by the Trustee; or
- (f) an encumbrancer takes possession or a receiver is appointed of the whole or any material part of the Assets or undertaking of the Issuer or any Guarantor, or a distress or execution in an amount exceeding NZ\$10,000,000 (or its equivalent in any other currency) is levied or enforced upon or sued out against all or any material part of the Assets or undertaking of the Issuer or any Guarantor, except where the same is discharged or stayed within 30 days of commencement or is contested by the Issuer or such Guarantor in good faith by appropriate proceedings; or
- (g) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in the foregoing paragraphs.

The Trustee may at any time, at its discretion and without further notice, institute such proceedings against the Issuer and/or a Guarantor as it may think fit to recover any amounts due in respect of the Notes which are unpaid or to enforce any of its rights under

this Trust Deed or the Conditions but it shall not be bound to do so unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least one-quarter in principal amount of the outstanding Notes, and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Noteholder, Receiptholder or Couponholder shall be entitled to proceed directly against the Issuer or the Guarantors unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

15. **Prescription**

Claims for principal in respect of Bearer Notes shall become void unless the relevant Bearer Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest (whether in respect of Bearer Notes or Registered Notes) shall become void unless the relevant Notes, Receipts, or Coupons are presented for payment within, in the case of Bearer Notes, five years or, in the case of Registered Notes ten years, of the appropriate Relevant Date.

16. **Replacement of Notes and Coupons**

If any Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Replacement Agent (in the case of Bearer Notes, Receipts, Talons or Coupons) or the Registrar (in the case of Registered Notes) (and, in each case, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent or Transfer Agent in any particular place, the Paying Agent or Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Talons or Coupons must be surrendered before replacements will be issued.

17. **Trustee and Agents**

Under the Trust Deed, the Trustee is entitled to be indemnified and relieved from responsibility in certain circumstances and to be paid its costs and expenses in priority to the claims of the Noteholders. In addition, the Trustee is entitled to enter into business transactions with the Issuer, a Guarantor and any entity relating to the Issuer or a Guarantor without accounting for any profit.

In the exercise of its powers and discretions under these Conditions and the Trust Deed, the Trustee will have regard to the interests of the Noteholders as a class and will not be responsible for any consequence for individual Holders of Notes as a result of such Holders being connected in any way with a particular territory or taxing jurisdiction.

In acting under the Paying Agency Agreement and in connection with the Notes and the Coupons, the Agents act solely as agents of the Issuer and the Guarantors and (to the extent provided therein) the Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Paying Agents, Transfer Agents and Registrars and their initial Specified Offices are listed below. The initial Calculation Agent (if differing from the Calculation Agent appointed pursuant to clause 13 of the Paying Agency Agreement) is specified in the relevant Pricing Supplement. The Issuer and the Guarantors (acting together) reserve the right (with the prior approval of the Trustee) at any time to vary or terminate the appointment of any Agent and to appoint a successor principal paying agent, other paying agent, registrar or calculation agent and additional or successor paying agents or registrars; **provided, however, that:**

- (a) the Issuer and the Guarantors shall at all times maintain a principal paying agent and a registrar;
- (b) if a Calculation Agent is specified in the relevant Pricing Supplement, the Issuer and the Guarantors shall at all times maintain a Calculation Agent; and
- (c) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) in any particular place, the Issuer and the Guarantors shall maintain a Paying Agent and/or Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders.

18. **Meetings of Noteholders; Modification and Waiver**

- (a) *Meetings of Noteholders:* The Trust Deed contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and the Guarantors (acting together) or by the Trustee, and shall be convened by the Trustee subject to its being indemnified and/or secured and/or pre-funded to its satisfaction upon the request in writing of Noteholders holding not less than one-twentieth of the aggregate principal amount of the outstanding Notes. The quorum at any Meeting convened to vote on an Extraordinary Resolution will be two or more Voters holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more Voters being or representing Noteholders whatever the principal amount of the Notes held or represented; **provided, however, that** Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more Persons holding or representing not less than two-thirds or, at any adjourned meeting, one-third of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

Any such meeting of the Noteholders may be convened at a physical location, or such other method (which may include, without limitation, a conference call or video conference) as the Trustee may determine in accordance with the provisions of the Trust Deed.

The Trust Deed provides that (i) a written resolution signed by or on behalf of all holders of Notes who for the time being are entitled to receive notice of a Meeting (a "**Written Resolution**") or (ii) where Notes are held by or on behalf of a clearing system or clearing systems, approval of a resolution proposed by the Issuer, a Guarantor or the Trustee given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of all holders of Notes who for the time being are entitled to receive notice of a Meeting (an "**Electronic Consent**") shall, in each case for all purposes, be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held.

A Written Resolution and/or Electronic Consent will be binding on all Noteholders whether or not they participated in such Written Resolution and/or Electronic Consent, as the case may be.

- (b) *Modification and waiver:* The Trustee may, without the consent of the Noteholders, Receiptholders or Couponholders, concur with the Issuer and the Guarantors in making

any modification of these Conditions, the Paying Agency Agreement, the Notes or the Trust Deed (other than in respect of Reserved Matters or any provision of the Trust Deed referred to in such specification) which is, in the opinion of the Trustee, proper to make if, in the opinion of the Trustee, such modification will not be materially prejudicial to the interests of Noteholders and to any modification of these Conditions, the Paying Agency Agreement, the Notes or the Trust Deed which is of a formal, minor or technical nature or is to correct a manifest error.

In addition, the Trustee may, without the consent of the Noteholders, Receiptholders or Couponholders on such terms and conditions (if any) as shall seem expedient to it, authorise or waive any proposed breach or breach of any of the covenants or provisions contained in the Receipts, Coupons or Notes or the Trust Deed (other than a proposed breach or breach relating to the subject of a Reserved Matter) or determine that any Event of Default or Potential Event of Default shall not be treated as such for the purposes of the Trust Deed if, in the opinion of the Trustee, the interests of the Noteholders will not be materially prejudiced thereby.

If the Trustee so requires, the Issuer shall cause such authorisation, waiver or determination to be notified to the Noteholders as soon as practicable thereafter.

- (c) *Substitution:* The Trust Deed contains provisions under which the Trustee may, without the consent of the Noteholders, the Receiptholders or the Couponholders, agree to the substitution in place of the Issuer of a Guarantor or any other Subsidiary as principal debtor under the Trust Deed and in relation to the Notes, Receipts or Coupons of any Series **provided that** certain conditions specified in the Trust Deed are fulfilled.

No Noteholder or Couponholder shall, in connection with any substitution, be entitled to claim any indemnification or payment in respect of any tax consequence thereof for such Noteholder or Couponholder, except to the extent provided for in Condition 13 (*Taxation*) (or any undertaking given in addition to or substitution for it pursuant to the provisions of the Trust Deed).

19. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders and in accordance with the Trust Deed, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes. The Issuer may from time to time, with the consent of the Trustee, create and issue other series of notes having the benefit of the Trust Deed.

20. **Notices**

All notices regarding the Bearer Notes will be valid if published in a leading English language daily newspaper of general circulation in London. It is expected that any such newspaper publication will be made in the *Financial Times* in London. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any Stock Exchange or other relevant authority on which the Bearer Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers or where published in such newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

All notices regarding Registered Notes will be deemed to be validly given if sent by first class mail (or its equivalent) or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are admitted to trading on a Stock Exchange and the

rules of that Stock Exchange (or any other relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

Until such time as any Definitive Notes are issued, there may, so long as the notes are represented in their entirety by any Global Note held on behalf of Euroclear or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) or such mailing the delivery of the relevant notice to Euroclear or Clearstream, Luxembourg for communication by them to the Noteholders and, in addition, for so long as any Notes are listed on a Stock Exchange or admitted to trading by any other relevant authority and the rules of that Stock Exchange, or as the case may be, other relevant authority so require, such notice or notices will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the Noteholders on the day on which the said notice was given to Euroclear or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Agent (in the case of the Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the relevant Principal Paying Agent or the Registrar through Euroclear or Clearstream, Luxembourg as the case may be, in such manner as the relevant Principal Paying Agent, the Registrar and Euroclear or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

21. **Currency Indemnity**

If any sum due from the Issuer in respect of the Notes or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Principal Paying Agent or Registrar (as applicable), against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

22. **Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Pricing Supplement), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

23. **Governing Law and Jurisdiction**

- (a) *Governing law:* The Notes and the Trust Deed and all non-contractual obligations arising out of or in connection with the Notes and the Trust Deed are governed by English law.
- (b) *English courts:* Each of the Issuer and the Guarantors has in the Trust Deed agreed for the benefit of the Trustee and the Noteholders that the courts of England shall have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including any non-contractual obligation arising out of or in connection with the Notes).
- (c) *Appropriate forum:* Each of the Issuer and the Guarantors agrees that the courts referred to in Condition 23(b) (*English courts*) are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue that any other courts are more appropriate or convenient.
- (d) *Rights of Noteholders to take proceedings outside England:* Nothing in this Condition 23 (*Governing Law and jurisdiction*) or the Trust Deed prevents the Trustee or any Noteholder from taking proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, the Trustee or any Noteholders may take concurrent Proceedings in any number of jurisdictions.

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

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

FORM OF PRICING SUPPLEMENT

The Pricing Supplement in respect of each Tranche of Notes will be substantially in the following form, duly supplemented (if necessary), amended (if necessary) and completed to reflect the particular terms of the relevant Notes and their issue. Text in this section appearing in italics does not form part of the form of the Pricing Supplement but denotes directions for completing the Pricing Supplement.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the 'Insurance Distribution Directive'), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**EUWA**"); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the Financial Services and Markets Act 2000 (the "**FSMA**") to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

[EU MiFID II PRODUCT GOVERNANCE/TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[UK MiFIR PRODUCT GOVERNANCE/TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ('COBS'), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment

in respect of the Notes (by either adopting or refining the manufacturer[s/s] target market assessment) and determining appropriate distribution channels.]

[In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the "SFA") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ["prescribed capital markets products"] / [capital markets products other than "prescribed capital markets products"] (as defined in the CMP Regulations 2018) and [are] [Excluded] / [Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products.)¹

Pricing Supplement dated [•]

Chorus Limited

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

Guaranteed by Chorus New Zealand Limited

under the U.S.\$2,000,000,000

Euro Medium Term Note Programme

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Information Memorandum dated [•] 2022. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Information Memorandum [and the supplemental Information Memorandum dated [date]].

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Information Memorandum with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Information Memorandum dated [original date]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Information Memorandum dated [current date] [and the supplemental Information Memorandum dated [•]], save in respect of the Conditions save in respect of the Conditions which are extracted from the Information Memorandum dated [original date] and are attached hereto.]

Full information on the Issuer, the Original Guarantor and the offer of the Notes described herein is only available on the basis of the combination of this Pricing Supplement [and/,] the Information Memorandum [and the supplement to the Information Memorandum dated [date of supplement]]. The Information Memorandum [and such supplement are] [is] available for viewing at Citibank, N.A., London Branch, c/o Citibank, N.A., Dublin Branch, 1 North Wall Quay Dublin and copies may be obtained from the registered office of the Issuer being Level 10, 1 Willis Street, Wellington 6011, New Zealand. The Information Memorandum and, in the case of Notes listed on the ASX, the applicable Pricing Supplement, will be made available through the ASX.

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement.]

¹ For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

1. (i) Issuer: Chorus Limited
 - (ii) Guarantor: Chorus New Zealand Limited
 2. [(i)] Series Number: [•]
 - [(ii)] Tranche Number: [•]
 - (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)
 3. Specified Currency or Currencies: [•]
 4. Aggregate Nominal Amount: [•]
 - [(i)] Series: [•]
 - [(ii)] Tranche: [•]
 5. Issue Price: [•] per cent of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (*in the case of fungible issues only, if applicable*)]
 6. (i) Specified Denominations:^{1 2} []
 - (ii) Calculation Amount: [•]
 7. (i) Issue Date: [•]
 - (ii) Interest Commencement Date: [*Specify/Issue Date/Not Applicable*]
 8. Maturity Date: [*Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]
- [If the notes are Bearer Notes and the Maturity Date is less than one year from the Issue Date and either (a) the issue proceeds are received by the Issuer in the United Kingdom, or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, (i) the Notes must have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be sold only to "professional investors" or (ii) another*

¹ Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise would constitute a contravention of section 19 of the FSMA and which have a maturity of less than one year, must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

² If the specified denomination is expressed to be EUR100,000 or its equivalent and multiples of a lower principal amount (for example EUR1,000), insert the additional wording as follows: EUR100,000 and integral multiples of [EUR1,000] in excess thereof up to and including [EUR199,000]. No Notes in definitive form will be issued with a denomination above [EUR199,000]. In relation to any issue of the Notes which are a "Global Note exchangeable for Definitive Notes" in circumstances other than "in the limited circumstances specified in the Global Notes", such Notes may only be issued in denominations equal to, or greater than, EUR100,000 (or equivalent) and multiples thereof.

applicable exemption from section 19 of the FSMA must be available.]

