

INSTRUMENT

-constituting-

BIDCO LOAN NOTES 2031

Dated [●] 2021

Basing BidCo Limited

Linklaters LLP
16 December 2020

This Instrument is entered into as a deed on _____ 2021 by:

- (1) **Basing BidCo Limited**, a private limited company incorporated under the laws of Jersey with registered number 132817, whose registered office is at 3rd Floor, 44 Esplanade, St Helier, Jersey JE4 9WG (the “**Company**”).

Whereas:

- (A) The Company has in accordance with its Articles of Association and by a resolution of its Board of Directors passed on [●] 2021, created the interest free unsecured rollover loan notes 2031 (the “**Bidco Loan Notes 2031**”) to be issued by virtue of the share alternative made available under the Offer made by the Company to acquire the entire issued and to be issued ordinary share capital of the AA PLC (the “**Offeree**”), such Notes to be constituted as provided below.

Now this Instrument witnesses and declares as follows:

1 Definitions

- 1.1** In this Instrument and the Schedules the following expressions shall where the context permits have the following meanings:

“**Business Day**” a day (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for normal business in London and in Jersey;

“**Certificate**” means a certificate duly executed by the Company relating to the Notes represented by it;

“**Conditions**” means the conditions set out in the Second Schedule as modified from time to time in accordance with the provisions of this Instrument;

“**Connected Person**” shall have the meaning given to that expression in Section 1122 of the Corporation Tax Act 2010;

“**Consortium**” means funds advised by TowerBrook Capital Partners (U.K.) LLP or its affiliates and private equity funds managed by Warburg Pincus LLC or its affiliates;

“**Directors**” means the Board of Directors for the time being of the Company;

“**Exchange Agreement**” means the agreement pursuant to which the Scheme Shareholders shall sell and Basing Topco Limited shall purchase the Bidco Loan Notes in exchange for the relevant number of Topco B Ordinary Shares and Topco B Preference Shares;

“**Special Resolution**” has the meaning given to it in paragraph 17 of the Third Schedule;

“**Instrument**” means this instrument and the First to Third Schedules (inclusive) hereto as from time to time modified in accordance with the provisions herein contained;

“**Notes**” means the unsecured rollover loan notes 2031 notes constituted by this Instrument or, as the case may be, the principal amount thereof for the time being issued and outstanding and (b) all further unsecured loan notes of the Company created in accordance with Clause 10 or, as the case may be, the principal amount thereof for the time being issued and outstanding;

“**Noteholder**” means a person for the time being entered on the Register as the holder of a Note;

“**Offer**” means the recommended cash offer announced on 25 November 2020 by the Consortium on behalf of the Company to acquire the entire issued and to be issued ordinary share capital of the Offeree and any revision, variation, extension or renewal thereof;

“**Register**” means the register of Noteholders to be maintained by the Company in accordance with Clause 8;

“**Registrar**” means Equiniti Limited, of Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, the Company’s registrar;

“**Restricted Jurisdiction**” means any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Scheme Shareholders in that jurisdiction;

“**Scheme**” means the proposed scheme of arrangement made under Part 26 of the Companies Act between the AA and the Scheme Shareholders;

“**Scheme Shareholders**” means a holder of shares pursuant to the Scheme;

“**Topco**” means Basing TopCo Limited, a private limited company incorporated in Jersey with registered number 132819;

“**Topco B Ordinary Shares**” means the B ordinary shares with a nominal value of £0.001 each in the capital of Topco; and

“**Topco B Preference Shares**” means the B preference shares with a nominal value of £0.001 each in the capital of Topco.

- 1.2 References herein to “this Instrument” include, where the context so admits, the Schedules hereto.
- 1.3 Save as expressly defined any words and expressions defined in the Companies Act 2006 shall have the same meanings when used in this Instrument.
- 1.4 References herein to any provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof from time to time in force.
- 1.5 Words used herein denoting persons shall include corporations, the masculine gender shall include the feminine and the singular shall include the plural and vice versa.
- 1.6 The headings herein are for convenience only and shall not affect the interpretation hereof.
- 1.7 References herein to Clauses, Conditions, paragraphs, sub-paragraphs or Schedules are to clauses, conditions, paragraphs and sub-paragraphs hereof or to the schedules hereto.