9. Interest Basis: [[•] per cent Fixed Rate]
[[Specify reference rate] +/- [•] per cent Floating Rate]
[Zero Coupon]
[Dual Currency]
(further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]
[Dual Currency]
[Partly Paid]
[Instalment]
11. Change of Interest or Redemption/Payment Basis: *[Specify details of any provision for convertibility of Notes into another interest or redemption/ payment basis]*
12. Put/Call Options: [Investor Put]
[Issuer Call]
[(further particulars specified below)]
13. (i) Status of the Notes: Senior
(ii) Status of the Guarantee: Senior
[(iii)] [Date [Board] [•] [and [•], respectively approval for issuance of Notes [and Guarantee] [respectively]] obtained: *(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related Guarantee)]*
14. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Initial Rate[(s)] of Interest: [•] per cent per annum [payable [annually/ semi-annually/quarterly/monthly/other (specify)] in arrear]
- (ii) Interest Payment Date(s): [•] in each year commencing on [•] up to and including the Maturity Date [adjusted in accordance with *[specify Business Day Convention and any applicable Business*

- Centre(s) for the definition of "Business Day"/not adjusted]*
- (iii) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[*specify other, unless no adjustment is required in which case specify "No Adjustment". If nothing is specified there will be no adjustment.*]]
- (iv) Additional Business Centre(s): [Not Applicable/*give details*]
- (v) Fixed Coupon Amount[(s)]: [•] per Calculation Amount
- (vi) Broken Amount(s): [•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]
- (vii) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA) / other]
- (viii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/*give details*]
- (ix) Ratings Downgrade Coupon Step-Up (Condition 7(e)) [Applicable/Not Applicable]
- (x) Ratings Downgrade Step-up Margin [•]
- (xi) Minimum Volume Coupon Step-up (Condition 7(f)) [Applicable/Not Applicable]
[Specify adjustment provisions if applicable]
16. Floating Rate Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Specified Period: *(N.B. only applicable if the Specified Period does not correspond with the Interest Payment Date.)*
- (ii) First Interest Payment Date: [•]
- (iii) Interest Payments Dates: [•] in each year up to and including the Maturity Date
- (v) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ other (*give details*)]

- (vi) Additional Business Centre(s): [Not Applicable/*give details*]
- (iv) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (*give details*)]
- (v) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Principal Paying Agent]): [[*Name*] shall be the Calculation Agent (*no need to specify if the Principal Paying Agent is to perform this function*)]
- (vi) Screen Rate Determination:
- Reference Rate: [*For example, EURIBOR/SOFR/SOFR Compounded Index*]
 - Observation Method: [Lag / Observation Shift]
 - Lag Period: [5 / [*] TARGET Settlement Days/U.S. Government Securities Business Days/London Banking Days/Not Applicable]
 - Observation Shift Period: [5 / [*] TARGET Settlement Days/U.S. Government Securities Business Days/London Banking Days/Not Applicable]
(NB: A minimum of 5 should be specified for the Lag Period or Observation Shift Period, unless otherwise agreed with the Calculation Agent)
 - D: [360/365/[*] / [Not Applicable]
 - Index Determination: [Applicable/Not Applicable]
 - SOFR Compounded Index: [Applicable/Not Applicable]
 - Relevant Decimal Place: [*] [[5/7] (unless otherwise specified in the Pricing Supplement, be the seventh decimal place in the case of the SOFR Compounded Index)
 - Relevant Number of Index Days: [*] [[5] (unless otherwise specified in the Pricing Supplement, the Relevant Number shall be 5)
 - Interest Determination Date: [The first Business Day in the relevant Interest Period]/[*] [London Banking Days/U.S. Government Securities Business Days/TARGET Settlement Days] prior to the end of each Interest Payment Date]

- Relevant Screen Page: [•]
 - Relevant Time: [•]
 - Relevant Financial Centre: [•]
- (vii) ISDA Determination:
- Floating Rate Option: [•]
 - Designated Maturity: [•]
 - Reset Date: [•] / [the first day of the relevant Interest Period]
- (viii) Margin(s): [+/-][•] per cent per annum
- (ix) Minimum Rate of Interest: [•] per cent per annum
- (x) Maximum Rate of Interest: [•] per cent per annum
- (xi) Day Count Fraction: [•]
- (xii) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [•]
17. Zero Coupon Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Accrual Yield: [•] per cent per annum
- (ii) Reference Price: [•]
- (iii) Any other formula/basis of determining amount payable: [Consider whether it is necessary to specify a Day Count Fraction for the purposes of Condition [•]]
- (v) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ FRN Convention/ Floating Rate Convention/ Eurodollar Convention/ other (give details)]

- (vi) Additional Business Centre(s): [Not Applicable/give details]
18. Variable-linked interest Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Formula/other variable: [give or annex details]
- (ii) Calculation Agent responsible for calculating the interest due: [•]
- (iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable: [•]
- (iv) Interest Determination Date(s): [•]
- (v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [•]
- (vi) Interest or calculation period(s): [•]
- (vii) Specified Period: [•]
- (ix) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (x) Additional Business Centre(s): [•]
- (xi) Minimum Rate/Amount of Interest: [•] per cent per annum
- (xii) Maximum Rate/Amount of Interest: [•] per cent per annum
- (xiv) Day Count Fraction: [•]
19. Dual Currency Note Provisions [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
- (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due: [•]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [•]
- (iv) Person at whose option Specified Currency(ies) is/are payable: [•]
- (v) Additional Business Centre(s): [Not Applicable/give details]

PROVISIONS RELATING TO REDEMPTION

20. Call Option [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Optional Redemption Date(s): [•]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Calculation Amount
- (iii) If redeemable in part:
 - (a) Minimum Redemption Amount: [•] per Calculation Amount
 - (b) Maximum Redemption Amount: [•] per Calculation Amount
- (iv) Notice period: [•]

21. Put Option [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Optional Redemption Date(s): [•]
 - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Calculation Amount
 - (iii) Notice period: [•]
22. Final Redemption Amount of each Note [•] per Calculation Amount
- In cases where the Final Redemption Amount is variable-linked:
- (i) Formula/variable: [*give or annex details*]
 - (ii) Calculation Agent responsible for calculating the Final Redemption Amount: [•]
 - (iii) Provisions for determining Final Redemption Amount where calculated by reference to Formula and/or other variable: [•]
 - (iv) Date for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable: [•]
 - (v) Provisions for determining Final Redemption Amount where calculation by reference to Formula and/or other variable is impossible or impracticable or otherwise disrupted: [•]
 - (vi) [Payment Date]: [•]
 - (vii) Minimum Final Redemption Amount: [•] per Calculation Amount
 - (viii) Maximum Final Redemption Amount: [•] per Calculation Amount

23. Early Redemption Amount

Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): [Not Applicable
(If both the Early Redemption Amount (Tax) and the Early Termination Amount are the principal amount of the Notes/specify the Early Redemption Amount (Tax) and/or the Early Termination Amount if different from the principal amount of the Notes)]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes: Bearer Notes:³
[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]⁴
[Temporary Global Note exchangeable for Definitive Notes on [•] days' notice]⁵
[Registered Notes]
[Permanent Global Note exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]⁶
25. New Global Note [Yes/No]
26. Intended to be held in a manner which would allow Eurosystem eligibility [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] *[include this text for registered notes]*] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] /

³ Bearer Notes issued in compliance with the D Rules must initially be represented by a Temporary Global Note.

⁴ If the Specified Denominations of the Notes in paragraph 6 includes language substantially to the following effect: "EUR100,000 and integral multiples of [EUR1,000] in excess thereof up to and including [EUR199,000]", the Permanent Global Note shall not be exchangeable on [•] days notice/at any time.

⁵ If the Specified Denominations of the Notes in paragraph 6 includes language substantially to the following effect: "EUR100,000 and integral multiples of [EUR1,000] in excess thereof up to and including [EUR199,000]", the Temporary Global Note shall not be exchangeable on [•] days notice.

⁶ If the Specified Denominations of the Notes in paragraph 6 includes language substantially to the following effect: "EUR100,000 and integral multiples of [EUR1,000] in excess thereof up to and including [EUR199,000]", the Permanent Global Note shall not be exchangeable on [•] days notice/at any time.

[No. Whilst the designation is specified as "no" at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper[[[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] [*include this text for registered notes*]]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

27. Additional Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable/*give details*.
Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub paragraphs 15(ii), 16(vi) and 18(x) relate]
28. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. *If yes, give details*]
29. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made [and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment]: [Not Applicable/*give details*]
30. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: [Not Applicable/*give details*]
31. Consolidation provisions: [The provisions [in Conditions 20 (*Further Issues*)] [annexed to this Pricing Supplement] apply]
32. Other terms or special conditions: [Not applicable/ *give details*]

DISTRIBUTION

33. (i) If syndicated, names and addresses of Dealers and underwriting commitments: [Not Applicable/*give names, addresses and underwriting commitments*]
(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a

firm commitment or on a "best efforts" basis if such entities are not the same as the Dealers.)

- (ii) Date of [•]
[Subscription] Agreement:
- (iii) Stabilisation Manager(s) (if any): [Not Applicable/give name]
34. If non-syndicated, name and address of Dealer: [Not Applicable/give name and address]
35. Total commission and concession: [•] per cent of the Aggregate Nominal Amount
36. U.S. Selling Restrictions: [Reg. S Compliance Category; TEFRA C/TEFRA D/ TEFRA not applicable]
37. Additional selling restrictions: [Not Applicable/give details]
- 38 Listing and Admission to Trading Australia/None
- (i) Listing and admission to trading [Application [has been/is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to listing on the ASX with effect from [•].]/[Not Applicable].
- (ii) Estimate of total expenses related to admission to trading [•]

OPERATIONAL INFORMATION

39. ISIN Code: [•]
40. Common Code: [•]
41. Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
42. Delivery: Delivery [against/free of] payment
43. Names and addresses of initial Paying Agent(s): [•]
44. Names and addresses of additional Paying Agent(s) (if any): [•]

GENERAL

45. Private Bank Rebate/Commission [Applicable/Not Applicable]
46. The Aggregate principal amount of the Notes issued has been translated into United States dollars at the rate of [•], producing a sum of (*for Notes*)

not denominated in United States dollars):

47. Ratings:

[The Notes to be issued [[have been]/[are expected to be]] rated [insert details] by [insert credit rating agency name(s)].]

[A credit rating is not a recommendation to buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.]

Credit ratings are for distribution only to a person who is (a) not a "retail client" within the meaning of section 761G of the Corporations Act and is also a person in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement and anyone who receives this Pricing Supplement must not distribute it to any person who is not entitled to receive it.]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

[USE OF PROCEEDS

Give details if different from the "Use of Proceeds" section in the Information Memorandum.]

[STABILISING

In connection with this issue, [*insert name of Stabilisation Manager*] (the "**Stabilisation Manager**") (or persons acting on behalf of any Stabilising Manager) may over-allot Notes or effect transactions, to the extent permitted by applicable laws, regulations and rules, and other than in the circumstances where such action would reasonably be expected to affect the price of the Notes traded within Australia or New Zealand or on a "financial market", as defined in the Australian Corporations Act, operated within Australia and with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.]

RESPONSIBILITY

The Issuer and the Guarantor(s) accept responsibility for the information contained in these Pricing Supplement. [*(Relevant third party information) has been extracted from (specify source)*]. Each of the Issuer and the Guarantor(s) confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of [name of the Issuer]:

By:
Duly authorised

[Signed on behalf of the [name of the Guarantor]:

By:
Duly authorised]

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Clearing System Accountholders

Global Notes may be in bearer form. Consequently, in relation to any Tranche of Bearer Notes represented by a Bearer Global Note, references in the Terms and Conditions of the Notes to "Noteholder" are references to the bearer of the relevant Bearer Global Note which, for so long as the Global Note is held by a depositary or a common depositary, in the case of a CGN, or a common safekeeper, in the case of an NGN for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Bearer Global Note (each an "**Accountholder**") must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Issuer or the Guarantor to the bearer of such Bearer Global Note and in relation to all other rights arising under the Bearer Global Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by the Bearer Global Note, Accountholders shall have no claim directly against the Issuer or the Guarantor in respect of payments due under the Bearer Notes and such obligations of the Issuer and the Guarantor will be discharged by payment to the bearer of the Bearer Global Note.

Conditions applicable to Global Notes

Each Global Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Global Note. The following is a summary of certain of those provisions:

Payments in relation to the Bearer Notes: All payments in respect of the Bearer Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Bearer Global Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Bearer Global Note, the Issuer shall procure that in respect of a CGN the payment is noted in a schedule thereto and in respect of an NGN the payment is entered pro rata in the records of Euroclear and Clearstream, Luxembourg.

Payments in relation to Registered Notes: All payments in respect of a Registered Global Note will be made against presentation and endorsement or (in the case of payment of principal in full with all interest accrued thereon) presentation and surrender of the Registered Global Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Registered Global Note, the Issuer shall procure that in respect of a CGN the payment is noted in a schedule thereto and in respect of an NGN the payment is entered pro rata in the records of Euroclear and Clearstream, Luxembourg.

Payment Business Day. In the case of a Global Note, shall be: if the currency of payment is euro, any day which is a TARGET Settlement Day and any day on which commercial banks and foreign exchange markets settle payments in any Additional Financial Centre (if any); or, if the currency of payment is not euro, any day on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency.