2 Amount of the Notes

- 2.1 The Notes shall have a nominal amount of £0.001 per Bidco Loan Note and shall be issued fully paid in integral multiples of £0.001 and shall only be transferable as provided in the Second Schedule.
- 2.2 The principal amount of the Notes constituted by this Instrument is that which falls to be issued in connection with the Offer.

3 Repayment

The Notes shall be interest free. Unless previously repaid, redeemed or purchased, the Notes shall be repaid in full at par on 31 December 2031.

4 Status of the Notes

The Notes shall be known as “**BidCo Loan Notes 2031**”. The Notes when issued shall rank *pari passu* equally and rateably without discrimination or preference and as unsecured obligations of the Company.

5 Conditions of Issue

The Conditions and the provisions contained in the Schedules shall have effect in the same manner as if such Conditions and provisions were set out herein. The Notes shall be held subject to and with the benefit of the Conditions and of the provisions in the Schedules, all of which shall be binding on the Company and the Noteholders and all persons claiming through them respectively.

6 Covenants by the Company

The Company covenants with the Noteholders and each of them duly to perform and observe the obligations on its part contained in this Instrument (including, without limitation, the Second and Third Schedules) to the intent that this Instrument shall ensure for the benefit of all Noteholders each of whom may sue for the performance or observance of the provisions of this Instrument so far as his holding of Notes is concerned.

7 Certificates for Notes

7.1 Each Noteholder will be entitled without charge to one Certificate for the aggregate amount of Notes registered in his name in the Register. Each Certificate shall bear a denoting number and shall be executed by the Company. Every Certificate shall be in the form or substantially in the form set out in the First Schedule and shall have the Conditions endorsed thereon.

7.2 The Company shall not be bound to register more than four persons as the joint holders of any Notes and shall not be bound to issue more than one Certificate for Notes held jointly by several persons. Delivery of a Certificate to one of such persons shall be sufficient delivery to all.

7.3 When a Noteholder transfers or has redeemed part only of his Notes, the old Certificate shall be cancelled and a new Certificate for the balance of such Notes shall be issued without charge.

8 Register of Notes

8.1 The Company shall at all times keep at the office of the Registrar or at its registered office a Register showing:

8.1.1 the names and addresses of the holders for the time being of the Notes and, in the case of joint holders, the names of the joint holders and the address of the first named holder;

- 8.1.2 the amount of the Notes held by each registered holder and, in the case of joint holders, the amount of Notes held by the joint holders taken together;
- 8.1.3 the date on which the name of each individual registered holder (including, in the case of joint holders, each joint holder) is entered in the Register in respect of the Notes standing in his or their name; and
- 8.1.4 the denoting number of each Certificate for the Notes issued and the date of issue thereof.

Any change of name or address on the part of any Noteholder shall forthwith be notified to the Company and the Register shall be altered accordingly. Any Noteholder and any person (not being a person to whom the Company may reasonably object) authorised in writing by any Noteholder shall be at liberty, at all reasonable times during business hours on any Business Day and free of charge, to inspect the Register and a copy of the Instrument. The Register may be closed at such times and for such periods as the Company may from time to time determine, provided that it shall be open for inspection for not less than two hours on each Business Day, nor shall it be closed for more than 30 Business Days in any year. The Company shall be under no obligation to register transfers of the Notes when the register is closed.

- 8.2 Except as required by law, the Company will recognise the registered holder of any Notes as the absolute owner thereof for all purposes and shall not (except as ordered by a court of competent jurisdiction) be bound to take notice or see to the execution of any trust, whether express, implied or constructive, to which any Notes may be subject and the receipt of the registered holder for the time being of any Notes, or in the case of joint registered holders the receipt of any of them, for the principal moneys payable in respect thereof or for any other moneys payable in respect thereof shall be a good discharge to the Company, notwithstanding any notice it may have, whether express or otherwise, of the right, title, interest or claim of any other person to or in such Notes, or moneys. The Company shall not be bound to enter any notice of any trust, whether express, implied or constructive, on the Register in respect of any Notes.
- 8.3 Subject to the Conditions, each Noteholder will be recognised by the Company as entitled to his Notes free from any equity, set-off or cross-claim on the part of the Company against the original or any intermediate holder of the Notes.
- 8.4 The Company shall promptly notify the Noteholders of any change in the identity or the address of the Registrar.