Exercise of put option: In order to exercise the option contained in Condition 11(e) (*Redemption at the option of Noteholders*) the holder of the Permanent Global Note must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Principal Paying Agent or Transfer Agent (as applicable) specifying the

principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Partial exercise of call option: In connection with an exercise of the option contained in Condition 11(c) (*Redemption at the option of the Issuer*) in relation to some only of the Notes, the Permanent Global Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

Notices: Notwithstanding Condition 20 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 20 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be used for financing capital expenditure, refinancing existing debt obligations, and other general corporate purposes of the Chorus Group. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the relevant Pricing Supplement.

DESCRIPTION OF THE ISSUER AND THE ORIGINAL GUARANTOR

The Issuer

General

The Issuer, Chorus Limited, was established and incorporated as a company under the Companies Act 1993 of New Zealand on 1 July 2011, with company number 3454251. The registered office of the Issuer is Level 10, 1 Willis Street, Wellington 6011, New Zealand.

Business activities

The Issuer is the holding company of the Chorus Group. The Chorus Group comprises the Issuer and all of its wholly-owned subsidiaries, including the Original Guarantor and Chorus LTI Trustee Limited. At the date of this Information Memorandum, the Original Guarantor is the sole operating subsidiary of the Issuer. The Original Guarantor does not hold ordinary shares in the Issuer. Chorus LTI Trustee Limited (a non-operating subsidiary of the Issuer) was trustee for Chorus' long term incentive ("LTI") plan for selected key management personnel. The trust for that LTI scheme has been wound up and, at the date of this Information Memorandum, application has been made to the New Zealand Companies Office for removal of Chorus LTI Trustee Limited from the New Zealand companies register.

Management

For information on the management of the Issuer, see "*Management of the Chorus Group*" below.

Substantial shareholder

At the date of this Information Memorandum, the Issuer had 446,512,440 ordinary shares on issue. The Issuer's ordinary shares are quoted on the NZX Main Board and on the ASX. American Depositary Shares, each representing five ordinary shares and evidenced by American Depositary Receipts, are not listed but are traded on the over-the-counter market in the United States.

Some ownership restrictions apply to Chorus' shares, as described under the heading "*Ownership restrictions*" below.

At the date of this Information Memorandum, the Issuer has received notice of the following substantial product/security holders, each holding more than 5% of Chorus' total listed voting shares on issue:

Name of Holder	Total Number of Shares Held	Total percentage
L1 Capital Pty Limited	36,464,794	8.16%
UniSuperLimited as trustee for UniSuper and UniSuper Management Pty Limited	28,785,874	6.48%

The Original Guarantor

General

The Original Guarantor, Chorus New Zealand Limited, was established and incorporated as a company under the Companies Act 1993 of New Zealand on 1 July 2011, with company number 3454256. The registered office of the Original Guarantor is Level 10, 1 Willis Street, Wellington 6011, New Zealand.

Business activities

The Original Guarantor is the operating company of the Chorus Group and as a result, the business activities of the Original Guarantor are the business activities of the Chorus Group. A further description of the business activities of the Chorus Group is set out under "*Description of the Chorus Group's Business*" below.

Organisational structure

The Original Guarantor is a wholly-owned subsidiary of the Issuer.

Management

The Directors of the Original Guarantor are as follows:

Name	Title	Date of appointment
Susan Bailey	Director (Independent)	31 October 2019
Andrew Mark Cross	Director (Independent)	25 August 2017
Miriam Dean	Director (Independent)	27 October 2021
Murray Jordan	Director (Independent)	25 August 2017
Kate Jorgensen	Director (Independent)	1 July 2020
Jack Matthews.....	Director (Independent)	25 August 2017
Patrick Strange ¹	Chair and Director (Independent)	25 August 2017

Note:

- 1 Patrick Strange has resigned as a Director and Chair of the Original Guarantor and as a Director of the Issuer, effective from the end of the Issuer's annual shareholder meeting in October 2022 ("**ASM**"). Andrew Mark Cross has been appointed as the new Chair – his appointment takes effect from the end of the ASM.

The business address for the Directors of the Original Guarantor is Level 10, 1 Willis Street, Wellington 6011, New Zealand.

The Directors of the Original Guarantor have notified the Original Guarantor's Board of all their directorships and other interests as required under the New Zealand Companies Act 1993.

DESCRIPTION OF THE CHORUS GROUP'S BUSINESS

Overview

Chorus is New Zealand's largest fixed line communications infrastructure business. The Chorus Group builds and operates a network predominantly made up of fibre and copper cables, local telephone exchanges and cabinets connecting homes and businesses across most of New Zealand.

The Chorus Group is restricted from selling telecommunications services direct to end-users. The Chorus Group provides open access wholesale services to approximately 100 RSPs at the date of this Information Memorandum. RSPs use the Chorus Group's network to deliver phone and internet services to New Zealanders and rely on the Chorus Group's copper and fibre network capability and expertise to build and maintain their communications services.

For the years ended 30 June 2021 and 2020, the Chorus Group generated operating revenue of NZ\$955 million and NZ\$965 million, respectively, and net profit after tax of NZ\$51 million and NZ\$55 million, respectively.

For the half years ended 31 December 2021 and 2020, the Chorus Group generated operating revenue of NZ\$483 million and NZ\$478 million, respectively, and net profit after tax of NZ\$42 million and NZ\$27 million, respectively.

The Chorus Group's financial results for the year ended 30 June 2021 largely reflect the annualised revenue impact of declining connections from the year ended 30 June 2020.

History

Chorus was initially established in March 2008 as a business unit within Telecom New Zealand Limited. At that time, in accordance with undertakings finalised under the Telco Act, Telecom Corporation of New Zealand Limited ("**Telecom**"), as it was then known, implemented the operational separation of its business into three separate business units, comprising a fixed network unit renamed "Chorus", a wholesale unit and a retail business.

In March 2009, the New Zealand Government announced its intention to create partnerships with private investors to deploy fibre network infrastructure. On 24 May 2011, the New Zealand Government announced that it had reached agreement with Telecom for Chorus to take a cornerstone role in the first stage of the UFB network build ("**UFB1**") in 24 of 34 UFB candidate areas.

Chorus subsequently demerged from Telecom (now known as Spark New Zealand Limited), becoming a standalone listed entity in late 2011.

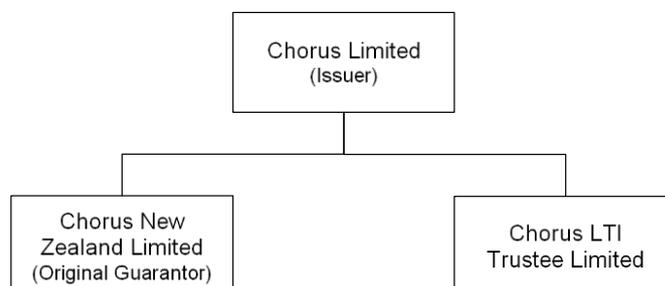
Chorus is listed on the NZX Main Board and on the ASX, with a market capitalisation at the date of this Information Memorandum of approximately NZ\$3.29 billion.

In January 2017, Chorus was again selected as a cornerstone participant in the second phase of the UFB network build ("**UFB2**"), and was contracted to build a substantial majority of that second phase, amounting to approximately 168,240 premises. In August 2017, Chorus was contracted to build an expansion to the second phase of the UFB network build, amounting to approximately 54,500 additional premises. The build is expected to be completed by the end of 2022.

The New Zealand Government's investment of up to approximately NZ\$1.33 billion in the Chorus Group in connection with the UFB network build is made through Crown Infrastructure Partners ("**CIP**"), at the election of Chorus, on a progressive basis as the UFB rollout is completed.

Structure of the Chorus Group

At the date of this Information Memorandum, the Chorus Group's structure is as follows:



Chorus New Zealand Limited, the Original Guarantor, is the operating company of the Chorus Group. Chorus LTI Trustee Limited was the trustee company for the Chorus Group's executive LTI scheme. The trust for that LTI scheme has been wound up and, at the date of this Information Memorandum, application has been made to the New Zealand Companies Office for removal of Chorus LTI Trustee Limited from the New Zealand companies register.

Network assets

Overview

The Chorus Group's local access network consists of fibre optic and copper cables that connect homes and businesses to each other across New Zealand. These cables typically connect back to local exchanges owned by the Chorus Group. The Chorus Group's fibre also connects many mobile phone towers owned by mobile service providers.

The New Zealand telecommunications network, including the Chorus Group's network assets, is described further below under "*Overview of the New Zealand telecommunications industry*".

The number of fixed line connections on the Chorus Group's network at 31 December 2021 was approximately 1.325 million. This reflected a decrease of approximately 44,000 from 31 December 2020 (1.369 million). The slowdown in lost connections for 31 December 2021 was driven by stronger broadband growth in Chorus UFB areas (including fibre activations from competing broadband networks), new housing outside of UFB areas and the effects of COVID-19.

UFB network

At 31 March 2022, the Chorus Group was 98% through the UFB rollout. Build work had been finished for approximately 1,029,000 premises, enabling approximately 1,315,000 end-users to connect to the Chorus Group's UFB network. Fibre uptake was at 69% across the completed footprint at 31 March 2022, up from 67% at 31 December 2021.

The UFB build comprises two components:

1. **Communal network to deliver fibre past premises.** The communal network deployed by the Chorus Group must pass all premises in the UFB candidate area awarded to the Chorus Group, built according to annual build milestones and with final testing by CIP. The UFB1 build was completed on time and within budget in late 2019. The UFB2 build programme must be completed by no later than 20 December 2022.

2. **Connection of fibre to premises.** The connection of individual premises to the communal infrastructure is dictated by demand, and includes installing equipment in the end-users' premises to enable service delivery. Residential connections include fibre from the communal network to the optical network terminal located inside the end-users' premises. The optical network terminal provides ethernet ports and phone jacks allowing end-users to plug in most existing phones, personal computers and wireless routers to receive service.

The Chorus Group's customer base

The Chorus Group customer base mainly comprises approximately 100 RSPs who buy both Layer 1 and Layer 2 services on a non-discriminatory and equivalence of inputs basis, as well as other telecommunications services. Other customers of the Chorus Group include other access network providers including LFCs.

Under the Telco Act, the Chorus Group is restricted from providing telecommunications services to retail end-users, including small and medium sized entities and corporates. The NZCC maintains a register of non-retail users to whom the Chorus Group can supply services. The NZCC assesses the eligibility of new non-retail users.

The Chorus Group's products and services

Broadly, the Chorus Group offers customers point to point and point to multipoint Layer 1 (physical) copper and fibre services to the local exchange as well as copper and fibre based Layer 2 (Bitstream) services to the relevant point of interconnect.

Under the Open Systems Interconnection model ("**OSI model**"), 'layers' subdivide the telecommunications system from the physical assets in the ground right through to the application on a computer being used by an end-user. The model is composed of seven individual layers and each layer builds on the next to enable the transfer of data and information between two or more points in a network. Within the New Zealand telecommunications industry the concept of OSI model layers are used as a basis on which services and products are regulated by the NZCC.

1. **Layer 1** within the OSI model is classified as the physical layer and within a telecommunications fixed access network this can be considered to comprise copper and fibre cables and co-location space inside exchanges or cabinets. At the physical layer, data is transmitted using electric voltages through copper and pulses of infrared or ordinary light through optic fibre. In the situation where an RSP purchases access to physical assets, for example UCLL co-location, direct fibre access, or passive optical network fibre access service ("**PONFAS**") this is referred to as a Layer 1 product within the OSI model.
2. **Layer 2** within the OSI model is classified as the data link layer and provides the functional and procedural means to transfer data between network entities. Within the telecommunications fixed access network this can be considered to comprise of the Bitstream equipment and services which transmits basic data from one point in the network to another over the Layer 1 physical assets. In the situation where an RSP purchases data transfer products, for example copper UBA services and fibre Bitstream products, this is referred to as a Layer 2 product.

The below table shows the proportion of revenues provided by each of the Chorus Group's product categories for the half-year ended 31 December 2021:

	Half Year ended 31 December 2021	
	<i>NZ\$ (mil)</i>	<i>%</i>
Fibre broadband (GPON)	267	55
Fibre premium (P2P).....	33	7
Copper based voice.....	27	6
Copper based broadband.....	80	16
Data services over copper.....	3	1
Value added network services.....	13	3
Infrastructure	15	3
Field services	35	7
Other.....	10	2
Total revenue	483	100

Fibre revenues

Fibre revenues are earned from Chorus' Gigabit Passive Optical Network ("**GPON**") and Point to Point ("**P2P**") fibre products.

Fibre broadband (GPON) revenues are growing in line with the continued growth in fibre uptake. Download speeds for Layer 2 GPON services range from 50Mbps to 1Gbps, with approximately 70% of end-users taking a 300Mbps service. Almost a quarter of GPON consumers take the 1Gbps service. Chorus has also begun offering higher speed 2Gbps, 4Gbps and 8Gbps "Hyperfibre" services using XGS-PON technology in some areas.

Under the regulatory framework, PONFAS Layer 1 "unbundled" services are available over GPON in Chorus' UFB1 areas, with the requirement expanding to UFB2 areas from 2026.

Chorus' premium P2P fibre products include:

- HSNS Premium and NGA Business Premium are high speed Bitstream services with dedicated bandwidth.
- Backhaul and Direct Fibre Access Service, which provide transport and dark fibre P2P solutions and can be used to deliver backhaul connections to mobile sites.

Copper revenues (voice, broadband, data)

Copper revenues are declining as end-users migrate from copper services to either Chorus' newer fibre services, or to alternative fibre and wireless or mobile networks owned by other companies.

Copper voice services include a technology neutral service Chorus makes available as part of its TSO requirements. Spark has begun the process of switching off the PSTN technology that uses this copper voice input. Chorus also offers a Baseband IP service that enables delivery of VoIP via copper across most of New Zealand.

Copper broadband services use either VDSL or ADSL technology. Copper based broadband revenue has declined as customers migrate from our ADSL and VDSL broadband services to either our fibre network or alternative fibre and wireless networks.

Value added network services

The main revenue driver for this category is national data transport services, which provide network connectivity across backhaul links and aggregation handover links. The nature of these services means volumes and revenues in this category are relatively static.

Infrastructure

Infrastructure revenue relates to services that provide access to the Chorus Group's network assets. The Chorus Group provides commercial access to its exchanges, poles and other infrastructure. Co-location revenue derives from RSPs and other network operators installing their equipment in Chorus Group exchanges, as well as leased commercial space in exchange buildings.

Field services

This category includes work performed by the Chorus Group's service company technicians providing new services, chargeable cable location services, maintaining RSP networks and relocating or extending the Chorus Group's network on request. As the Chorus Group utilises service companies to perform field services work, there is a direct cost associated with all field services revenues.

Other

Other income largely consists of revenue generated from the provision of billing and network management services to Spark, dividends received from electricity trusts that supply the Chorus Group with electricity and any other minor income or settlement.

Liquidity and capital resources

The Chorus Group incurs significant amounts of capital expenditure to operate and maintain its fixed line fibre and copper network. Capital expenditure for the fibre network remains a significant driver as end-users continue to connect and the UFB2 fibre rollout nears completion.

The Chorus Group's principal sources of liquidity are operating cash flows, external borrowing from established debt programmes (including the Programme and bonds issued in the New Zealand domestic market) and bank facilities and Crown funding for the UFB build as UFB milestones are completed. See "*Crown funding*" below.

At 31 December 2021, the aggregate amount of the Chorus Group's interest bearing debt was approximately NZ\$2,369 million. At the date of this Information Memorandum, none of the Chorus Group's debt has been secured against its assets.

At 31 December 2021, the Chorus Group had in place NZ\$350 million committed syndicated revolving bank facilities on terms and conditions that Chorus believes to be market standard - at that date, NZ\$170 million of the facility was drawn down. On 28 April 2022, the NZ\$350 million facilities were updated. At the date of this Information Memorandum, NZ\$190 million of the facility remains drawn.

On 2 December 2020 Chorus issued NZ\$400 million in principal amount of bonds in the New Zealand market. The net proceeds of this bond issue were used primarily for general corporate purposes, including refinancing Chorus' NZ\$400 million retail bond maturing on 6 May 2021.

Crown funding

Chorus receives funding from the Crown to finance construction costs associated with the development of the UFB network. For UFB1 Chorus received funding at a rate of NZ\$1,118 for every premises passed (as certified by CIP), in return Chorus issued CIP equity securities, CIP debt securities and CIP warrants. The UFB1 build was completed in December 2019 to a total value of NZ\$924 million funding received.

The UFB1 equity and debt securities issued by Chorus had an issue price of NZ\$1 and were issued on a 50:50 basis. CIP warrants are issued for nil value.

For UFB2 there are five different funding rates applied, at an average rate of NZ\$1,828 for every premises passed (as certified by CIP). In return for the CIP funding, CIP equity securities and CIP debt securities are issued on very similar terms to the UFB1 equity securities and debt securities. Chorus can elect the mix of securities to be issued (up to a maximum of NZ\$306 million equity securities for UFB2). There are no CIP warrants in relation to UFB2 and UFB2+ funding. At the date of this Information Memorandum, the total committed funding available for Chorus for UFB2 and UFB2+ is expected to be NZ\$411 million (subject to the terms of the UFB2 Agreement). In limited circumstances CIP debt securities may be accelerated.

CIP equity securities

CIP equity securities are a class of unique security that carry no right to vote at meetings of holders of Chorus ordinary shares, but entitle the holder to a preferential right to repayment on liquidation and additional rights that relate to Chorus' performance under its construction contract with CIP.

Dividends will become payable on a portion of the CIP equity securities from 2025 onwards for UFB1, 2030 for UFB2 equity securities issued on or before 1 July 2020 and 2036 for UFB2 equity securities issued after 1 July 2020, with the portion of CIP equity securities that attract dividends increasing over time. CIP equity securities can be redeemed by Chorus at any time by payment of the issue price or issue of new Chorus ordinary shares (at a 5% discount to the 20-day volume weighted average price). In limited circumstances CIP equity securities may be converted by the holder into voting preference shares or ordinary shares.

Chorus is not obliged to declare any dividend on CIP equity securities in respect of any period, but if it does not make a scheduled dividend on the CIP equity securities, it may not pay dividends on the Chorus shares until a subsequent dividend on the CIP securities is paid in full. The dividends payable on the CIP equity securities are non-cumulative, which means that if Chorus does not make a scheduled dividend payment, the unpaid dividend falls away and does not become a debt due to the holder of the CIP equity securities.

CIP debt securities

CIP debt securities are unsecured, non-interest bearing and carry no voting rights at meetings of holders of Chorus ordinary shares. Chorus is required to redeem the CIP UFB1 debt securities in tranches from 2025, and CIP UFB2 debt securities from 2030 to 2036, by repaying the face value to the holder.

The principal amount of CIP debt securities consists of a senior portion and a subordinated portion, the ratio of which changes over time as described below. The senior portion ranks equally with all other unsecured, unsubordinated creditors of Chorus, and has the benefit of any negative pledge covenant that may be contained in any of Chorus' debt arrangements.

The subordinated portion ranks below all other indebtedness of Chorus, and above ordinary shares of Chorus.

The initial value of the senior portion is the present value (using a discount rate of 8.5%) of the sum repayable on the CIP debt securities, and the initial subordinated portion is the difference between the issue price of the CIP debt security and the value of the senior portion.

CIP warrants

Chorus issues CIP warrants to CIP for nil consideration along with each tranche of CIP equity securities in relation to UFB1 funding. There are no CIP warrants in relation to UFB2 funding. The CIP warrants are intended to allow CIP (or the holder if they are transferred) to participate in the upside if the ordinary shares of Chorus perform in excess of a total shareholder return of 16% per annum over the period December 2011 to June 2036.

Each CIP warrant gives CIP the right, on a specified exercise date, to purchase at a set strike price an ordinary share to be issued by Chorus. A CIP warrant will therefore be 'in the money' to the extent that the price that CIP can realise for the Chorus share exceeds the price paid to exercise the CIP warrant. The strike price for a CIP warrant is based on a total shareholder return of 16% per annum on Chorus shares. Therefore, a holder of a CIP warrant is only likely to exercise the CIP warrant if total shareholder return on Chorus shares has exceeded 16% per annum to the exercise date of the CIP warrant.

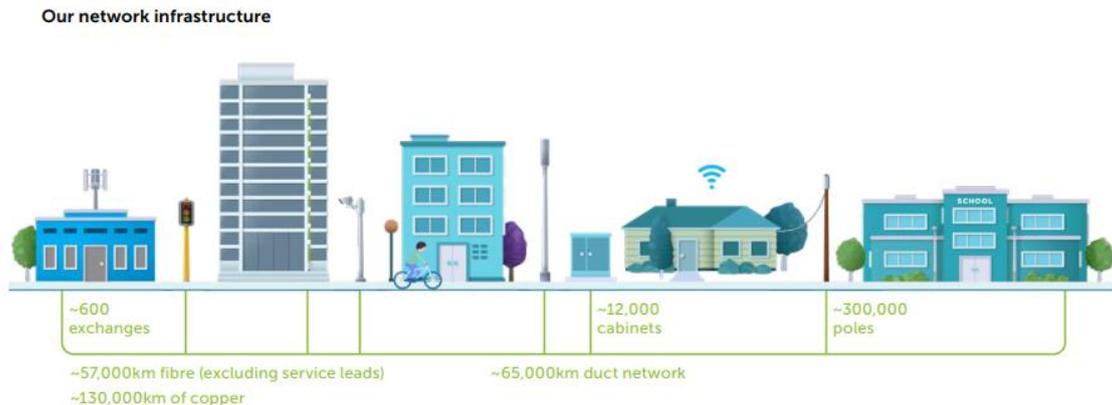
Overview of the New Zealand telecommunications industry

Introduction

The Chorus Group is a participant in the New Zealand telecommunications and information technology industries. Broadly, the telecommunications industry can be defined as fixed and mobile calling, messaging and managed and unmanaged data services. These products are delivered across a variety of platforms. Owing to the changing nature of the underlying technologies involved, the telecommunications industry is developing significant overlaps with other previously distinct industries, such as IT services, entertainment, and information services (for example search, classifieds, online trading, file sharing, streaming and display).

The Chorus Group provides open access wholesale services to approximately 100 RSPs and is prohibited from selling services directly to end-users.

The diagram below illustrates the high level structure of the Chorus Group's nationwide network infrastructure at the date of this Information Memorandum.



The Chorus Group's fibre or copper cables typically connect to local rural or urban exchanges, of which it has approximately 600 nationwide at the date of this Information Memorandum. The methods of connection from a premises to a local exchange are discussed further below.

Local exchanges are the link between the Chorus Group's network and major exchanges, and regional and national backhaul services.

The Chorus Group's fibre also connects many cell towers owned by mobile service providers. Chorus does not own or operate international submarine cables.

The original New Zealand telecommunications network was based entirely on copper cables that carried the voice and data traffic.

The use of fibre optic cables increased steadily throughout the core network, regional backhaul and the access network as a result of the UFB rollout and other rural investment programmes. This technology allows data and information to be sent down a very thin strand of glass via light waves rather than electrical signals. Light transmission allows for higher data rates than conventional copper wire, coaxial cable and many forms of radio transmission and as a result more information can be transferred quicker from one point in the network to another when compared to the older network technologies. Approximately 87% of New Zealand's population are expected to have fibre to the premises coverage by the end of 2022, either through Chorus' fibre rollout or the New Zealand Government's other LFC partners.

The updated regulatory framework includes the ability to withdraw copper once consumer protection requirements are met, as set out under the NZCC's Copper Withdrawal Code (published in late 2020). This has enabled Chorus to elect to begin withdrawing copper services in areas where:

- fibre is available;
- Chorus has identified that the number of customers on copper is low, and / or
- copper maintenance costs are high.

In areas where fibre is not available, copper services remain regulated, with copper prices annually adjusted for inflation.

Competition

COVID-19 has slowed overall growth of the New Zealand broadband market, increasing competitive intensity between the 100 or so retail broadband retailers. Recent electricity retailer consolidation is expected to provide further momentum to the bundling of broadband and utility services. New Zealand's largest pay TV operator also entered the broadband market in 2021. Industry reports continue to suggest large incumbent RSPs are experiencing declining market share as retailers that bundle electricity and broadband services win a growing share of fibre uptake.

Spark, Vodafone and 2degrees offer fixed wireless services. The NZCC reported there were 276,000 customers on fixed wireless in 2020/21. These customers are mostly on a 4G service, with Vodafone, Spark and 2degrees continuing to build out their 5G coverage in selected centres.

Increased spectrum capacity will become available for fixed wireless services through the auction of 3.5GHz and millimetre wave spectrum by late 2022. In the meantime, short term management rights for 3.5GHz spectrum have been allocated, enabling some expansion of 5G coverage.

While fixed wireless has become a viable product for some customers, independent monitoring reports by the NZCC have highlighted the strong performance of fibre relative to other technologies.

Data usage

The experience of COVID-19 lockdowns and the shift to more working from home has had a noticeable effect on consumer behaviour. Daytime bandwidth demand reflects greater upstream traffic due to more use of videoconferencing and consumers placing greater value on reliable broadband at home.

Average monthly data usage has increased in recent years, with fibre consumers averaging 578GB a month in March 2022. Average peak time traffic around 9pm grew from 2.75 Tbps as at

March 2021 to 3.3 Tbps in March 2022, largely driven by the continued growth in streamed online content.

Chorus completed its largest-ever performance upgrade for fibre customers in December 2021. Chorus worked closely with broadband retailers to upgrade more than 600,000 homes and businesses to higher speeds.

- Residential customers on the 100 Mbps fibre plan can now access 300Mbps from retailers while the upload speed increased five-fold from 20 Mbps to 100 Mbps.
- Businesses have access to plans providing download and upload speeds of 300/300 Mbps or 500/500 Mbps, respectively.

Rural broadband

Chorus operates ADSL and VDSL broadband across large parts of rural New Zealand.

The Rural Connectivity Group, a joint venture between the three mobile network operators, is building hundreds of rural mobile sites under a rural service agreement with the New Zealand Government. Chorus is providing fibre backhaul for the cellsites within fibre reach for a 10-year period. These new towers are increasing the footprint for fixed wireless competition, but they do not cover the most remote copper network customers.

Starlink has begun providing low earth orbit satellite broadband as a beta service in parts of New Zealand. This service provides an alternative for rural customers, particularly where copper speeds are low.

The net effect of these developments is that it is becoming less economic for Chorus to invest in further upgrades to its rural network.

Summary of key market trends

The Chorus Group's market drivers	What the Chorus Group is doing about these drivers
Large vertically integrated retailers are encouraging customers to use their own fixed wireless, cable and legacy fibre networks to reduce their wholesale network costs.	Chorus is an active wholesaler, promoting its extensive broadband footprint through advertising, retailer campaigns and its own door knocking initiatives. The Chorus network supports about 100 retailers, including new entrants from the electricity and pay TV sectors.
Competing fibre companies have overbuilt Chorus' existing copper network with fibre as part of the New Zealand Government's UFB programme.	Chorus is optimising its business in these competing areas and maximising its broadband share in other areas experiencing premises growth, particularly Auckland.
Traditional voice only connections are declining with changing demographics and wireless service options.	Broadband penetration is growing, but at a slower rate due to the market effects of COVID-19. Chorus is commercialising new potential revenue streams identified by its innovation programme, such as data centres and smart city connectivity.
Technology keeps evolving, with 5G potentially enhancing the capability of mobile/wireless technologies as a fixed line alternative for low data users.	Fibre is recognised as providing highly reliable broadband, particularly at peak usage times. Almost 25% of Chorus' fibre consumers are on 1Gbps services and we've launched Hyperfibre products up to 8Gbps. Chorus

	sees 5G as complementary technology with more cellsites likely to require fibre backhaul.
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Regulation of the Chorus Group

The Telco Act

The telecommunications sector in New Zealand is currently principally governed by the Telco Act, which provides for certain telecommunications services to be regulated by the NZCC. In November 2018, the Amendment Act was passed into law making various changes to the Telco Act, including a new regulatory regime that applies to the Chorus Group's fibre services. These changes came into effect on 1 January 2022.

Amongst other things, the Telco Act:

- provides for the open access undertakings for the Chorus Group with respect to its fibre and copper networks and Rural Broadband Initiative ("**RBI**") products, as described below;
- provides for regulation of Chorus Group copper services under 'standard terms determinations' issued by the NZCC which prescribe all the price and non-price terms under which services must be provided;
- includes "line of business" restrictions on the Chorus Group, restricting the Chorus Group's ability to provide services to end-users, from selling services linking two or more end-user sites and from participating in services above Layer 2 (see "*The Chorus Group's customer base*" above). The Amendment Act introduces an exemption power for the NZCC from the last two line of business restrictions in certain circumstances. No exemptions have been sought or granted to date;
- includes oversight of the transitional and long-term commercial arrangements between Spark and the Chorus Group to ensure that these arrangements are on arm's length terms, unlikely to harm competition in telecommunications markets, and ensure the protection of confidential commercial and customer information;
- provides the framework and the legislative vehicle for implementing the UFB programme and the RBI; and
- implements the TSO, as described below.

The new regulatory framework set out in the Telco Act (as amended by the Amendment Act) provides for:

- regulation of the maximum revenue that the Chorus Group can recover from its fibre fixed line access services ("**FFLAS**");
- regulation requiring Chorus to provide certain FFLAS;
- quality standards that Chorus must meet in the provision of FFLAS;
- regulation requiring the Chorus Group to implement geographically consistent pricing for FFLAS;
- regulation of the price and non-price terms on which Chorus provides certain FFLAS;
- information disclosure regulation requiring Chorus to publicly disclose certain information about its business and network; and

- a mechanism for deregulation of the Chorus Groups' copper services. The Amendment Act allows the NZCC to declare areas where fibre services are available. Once an area has been declared a specified fibre area, the Chorus Group is no longer required to provide copper services in that area (subject to various conditions regarding withdrawal of service).

The amended Telco Act provides for the NZCC to set the maximum revenue that Chorus is able to recover through provision of FFLAS by way of a PQ Determination. The current PQ Determination came into force on 1 January 2022. The new regulatory framework for FFLAS is described in more detail in the section above entitled "*Risks relating to the regulatory environment in which the Chorus Group operates*".

There will be potentially significant consequences if the Chorus Group breaches any requirements under the new regulatory regime. Chorus could be liable to pecuniary penalties of up to NZ\$5 million for breaches of information disclosure requirements or price and quality requirements.

Chorus Open Access Deeds of Undertaking

Chorus is bound by four open access deeds of undertaking. The Copper Undertakings, Fibre Undertakings for UFB1 and UFB2 and RBI Undertakings (the "**Open Access Deeds**") represent a series of legally binding obligations focused around the provision of wholesale fibre and copper services (as well as services that are provided on a network that was constructed with funding provided, in whole, or in part, by the Crown as part of the RBI) on a non-discriminatory and equivalent basis. The Chorus Group has also agreed open access obligations equivalent to those in the Open Access Deeds in its contract to construct network on the West Coast and in Southland. The obligations under each of the Open Access Deeds and the West Coast agreement are substantially similar, subject to the services to which each of the obligations applies.

The Open Access Deeds principally require that the Chorus Group provides services on a "non-discriminatory" basis. That is, in the supply of services the Chorus Group must not treat access seekers, including itself, differently unless any differences are objectively justifiable and do not harm, or are unlikely to harm, competition. The Open Access Deeds also require that certain services be supplied on an "equivalence of inputs" basis.

The Open Access Deeds also include, amongst other things, provision for reporting breaches, certification of compliance, treatment of commercial information and customer confidential information, and internal audit processes.

Standard Terms Determinations for copper services

The Telco Act empowers the NZCC to make standard terms determinations for non-fibre telecommunications services. A standard terms determination prescribes all the price and non-price terms on which the regulated provider must offer service.

Following enactment of the Amendment Act, the Chorus Group is subject to standard terms determinations for a copper Bitstream access service, a copper voice path access service and certain other supporting services. The Chorus Group is not required to provide new connections to these services in areas where the NZCC has declared that specified fibre services are available, but must continue to offer these service outside specified fibre areas.

The NZCC is required to review regulation of the Chorus Group's copper services before the end of 2025.

Telecommunications Services Obligations and Levies

The Telecommunications Services Obligations ("**TSO**") are the regulatory mechanism by which basic telecommunications services are made available and affordable. Under the TSO, Spark is required to make available certain residential local telephone services at capped prices and Chorus is required to provide the input services to Spark. Following the enactment of the Amendment Act, the Chorus Group's TSO obligations cease to apply in areas where the NZCC

has declared that specified fibre services are available. The Chorus Group's TSO obligations will continue in areas where the NZCC has not declared that specified fibre services are available.

The Telecommunications Development Levy ("**TDL**") was established by legislation in June 2011. The TDL is currently set at NZ\$10 million per year. These settings can be subject to change by the New Zealand Government.

The New Zealand Government uses the TDL to pay for telecommunications infrastructure, including the relay service for the deaf and hearing impaired, broadband for rural areas, and improvements to the New Zealand emergency service.

The levy is paid by companies (including the Chorus Group), earning more than NZ\$10 million per year from operating a component of a public telecommunications network (fixed or wireless). Each year, the NZCC determines how the TDL is split between liable persons based on the proportion of their qualifying revenue. The NZCC's determination for the year ended 30 June 2021, is that the Chorus Group is liable for approximately NZ\$2.04 million of the TDL (in 2020 this was NZ\$2.1 million).

The Chorus Group is also required to contribute towards the NZCC's costs through a Telecommunications Regulatory Levy. This levy is imposed on telecommunication operators to cover the costs incurred by the NZCC in performing and exercising its functions, powers and duties under the Telco Act. This includes specific sub-levies for regulated providers who are subject to information disclosure, or price quality regulation for costs associated with that regulation.

UFB Agreements

Chorus entered into contracts relating to the Chorus Group's participation in the New Zealand Government's UFB programme (together, the "**UFB Agreements**") including:

- in respect of UFB2:
 - the Network Infrastructure Project Agreement ("**NIPA2**") dated 26 January 2017 (as amended and/or restated from time to time) with CIP. This agreement governs the contractual arrangement between Chorus and CIP relating, in general, to the second stage of the design, build, delivery of the UFB network;
 - the CIP Subscription Agreement dated 26 January 2017 (as amended and/or restated from time to time) with CIP, which provides for the issue of CIP equity securities and CIP debt securities as described under "*Description of the Chorus Group's Business – Crown funding*" above;
 - a Deed of Amendment and Acknowledgment dated 30 August 2017 with CIP in respect of UFB2+ and (among other things) the UFB2 Agreement,

(together, the "**UFB2 Agreement**"); and
- in respect of UFB1 and UFB2, a Deed of Operational and Governance Undertakings ("**Deed of Operational and Governance Undertakings**") dated 11 November 2011 in favour of the Crown, which imposes certain operational and governance undertakings on Chorus as described below.

Chorus previously entered into a separate Network Infrastructure Project Agreement and CIP Subscription Agreement in relation to UFB1 (together, the "**UFB1 Agreement**"), which related to the first stage of the design, build, delivery and operation of the UFB network and provided for the issue of CIP equity securities, CIP debt securities and CIP warrants as described under "*Description of the Chorus Group's Business – Crown funding*" above. The term of the UFB1 Agreement ended in December 2019 (subject to certain provisions being extended by the Amendment Act until December 2021) with the completion by the Chorus Group of the design

and build obligations imposed by the UFB1 Agreement. Certain operation obligations remain ongoing following the end of the term of the UFB1 Agreement.

The parts of the NIPA2 relating to services Chorus and CIP have agreed would be offered to RSPs (including prices and non-price terms) are no longer in force. These matters are now governed by the new regulatory regime described under "*The Telco Act*" above.

The remainder of the NIPA2 will continue until the later of: (i) the completion by the Chorus Group of the design and build obligations imposed by the NIPA2; or (ii) 31 December 2025. Chorus expects to have completed its design and build obligations imposed by the NIPA2 by 20 December 2022.

The NIPA2 allocates various decision-making rights over the term of the agreement between Chorus and CIP through the creation of certain governance committees and roles. In addition:

- CIP is entitled to nominate one person to be an independent director of Chorus but has never exercised that right. Chorus must consider this nominee in good faith, but the appointment and removal of any such nominee as a director of Chorus will be made in accordance with law and Chorus' ordinary process for director appointments and removals.
- Chorus must consult with CIP on the appointment of the senior executive responsible for fibre business, and gain CIP's consent for the replacement of certain key personnel.

Under the Deed of Operational and Governance Undertakings, no person may be appointed or hold office as a director of Chorus who is an associated person of a provider of telecommunications services in New Zealand. Further, under that deed, Chorus has committed to the New Zealand Government that:

- Chorus, its directors and its employees will comply with the ownership restrictions described under "*Ownership restrictions*" below;
- Chorus will ensure that the New Zealand Government's approval is obtained in accordance with those ownership restrictions; and
- Chorus will not take any step to remove or change the effect of the constitutional provisions giving effect to those ownership restrictions.

Ownership restrictions

Chorus' constitution and the Deed of Operational and Governance Undertakings includes ownership restrictions, under which the New Zealand Government's prior written approval is required for (a) any person to have a relevant interest in 10% or more of the shares in Chorus, or (b) any person other than a New Zealand national to have a relevant interest in more than 49.9% of shares in Chorus.

A special resolution to change any of these constitutional provisions must be approved by 100% of the votes cast on the resolution (not 75%, as is required in other cases).

Other legislation

The Chorus Group is subject to other legislative requirements such as the requirements of the Commerce Act 1986, Fair Trading Act 1986, as well as telecommunications codes.

The Chorus Group is also subject to the Telecommunications (Interception Capability and Security) Act 2013 ("**TICSA**").

The TICSA includes obligations on network operators to prevent, sufficiently mitigate or remove network security risks arising from public telecommunications networks. The Chorus Group, like

other network operators, is obliged to engage with the New Zealand Government Communications Security Bureau where it might affect New Zealand's national security and this has the potential to drive significant compliance costs.

Regulatory reviews and litigation

New regulatory framework reviews

The Chorus Group is now subject to new detailed regulatory requirements for fibre services which came into force on 1 January 2022. These new requirements provide for the maximum revenue the Chorus Group may earn; the services it must provide; the conditions of supply and the prices it may charge for certain services; and the information it must disclose to the NZCC. The NZCC has now finalised its PQ Determination and ID Determination for the first regulatory control period (regulatory years 2022 – 2024). The framework will be reviewed and a new revenue cap set for the second regulatory control period beginning in January 2025. Settings for price-quality regulation (including anchor services, direct fibre access service and unbundled fibre) and information disclosure regulation are all subject to review and change in the second and subsequent regulatory control periods.

The standard terms determinations applying to certain the Chorus Group's copper services is required to be reviewed by the NZCC prior to the end of 2025.

Litigation

The Chorus Group may have ongoing claims, investigations and inquiries, at any given time. At the date of this Information Memorandum there are none which are currently expected to have significant effect on the financial position or profitability of the Chorus Group.

Chorus cannot reasonably estimate the adverse effect, if any, on the Chorus Group if any of the outstanding claims or inquiries are ultimately resolved against Chorus' interest. There can be no assurance that such cases will not have a significant effect on Chorus' business, financial position, and results of operations or profitability.

Insurance

The Chorus Group has put in place insurance arrangements for damage to assets (and resultant business interruption) and liabilities relating to claims that might arise from the Chorus Group's activities. The Chorus Group does not have its own captive insurance company. The Chorus Group's insurance policies are placed with insurers of acceptable credit quality and the levels of retained risk and coverage purchased are considered appropriate to its business activities.

MANAGEMENT OF THE CHORUS GROUP

Chorus Directors

The board of Directors of Chorus (the "**Board**") seeks to ensure that through its skills mix and composition it is positioned to add value to Chorus. At the date of this Information Memorandum, the Board has seven directors (all are independent directors) with a broad range of managerial, financial, accounting and industry experience.

The members of the Board at the date of this Information Memorandum are as follows:

<u>Name</u>	<u>Title</u>	<u>Date of appointment</u>
Susan Bailey	Director (Independent)	31 October 2019
Andrew Mark Cross	Director (Independent)	1 November 2016
Miriam Dean	Director (Independent)	27 October 2021
Murray Jordan	Director (Independent)	1 September 2015
Kate Jorgensen	Director (Independent)	1 July 2020
Jack Matthews.....	Director (Independent)	1 July 2017
Patrick Strange ¹	Chair and Director (Independent)	6 April 2015

Note:

1 Patrick Strange has resigned from the Board (as a Director and the Chair), effective from the end of the Issuer's annual shareholder meeting in October 2022 ("**ASM**"). Andrew Mark Cross has been appointed as the new Chair – his appointment takes effect from the end of the ASM.

The business address for the Directors of Chorus is Level 10, 1 Willis Street, Wellington 6011, New Zealand.

The Directors of the Issuer have notified the Issuer's Board of all their directorships and other interests as required under the New Zealand Companies Act 1993.

The biographies of the directors of Chorus as at the date of this Information Memorandum are as follows:

Patrick Strange, BE (Hons), PhD

Patrick has spent 30 years working as a senior executive and director in both private and listed companies, including more than six years as Chief Executive of Transpower where he oversaw Transpower's \$3.8 billion of essential investment in the National Grid. Patrick is currently chair of Auckland International Airport, and a director of Mercury NZ. Patrick is chair of Chorus' Nominations and Corporate Governance Committee.

Sue Bailey, Graduate Diploma in Marketing (with Distinction) from RMIT University

Sue has over 30 years' experience in telecommunications, across fixed telephony, mobile and broadband. She has worked for Telstra, Virgin Mobile and most recently for Optus where she was a member of the executive leadership team.

From 2010 to 2013, Sue was the CEO for Virgin Mobile Australia, a fully owned subsidiary of Optus. Prior to that, she was a Senior Vice President at Virgin Mobile USA where her responsibilities included product marketing, customer lifecycle management and analytics. Sue's career began in Telstra, where she held a range of marketing and product roles. Sue is a director

of CareFlight and a member of the Australian Institute of Company Directors. Sue is a member of Chorus' People, Performance and Culture Committee.

Miriam Dean, CNZM QC

As a Queen's Counsel and independent director, Miriam has more than 38 years' experience in commercial dispute resolution and 25 years' experience in governance, with a specialty in competition, consumer and regulatory law.

Miriam has also built up significant experience in the infrastructure and regulatory sectors, most notably as a current director of Ōtākaro Limited (the Crown-owned company responsible for the central city anchor projects following the Canterbury earthquakes); as a former director of Crown Infrastructure Partners (the New Zealand Government organisation managing the rollout of New Zealand's ultra-fast broadband); as a former deputy chair of Auckland Council Investments; and as a former deputy chair of the NZCC.

Miriam is also currently chair of the Banking Ombudsman Scheme, deputy chair of the Real Estate Institute of New Zealand, and a member of a number of central and local government-related advisory boards. In addition, she is regularly asked to carry out government and non-government inquiries and reviews.

Miriam is a member of Chorus' People, Performance and Culture Committee.

Kate Jorgensen, BBus, CA

Kate has significant financial, audit, governance and commercial experience and has held a number of senior leadership positions within the telecommunications, infrastructure and construction industries in New Zealand.

Most recently, she was CFO of Vodafone New Zealand. Prior to that, Kate was CFO of KiwiRail, CFO of Fletcher Building's infrastructure division and a senior audit manager for KPMG.

Kate was a former advisory Board member of the New Zealand Sustainable Business Council. Kate is a member of Chartered Accountants Australia and New Zealand, and a member of Chorus' Audit and Risk Management Committee.

Jack Matthews, BA Philosophy

Jack is an experienced director who has held a number of senior leadership positions within the media, telecommunications and technology industries in Australia and New Zealand. Jack has extensive telecommunications industry experience having been CEO of TelstraSaturn during the period they deployed their HFC network in New Zealand, as well as a former director of Crown Infrastructure Partners ((the New Zealand Government organisation managing the rollout of New Zealand's ultra-fast broadband).

Formerly, Jack was CEO of Fairfax Media's Metro Division, CEO of Fairfax Digital and Chief Operating Officer of Jupiter TV (Japan). Jack is currently a director of Plexure Group and New Zealand Golf Network Limited and a former director of The Network for Learning, APN Outdoor Group and Trilogy International. Jack is on Chorus' Audit and Risk Management Committee.

Andrew Mark Cross, BBus (Accounting & Finance), CA

Mark is an experienced director with more than 20 years of international experience in corporate finance and investment banking. Mark is currently chair of Milford Asset Management, and is a director of Accident Compensation Corporation, Z Energy and Xero. He is also a former director of Genesis Energy and Argosy Property.

Mark is a member of Chartered Accountants Australia and New Zealand, a chartered member of the Institute of Directors NZ and a member of the Australian Institute of Company Directors.

Mark is chair of Chorus' Audit and Risk Management Committee, and on Chorus' Nominations and Corporate Governance Committee.

Murray Jordan, MProp

Murray has extensive experience in the management of highly customer focused organisations and in navigating extremely complex environments, including as managing director of Foodstuffs North Island, one of New Zealand's largest companies. Murray has also previously held various general manager positions at Foodstuffs and management roles in the property investment and development sectors. He is a director of Metlifecare, Metcash Limited, an ASX listed company, Southern Cross Medical Care Society, Southern Cross Healthcare Limited, SkyCity and Stevenson Group, and a Board trustee of Starship Foundation. Murray is chair of Chorus' People, Performance & Culture Committee.

Executive team

The biographies of the executive team of Chorus as at the date of this Information Memorandum are as follows:

JB Rousselot, MBA, MSc (Eng)

Chief Executive Officer

JB has held senior positions at Telstra and NBN Co. Most recently he was Chief Strategy Officer at NBN, and before that he oversaw NBN's network and service operations. Before NBN, he held senior roles at Telstra including the Executive Director of Voice, BigPond and Media. JB was also the CEO of IP telephony start-up Interline, an Executive Director of the Australasian Media and Communications Fund and has worked in consulting and investment banking.

JB holds an MBA from the MIT Sloan School of Management (USA) and a Masters Degree in Engineering from Ecole Nationale des Ponts et Chaussées (France).

David Collins, BCom, MBA

Chief Financial Officer

David has over 20 years' experience in finance and commercial roles covering businesses in Australia, the UK, Germany and the Middle East. He joined Chorus from Aurizon, Australia's largest rail freight operator, where he had been since 2010. David was the Head of Finance & Regulation – Network for Aurizon. Prior to this, David was the Vice President Finance & Group Treasurer and Group Financial Controller. After completing a Bachelor of Commerce and qualifying as a Chartered Accountant with Deloitte, David gained experience across a number of sectors including mining (BHP Billiton), construction, property development and property asset management (Brookfield Multiplex).

Andrew Carroll, MCA (Hons)

General Manager, Customer Network Operations

Andrew joined Chorus in 2011, after nearly a decade in the telecommunications industry. Andrew is responsible for Chorus' network and field management activity, including communal fibre build, fibre connect and all network maintenance. Prior to becoming GM CNO, Andrew had been Chorus' CFO from demerger through to late 2018. As CFO, he had regular involvement in key network initiatives, as well as liaising closely with the Crown in relation to the overall UFB programme, including the UFB2 and 2+ extensions.

Prior to Chorus, Andrew held various finance roles in Telecom and worked closely with many in the Chorus team on the ultra-fast broadband negotiations with the Crown through the demerger process. Prior to that he was a director of Investment Banking at Credit Suisse First Boston New Zealand.

Edward Hyde, BSc

Chief Customer Officer

Ed is currently CCO of Chorus. Prior positions include CEO Spark Ventures, CEO Qrious, GM of Mobile Products for Telecom NZ Ltd and Commercial Director for Yes Telecom in the UK. He holds a number of Board roles and has experience across a range of small and large enterprises involving strategic, operational and development responsibilities.

Elaine Campbell, LLB (Hons)

Chief Corporate Officer & General Counsel

Elaine was appointed as General Counsel in August 2018. She brings 20 years of legal experience to Chorus, together with extensive leadership experience in regulatory change

environments. She is also an independent director on the Board of NZX Limited. Elaine commenced her career as a solicitor for Kensington Swan before gaining legal experience in both the UK and USA. She was a senior solicitor at Russell McVeagh before joining the NZX Limited executive team where she led a significant change program. Elaine was the Director of Compliance of the Financial Markets Authority, introducing significant regulatory reforms to the financial services sector. Immediately prior to joining Chorus, Elaine was the General Counsel for AMP Financial Services and an executive director of the group's operating companies.

Ewen Powell, BE

Chief Technology Officer

Ewen has more than 20 years' experience in managing the technology, services and partnerships that operate a national communications network and support a high performing organisation. Ewen provides stewardship for Chorus' network assets and the systems to manage and support those assets. From 1999 Ewen worked at Telecom where he was at the forefront of technology changes, from initial consultations with mobile network suppliers, building the CDMA network and, more recently, driving the technology changes to deliver efficiencies in customer transactions and achieve Chorus' operational separation requirements.

Shaun Philp, BCom

Chief People Officer

Shaun was appointed GM HR in September 2017, bringing over 20 years human resources experience, including expertise in supporting leadership and culture, innovation and business execution strategies. He is a seasoned senior executive having held senior leadership roles across both Australia and New Zealand.

Corporate Governance

Corporate governance framework

Chorus is incorporated in New Zealand and has its shares quoted on the New Zealand and Australian stock exchanges.

Chorus' governance practices and policies reflect, and are consistent with the NZX Listing Rules and Chorus has adopted and fully followed the recommendations set out in the NZX Corporate Governance Code. The Board regularly reviews and assesses Chorus' governance policies, processes and practices to identify opportunities for enhancement and to ensure they reflect Chorus' operations and culture.

Chorus has adopted a formal Board Charter which sets out how the Board will exercise and discharge its powers and responsibilities in relation to the business and affairs of Chorus.

Board Committees

At the date of this Information Memorandum, the Board has established three standing Board Committees to assist it in carrying out its responsibilities. The Board has delegated some of its responsibilities, powers and authorities to those Committees.

- **Audit and Risk Management Committee ("ARMC").** The ARMC assists the Board in ensuring oversight of all matters relating to risk management, financial management and controls and the financial accounting, audit and reporting of Chorus. At the date of this Information Memorandum, its members are Mark Cross (chair) Kate Jorgensen and Jack Matthews.
- **People, Performance & Culture Committee ("PPCC").** The PPCC assists the Board in overseeing people policies and strategies, including Chorus' remuneration frameworks, and reviewing candidates for, and the performance and remuneration of, the CEO. At the date of this Information Memorandum, its members are Murray Jordan (chair), Miriam Dean and Sue Bailey.

- **Nominations and Corporate Governance Committee ("NCGC").** The NCGC assists the Board in promoting and overseeing continuous improvement of good corporate governance. The NCGC's role includes identifying and recommending suitable candidates for nomination to be members of the Board and Board Committees, and establishing, developing and overseeing a process for the Board to annually review and evaluate the performance of the Board, its Committees and individual directors. At the date of this Information Memorandum, its members are Patrick Strange (chair), Kate Jorgensen and Mark Cross.

A Regulatory Sub-Committee was established by the Board in September 2021 to oversee Chorus' regulatory strategy as Chorus transitioned into the new regulatory regime. The need to establish a sub-committee for additional regulatory work was flagged to shareholders as part of the increase in the Directors' fee pool in 2019. The members include all of the directors on the Board. The chair of the Board is the chair of the new Regulatory Sub-Committee.

The Board may also establish other ad-hoc Board sub-committees or standing Board committees and delegate specific responsibilities, powers and authorities to those committees and to particular directors.

Each standing Board Committee has a Board approved Charter and chair, and assists the Board by focusing on specific responsibilities in greater detail than is possible for the Board as a whole. All standing Board Committee members are independent directors.

UFB Agreements

The UFB Agreements also contain provisions relevant to Chorus' governance as described under "*Description of the Chorus Group's Business - Regulation of the Chorus Group*" in this Information Memorandum.

TAXATION

References in this section to the terms "associated", "fixed establishment", "registered bank", and "resident in New Zealand" shall have the same meaning given to that term in the Income Tax Act 2007 of New Zealand, unless the context requires otherwise.

The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in the countries described below or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Information Memorandum and is subject to any change in law that may take effect after such date.

New Zealand

Where used in this section, "interest" means interest as defined under New Zealand tax legislation for withholding tax purposes, which under current legislation includes the excess of the redemption amount over the issue price of any Note.

Non-Resident Withholding Tax

Although New Zealand law requires a deduction on account of non-resident withholding tax to be made from the payment of interest to any holder of a Note who is not a New Zealand Holder (as defined below), the Issuer and the Guarantors (as applicable) intend (for so long as it does not incur any increased cost or detriment from so doing) to reduce the applicable rate of non-resident withholding tax to zero per cent (in the case of holders of Notes who are not New Zealand Holders and are not associated with the Issuer or the Guarantors (as applicable)) by registering the Programme with the New Zealand Inland Revenue Department and paying, on its own account, a levy (known as Approved Issuer Levy) equal to two per cent of the relevant interest payment.

Resident Withholding Tax

The Issuer or the Guarantors (as applicable) are required by law to deduct New Zealand resident withholding tax from the payment of interest to the holder of any Note on any Interest Payment Date or the Maturity Date, if:

- (a) the holder is a resident of New Zealand for income tax purposes or otherwise receives payments of principal or interest from the Issuer or a Guarantor subject to the New Zealand resident withholding tax rules, which at the date of this Information Memorandum includes a holder that is engaged in business in New Zealand through a fixed establishment in New Zealand and either holds Notes for the purposes of that business or is a registered bank in New Zealand (a "**New Zealand Holder**"); and
- (b) at the time of such payment the New Zealand Holder does not have RWT-exempt status for New Zealand resident withholding tax purposes.

Where a person who is a non-New Zealand Holder, derives interest under a Note or Coupon jointly with one or more persons, and one or more of those persons is a resident of New Zealand for income tax purposes, the approved issuer levy regime referred to in paragraph (a) above will not apply to the non-New Zealand Holder and (subject to any applicable double tax treaty) the New Zealand non-resident withholding tax imposed will equate to the applicable rate of New Zealand resident withholding tax.

Prior to any Interest Payment Date or Maturity Date any New Zealand Holder:

- (a) must notify the Issuer or the Guarantors (as applicable) or a Paying Agent or Registrar (as applicable) that the New Zealand Holder is the holder of a Note; and

- (b) must notify the Issuer or the Guarantors (as applicable) or a Paying Agent or Registrar (as applicable) of any circumstances, and provide the Issuer or the Guarantors (as applicable) or the relevant Paying Agent or Registrar (as applicable) with any information (including notification of the New Zealand Holder's RWT-exempt status for New Zealand resident withholding tax purposes and providing the New Zealand Holder's IRD number), that may enable the Issuer or the Guarantors (as applicable) to make the payment of Interest to the New Zealand Holder without deduction on account of New Zealand resident withholding tax.

A New Zealand Holder must notify the Issuer and the Guarantors (as applicable), prior to any Interest Payment Date or the Maturity Date, of any change in the New Zealand Holder's circumstances from those previously notified that could affect the Issuer's or the Guarantor's payment or withholding obligations in respect of any Note. By accepting payment of the full face amount of a Note or any interest thereon on any Interest Payment Date or Maturity Date, a New Zealand Holder will be deemed to have indemnified the Issuer or the Guarantors (as applicable) for all purposes in respect of any liability which the Issuer or the Guarantors (as applicable) may incur for not deducting any amount from such payment on account of New Zealand resident withholding tax.

The Proposed Financial Transaction Tax (FTT)

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However Estonia has ceased to participate.

The Commission's Proposal has very broad scope and could, if introduced in the form proposed by the European Commission, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (i) by transacting with a person established in a participating Member State or (ii) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional Members States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated programme agreement (the "**Programme Agreement**") dated 29 June 2022, agreed with the Issuer a basis upon which they or any of them may from time to time agree to subscribe the Notes. Any such agreement will extend to those matters stated under "*Forms of the Notes*" and "*Terms and Conditions of the Notes*". The Issuer will pay each relevant Dealer a commission as agreed between them in respect of the Notes subscribed by it. Where the Issuer agrees to sell to the Dealer(s), who agree to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Notes at an issue price (the "**Issue Price**"), any subsequent offering of those Notes to investors may be at a price different from such Issue Price. The Issuer has agreed to be responsible for certain of the Arrangers' expenses incurred in connection with the establishment, and any future update, of the Programme and reimburse the Dealers certain of their activities in connection with the Programme. The commissions in respect of an issue of the Notes on a syndicated basis may be stated in the relevant Pricing Supplement.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Programme Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

In connection with the issue of any Tranche of the Notes, the Dealer or Dealers (if any) named as the stabilisation manager(s) (the "**Stabilisation Manager(s)**") (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Pricing Supplement may over-allot Notes or effect transactions, to the extent permitted by applicable laws, regulations and rules, and other than in the circumstances where such action would reasonably be expected to affect the price of the Notes traded within Australia or New Zealand or on a "financial market", as defined in the Australian Corporations Act, operated within Australia with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

In connection with each Series of the Notes issued under the Programme, the Dealers or certain of their affiliates may subscribe or purchase Notes and be allocated Notes for asset management and/or proprietary purposes but not with a view to distribution. Further, the Dealers or their respective affiliates may purchase Notes for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to such Notes and/or other securities of the Issuer, the Guarantor or their respective subsidiaries or affiliates at the same time as the offer and sale of each Series of the Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Series of the Notes to which a particular Pricing Supplement relates (notwithstanding that such selected counterparties may also be purchasers of such Series of the Notes).

The Dealers and their affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. Each of the Dealers may have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer, the Original Guarantor or their respective subsidiaries, jointly controlled entities or associated companies from time to time. In the ordinary course of their various business activities, the Dealers and their affiliates may make or hold (on their own account, on behalf of clients or in their capacity of investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions

in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Issuer, the Original Guarantor or their respective subsidiaries, jointly controlled entities or associated companies, including Notes issued under the Programme, may be entered into at the same time or proximate to offers and sales of the Notes or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of the Notes.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and a Dealer or any affiliate of that Dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or such affiliate on behalf of the Issuer in such jurisdiction.

In connection with an issue of the Notes under the Programme, the Issuer may, pursuant to the subscription agreement relating to such issue, agree to pay, through the Dealers, a commission to certain private banks based on the principal amount of the Notes purchased by the clients of such private banks. If such commission is payable, it shall be specified in the Pricing Supplement relating to such issue of the Notes.

Selling Restrictions

United States of America: *Regulation S Category 2; TEFRA D or TEFRA C as specified in the relevant Pricing Supplement or neither if TEFRA is specified as not applicable in the relevant Pricing Supplement.*

The Notes are being offered and sold outside the United States of America to persons that are non-U.S. persons and in reliance on Regulation S under the Securities Act. The Notes and the guarantees thereof have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to, or for the benefit of, a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code, as amended, and regulations thereunder.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that, except as permitted by the Programme Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of all Notes of the Tranche of which such Notes are a part, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells any Notes during the distribution compliance period, as defined in Regulation S under the Securities Act, a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Prohibition of Sales to EEA Retail Investors

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area.

For the purposes of this provision the expression "**retail investor**" means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
- (ii) a customer within the meaning of Directive (EU) 2016/97 ("**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United Kingdom

Prohibition of Sales to UK Retail Investors

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom.

For the purposes of this provision the expression "**retail investor**" means a person who is one (or more) of the following:

- (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended ("**EUWA**"); or
- (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

Other United Kingdom regulatory restrictions

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that:

- (a) **No deposit-taking:** in relation to any Notes having a maturity of less than one year:
 - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
 - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
 - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
 - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) **Financial promotion:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in

connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor, and

- (c) **General compliance:** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Hong Kong

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes, except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "**SFO**"), other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMPO)**") or which do not constitute an offer to the public within the meaning of the C(WUMPO); and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Singapore

Each Dealer has acknowledged that this Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**") pursuant to section 274 of the SFA) (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivative contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that

trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Japan

The Notes have not been, and will not be, registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**FIEA**"). Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Australia

No prospectus or other disclosure document (as defined in the Australian Corporations Act) in relation to the Programme or the Notes has been or will be lodged with the Australian Securities and Investments Commission ("**ASIC**"). Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it:

- (a) has not made or invited, and will not make or invite, an offer of the Notes for the issue, sale or purchase of the Notes in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, this Information Memorandum or any other offering material or advertisement relating to the Notes in Australia,

unless:

- (i) the minimum aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in other currencies) (disregarding moneys lent by the offeror or its associates) or the offer or invitation does not otherwise require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Australian Corporations Act;
- (ii) the offer or invitation does not constitute an offer to a "retail client" as defined for the purposes of sections 761G and 761GA of the Australian Corporations Act;
- (iii) such action complies with all applicable laws, regulations and directives; and
- (iv) such action does not require any document to be lodged with ASIC.

New Zealand

This programme is a wholesale programme. No action has been taken to permit Notes to be offered or sold to any retail investor, or otherwise under any regulated offer, in terms of the Financial Markets Conduct Act 2013 of New Zealand ("**FMCA**"). In particular, no product disclosure statement under the FMCA has been prepared or lodged in New Zealand in relation to the Notes.

Each Dealer has represented, warranted and agreed that it will not offer or sell any Notes in New Zealand, or distribute or publish in New Zealand any offering material or advertisement in relation to any offer of Notes, other than to wholesale investors within the meaning of clause 3(2)(a), (c) or (d) of Schedule 1 to the FMCA, which includes a person who is:

- (a) an "investment business";
- (b) "large"; or
- (c) a "government agency",

in each case as defined in Schedule 1 to the FMCA, provided (for the avoidance of doubt) that Notes may not be offered or sold to any "eligible investor" (as defined in clause 41 of Schedule 1 to the FMCA) or to any person who, under clause 3(2)(b) of Schedule 1 to the FMCA, meets the investment activity criteria specified in clause 38 of that Schedule.

General

Each Dealer has represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Information Memorandum or any Pricing Supplement or any related offering material, in all cases at its own expense. Other persons into whose hands this Information Memorandum or any Pricing Supplement comes are required by the Issuer, the Guarantors and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Information Memorandum or any Pricing Supplement or any related offering material, in all cases at their own expense.

The Programme Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed "*General*" above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification may be set out in the relevant Pricing Supplement (in the case of a supplement or modification relevant only to a particular Tranche of Notes) or in a supplement to this Information Memorandum.

GENERAL INFORMATION

Authorisation

- The update of the Programme was authorised by resolution of the Issuer passed on 12 May 2022 and by resolution of the Original Guarantor passed on 12 May 2022. Each of the Issuer and the Original Guarantor has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes and the giving of the Guarantee.

Listing of the Notes

- For the listing of any Notes which are agreed at the time of issue thereof to be listed on the ASX, application will be made by the Issuer to ASX Limited. Notes which are listed on the ASX will not be transferred through, or registered on, the CHESS operated by ASX Settlement Pty Limited (ABN 49 008 504 532) and will not be "Approved Financial Products" for the purposes of that system.

Legal and Arbitration Proceedings

- There are no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which the Issuer or the Original Guarantor is aware), which may have, or have had during the 12 months prior to the date of this Information Memorandum, a significant effect on the financial position or profitability of the Issuer, the Original Guarantor or the Chorus Group (taken as a whole).

Significant/Material Change

- There has been no material adverse change in the prospects of the Issuer, the Original Guarantor or the Chorus Group (taken as a whole) since 30 June 2021.
- There has been no significant change in the financial or trading position of the Issuer, the Original Guarantor or the Chorus Group (taken as a whole) since 30 June 2021.

Auditors

- The auditors of the Issuer and the Original Guarantor are KPMG, a New Zealand partnership. KPMG have audited the consolidated financial statements of the Issuer without qualification, in accordance with International Standards on Auditing (New Zealand) and International Standards on Auditing, for the years ended 30 June 2021 and 30 June 2020.
- KPMG's address is 10 Customhouse Quay, Wellington, New Zealand.
- KPMG partners are members of the New Zealand Institute of Chartered Accountants.

Documents on Display

- Copies of the following documents may be inspected during normal business hours at the offices of the Principal Paying Agent c/o Citibank, N.A., Dublin Branch, 1 North Wall Quay Dublin for 12 months from the date of this Information Memorandum:
 - a. the constitution of the Issuer;
 - b. the constitution of the Original Guarantor;
 - c. the Trust Deed;
 - d. the Paying Agency Agreement; and

- e. the Programme Agreement.

Clearing of the Notes

- The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code and the International Securities Identification Number in relation to the Notes of each Tranche will be specified in the relevant Pricing Supplement. The relevant Pricing Supplement shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

Legal Entity Identifier

- Chorus' Legal Entity Identifier is R7NJHU48LTCIOB9BVU57.

DEFINED TERMS

NZ\$ or New Zealand dollars	the lawful currency of New Zealand from time to time
U.S.\$ or U.S. dollars	the lawful currency of the United States of America from time to time
EUR or euro	the lawful currency for the time being of the member states of the European Union that adopt the single currency introduced at the start of the third stage of European Economic Monetary Union pursuant to the Treaty of Rome of 25 March 1957 establishing the European Community as amended from time to time
£ or GBP	the lawful currency of the United Kingdom from time to time
Accountholders	a person shown in the records of a Clearing System as being entitled to an interest in a Bearer Global Note
Additional Financial Centre	in respect of a Tranche of Notes, an Additional Financial Centre as specified in the applicable Pricing Supplement
ADSL	asymmetric digital subscriber line, the base variant of the DSL family of products
Agents	means the Principal Paying Agent, the Paying Agents, Transfer Agents, Calculation Agents, Replacement Agents and the Registrar
Amendment Act	The Telecommunications (New Regulatory Framework) Amendment Act 2018 of New Zealand
Arranger	Citigroup Global Markets Limited
ASX	the Australian Securities Exchange operated by ASX Limited (ABN 98 008 624 691)
Australian Corporations Act	the Corporations Act 2001 of Australia
Baseband	the Chorus Group's baseband product. The baseband product is a technology neutral voice input service that is bundled with a broadband product but can be provided on a standalone basis should a customer not require a broadband connection
Bearer Global Notes	the Temporary Global Note and the Permanent Global Note and the Bearer Global Note means either one of them
Bearer Notes	Notes in bearer form
Bitstream	a stream of data in binary form
Board	the board of directors of Chorus
Business Day	a day (other than a Saturday or a Sunday) on which registered banks are generally open for business in Auckland and Wellington
CEO	chief executive officer
CFO	chief financial officer
CHESS	the Clearing House Electronic Sub-Register System

Chorus	Chorus Limited
Chorus Group	Chorus and all of its wholly owned subsidiaries
CIP	Crown Infrastructure Partners Limited, previously known as Crown Fibre Holdings Limited, incorporated in New Zealand on 29 October 2009 with company number 2346751
Classic Global Note or CGN	a Global Note not issued in New Global Note form
Clearing System	Euroclear, Clearstream, Luxembourg or any other clearing system as may be specified in the relevant Pricing Supplement
Clearstream, Luxembourg	Clearstream Banking S.A.
CMP Regulations 2018	Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore
Conditions	the terms and conditions to be endorsed on, or incorporated by reference in, the Notes of any Series, in the form set out herein or in such other form, having regard to the terms of the Notes of the relevant Series, as may be agreed between the Issuer, the Guaranteeing Subsidiaries, the Principal Paying Agent, the Trustee and the relevant Dealer(s) as modified and supplemented by the Pricing Supplement applicable to such Series, as any of the same may from time to time be modified in accordance with the Trust Deed
Coupons	in relation to a Bearer Definitive Note, an interest coupon
Copper Undertakings	undertakings which the Issuer has entered into pursuant to the Telco Act relating to the provision of copper products within the New Zealand telecommunications market
Crown	Her Majesty the Queen acting in right of New Zealand
Dealers	any person appointed as a Dealer by the Programme Agreement and any other person which the Issuer may appoint as a Dealer and notice of whose appointment has been given to the Principal Paying Agent and the Trustee by the Issuer in accordance with the provisions of the Programme Agreement but excluding any entity whose appointment has been terminated in accordance with the terms of the Programme Agreement and notice of whose termination has been given to the Principal Paying Agent and the Trustee by the Issuer in accordance with the provisions of the Programme Agreement and references to the " relevant Dealer(s) " mean, in relation to any Note, the Dealer(s) with whom the Issuer has agreed the issue and purchase of such Note
Deed of Amendment and Acknowledgment	the Deed of Amendment and Acknowledgment dated 30 August 2017 between CIP and Chorus.
Deed of Operational and Governance Undertakings	the deed of operational and governance undertakings dated 11 November 2011 in favour of the Crown, which imposes certain operational and governance undertakings on Chorus
Definitive Notes	bearer Notes in definitive form
DSL	Digital Subscriber Line, a family of communications technologies allowing high-speed data over existing copper-based access networks in the local loop. Globally, DSL copper based access networks are being replaced by ultra-fast fibre based access networks
ECB	the European Central Bank

EEA	European Economic Area
EU Benchmark Regulation	Regulation (EU) No. 2016/1011
EURIBOR	Euro Interbank Offered Rate
Euroclear	Euroclear Bank SA/NV
Eurosystem	the central banking system for the euro
EUWA	European Union (Withdrawal) Act 2018
Event of Default	has the meaning given to it in the Conditions
FFLAS	fibre fixed line access services
Fibre Undertakings	undertakings which Chorus has entered into pursuant to the Telco Act, relating to the provision of fibre products within the New Zealand telecommunications market
FIEA	Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended)
Fixed Rate Notes	has the meaning given to it in the Conditions
Floating Rate Notes	has the meaning given to it in the Conditions
FMCA	Financial Markets Conduct Act 2013 of New Zealand
FSMA	the Financial Services and Markets Act 2000, as amended
FTT	the proposed financial transaction tax proposed by the European Commission
GB	gigabytes
Gbps	gigabits per second
Global Note	any Temporary Global Note, Permanent Global Note or Registered Global Note
GPON	Gigabit Passive Optical Network
Guarantee	a guarantee and indemnity provided pursuant to clause 5 of the Trust Deed
Guaranteeing Subsidiaries	at any time, the Original Guarantor and any other Subsidiary of the Issuer which, pursuant to the Clause 5.10 of the Trust Deed becomes a Guaranteeing Subsidiary but excluding any Subsidiary which has been released from its guarantee and indemnity pursuant to Clause 5.11 of the Trust Deed
HSNS	High-Speed Network Service
Inverse Floating Rate Notes	means a Note with an interest rate equal to a fixed rate minus a rate based upon a reference rate
Investor's Currency	a currency, other than the Specified Currency, in which an investor's financial activities are principally denominated
ICSDs	Euroclear and Clearstream, Luxembourg
ID Determination	an Information Disclosure Determination made by the NZCC

Information Memorandum	the Information Memorandum dated 29 June 2022, of which this glossary forms a part
Insurance Distribution Directive	Directive (EU) 2016/97
IP	internet protocol, a communications protocol suite used for carrying data on the internet. Within telecommunications networks globally traditional analogue networks based on copper cables are being replaced with IP based networks based on fibre
IPTV	Internet Protocol Television, a service whereby television is delivered via the internet or another access network
IRD	the New Zealand Inland Revenue Department
Issue Date	in respect of a series of Notes, the date on which such notes are issued
Issuer	Chorus Limited
IT	Information Technology, a generic term for any technology relating to information processing or information transport
Layer 1	Layer 1 within the OSI model is classified as the physical layer and within a telecommunications fixed access network this can be considered to comprise copper and fibre cables and co-location space inside exchanges or cabinets
Layer 2	Layer 2 within the OSI model is classified as the data link layer and provides the functional and procedural means to transfer data between network entities. Within the telecommunications fixed access network this can be considered to comprise the Bitstream equipment and services which transmit basic data from one point in the network to another over the Layer 1 physical assets
LFC	a local fibre company, being an entity in which CIP, the New Zealand Government and a partner hold shares, and through which the investment of CIP and the partner in relation to the UFB programme is effected
Material Subsidiaries	has the meaning given to it in the Trust Deed
Mbps	megabits per second
Member State	a member state of the European Economic Area
MiFID II	Directive 2014/65/EU
Minister	Minister for the Digital Economy and Communications
Moody's	Moody's Investors Service Pty Limited
Negative Pledge	the negative pledge described in Condition 6 (<i>Negative Pledge</i>)
New Global Note or NGN	a Global Note which is intended to be issued in new global note form
New Zealand Government	the elected government of New Zealand
NIPA2	the Network Infrastructure Project Agreement dated 26 January 2017 between the Issuer and CIP, a public private partnership contract
Noteholder	has the meaning given to it in the Conditions
Notes	bearer, registered or other notes issued under the Programme

NZ Post	New Zealand Post Limited
NZCC	New Zealand Commerce Commission, the New Zealand competition regulator established pursuant to the Commerce Act 1986
NZX	NZX Limited, or the financial market operated by NZX, as the context requires
Open Access Deeds	The Copper Undertakings, Fibre Undertakings for UFB1 and UFB2 and RBI Undertakings. These represent a series of legally binding obligations focused around the provision of wholesale fibre and copper services (as well as services that are provided on a network that was constructed with funding provided, in whole, or in part, by the Crown as part of the RBI) on a non-discriminatory and equivalent basis
Original Guarantor	Chorus New Zealand Limited, incorporated in New Zealand on 1 July 2011 with company number 3454256
OSI model	the Open Systems Interconnection model, under which 'layers' subdivide the telecommunications system from the physical assets in the ground right through to the application on a computer being used by an end-user
Permanent Global Note	has the meaning given to it in the Conditions
PONFAS	Passive optical network fibre access service
Potential Event of Default	has the meaning given to it in the Trust Deed
PQ Determination	a Price-Quality Determination made by the NZCC
Premises	a single building or structure located on a defined geographical site (such as may be evidenced by a certificate of title), which has a unique physical address recognised by NZ Post, and is occupied by or could readily be occupied by a potential end-user
Pricing Supplement	the final terms prepared in relation to a Tranche of Notes issued under the Programme (substantially in the form set out in the Information Memorandum) and giving details of that Tranche
PRIPs Regulation	Regulation (EU) No 1286/2014
Principal Paying Agent	Citibank, N.A., London Branch or such other person specified in the relevant Pricing Supplement as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the Relevant Pricing Supplement
Programme	the Euro Medium Term Note programme described in the Information Memorandum of which this glossary forms a part
Programme Agreement	the amended and restated programme agreement dated 29 June 2022 between the Issuer, the Original Guarantor, and Citigroup Global Markets Limited
PSTN	the Public Switched Telephone Network, a nationwide dial-up telephone network used, or intended for use, in whole or in part, by the public for the purposes of providing telecommunications between telephone devices
RBI	Rural Broadband Initiative
Registered Global Note	a registered global note in the form or substantially in the form set out in Part C of Schedule 2 of the Trust Deed with such modifications (if any) as may be agreed between the Issuer, the Principal Paying Agent, the Trustee and the relevant Dealer(s), together with the copy of the applicable Pricing Supplement annexed thereto, comprising some or all of the Registered Notes

of the same Series, issued by the Issuer pursuant to the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s) and the Trust Deed

Registered Notes	Notes which are issued in registered form
Registrar	in relation to all or any Series of the Registered Notes, Citibank, N.A., London Branch at its office c/o Citibank, N.A., Dublin Branch 1 North Wall Quay Dublin or, if applicable, any successor registrar
RSPs	Retail Service Providers
RWT	resident withholding tax
S&P Global	S&P Global Ratings Australia Pty Ltd
Securities Act	the United States Securities Act of 1933, as amended
SFA	Securities and Futures Act 2001 of Singapore
SOFR	Secured Overnight Financing Rate
Spark	Spark New Zealand Limited
Specified Currency	in relation to a series of Notes, has the meaning given to it in the relevant Pricing Supplement
Specified Denomination	in relation to a series of Notes, has the meaning given to it in the relevant Pricing Supplement
Subsidiary	means, in respect of any person (the " first person ") at any particular time, any other person (the " second person "): (a) <i>Control</i> : whose affairs and policies the first person controls or has the power to control (directly or indirectly), whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second person or otherwise; or (b) <i>Consolidation</i> : whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first person;
Talon	if indicated in the applicable Pricing Supplement, talons for further coupons on interest bearing Bearer Notes
TARGET Settlement Day	has the meaning given to it in the Conditions
TDL	the Telecommunications Development Levy imposed under the Telco Act
TEFRA C Rules	United States Treasury Regulation §1.163-5(c)(2)(i)(C)
TEFRA D Rules	United States Treasury Regulation §1.163-5(c)(2)(i)(D)
Telco Act	the Telecommunications Act 2001 of New Zealand
Telecom	Telecom Corporation of New Zealand Limited (now Spark) prior to the demerger with Chorus
Temporary Global Note	has the meaning given to it in the Conditions
TICSA	the Telecommunications (Interception Capability and Security) Act 2013 of New Zealand

Tranche	Notes subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations
Trust Deed	the amended and restated trust deed dated 29 June 2022 between Chorus Limited, Chorus New Zealand Limited and the Law Debenture Trust Corporation p.l.c.
Trustee	The Law Debenture Trust Corporation p.l.c.
TSO	the Telecommunications Service Obligation recorded in the Telecommunications Service Obligation deed
UBA	unbundled bitstream access. UBA services allow RSPs direct access to the high speed access links between the exchange and an end-user premises that has been installed by the Chorus Group. RSPs are then able to install their own equipment in the local access network to deliver high speed broadband services, rather than having to utilise the Chorus Group's equipment
UCLL	unbundled copper local loop. UCLL services enable RSPs to directly access a copper access line to deliver phone and internet services via their own equipment
UFB	ultrafast broadband
UFB Agreement	means the UFB1 Agreement and/or the UFB2 Agreement
UFB network	the fibre-to-the-premises network constructed pursuant to the UFB network build
UFB1	the first phase of the UFB programme announced by the New Zealand Government
UFB2	the second phase of the UFB programme announced by the New Zealand Government, including UFB2+
UFB2+	means the extension of UFB2 pursuant to the Deed of Amendment and Acknowledgment
UFB1 Agreement	means the contracts entered into by Chorus relating to the Chorus Group's participation in the first stage of the New Zealand Government's UFB programme
UFB2 Agreement	means the contracts entered into by Chorus relating to the Chorus Group's participation in the second stage of the New Zealand Government's UFB programme
United States	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
VDSL	very high bit rate digital subscriber line, a high speed variant of the DSL family of products
VDSL2	very high bit rate digital subscriber line, the highest speed variant of the DSL family of products
Vodafone	Vodafone New Zealand Limited
VoIP	Voice over Internet Protocol, a term used in IP telephony for managing the delivery of voice information using the IP
Voters	Holders of Notes voting (either in person or by proxy) at a meeting of noteholders

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