9 Meetings of Noteholders

Meetings of Noteholders may be convened and held in accordance with the provisions of the Third Schedule.

10 Further Notes

The Company may from time to time, by resolution of the Directors, cancel any created but unissued Notes or create and issue further unsecured loan notes to be constituted by deed or instrument expressed to be supplemental to this Instrument either so as to be identical in all respects and form a single series with the Notes or to carry such rights as to interest, redemption and otherwise as the Directors may think fit.

11 **Governing Law**

This Instrument and the Notes and any non-contractual obligations arising out of or in connection with them shall be governed by and construed in accordance with English law. The Company irrevocably agrees that the courts of England are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Instrument and the Notes and that accordingly any proceedings arising out of or in connection with this Agreement shall be brought in such courts.

In witness whereof this Instrument has been duly executed and delivered as a deed the day and year first above written.

THE FIRST SCHEDULE - Form of Certificate

Certificate No.	Account No.	Transfer No.	Issue Date	Amount
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Basing BidCo Limited

(Incorporated in Jersey, with registered number 132817)

BIDCO LOAN NOTES 2031

THIS IS TO CERTIFY THAT the undermentioned is/are the registered holder(s) of the amount set out below of the BidCo Loan Notes (the “**Notes**”) constituted by an instrument entered into by the Company on [●] 2021 (the “**Instrument**”) and issued with the benefit of and subject to the provisions contained in, the Instrument. Where the context so admits, words and expressions defined in the Instrument shall bear the same meanings in the Conditions endorsed on, or attached to, this Certificate.

This Certificate is evidence of entitlement only. Title to the Notes passes only on due registration on the Register and any payment of principal due on the Notes will be made only to the duly registered holder.

Name(s) of Holder(s)

Amount of Notes

BASING BIDCO LIMITED BY:

Director

Director

DATED _____

NOTES:

- 1** The Notes are repayable in accordance with the Conditions endorsed.
- 2** The Notes are transferable only in accordance with the Conditions, which include restrictions on the transferability of the Notes, and in amounts and integral multiples of £0.001. This Certificate must be lodged together with the instrument of transfer (which must be signed by the transferor or by a person authorised to sign on behalf of the transferor) at the office of the Registrar: Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA. In any correspondence to the Registrar, please quote reference No _____.
- 3** This Certificate must be surrendered before any transfer, whether of the whole or any part of the Notes comprised in it, can be registered or any new Certificate issued in exchange.
- 4** A copy of the Instrument is available for inspection at the office of the Registrar referred to above.

THE SECOND SCHEDULE - The Conditions

1 Repayment, Purchase and Redemption

- 1.1** Subject as provided below, each Noteholder shall be entitled to require the Company to repay the whole or any part (being £0.001 nominal or any integral multiple thereof) of the principal amount of his holding of Notes at par, on any date falling prior to 31 December 2031. To exercise such entitlement, the Noteholder must complete the notice of repayment set out below, stating the amount required to be repaid and the date for repayment thereof, sign and date the Notice of Repayment and lodge the same with the Certificate at the office of the Registrar not less than 30 days prior to the due date for repayment. A Notice of Repayment given in accordance with this Condition shall, without the consent of the Company, be irrevocable.
- 1.2** The Company may at any time on or after the date falling six months after the latest date of issue of any of the outstanding Notes purchase any Notes then in issue at any price by tender (available to all Noteholders alike), private treaty or otherwise by agreement with the relevant Noteholder(s).
- 1.3** Unless previously repaid, redeemed or purchased by the Company, the Notes shall be repaid in full at par on 31 December 2031.

2 Events on which Notes become immediately repayable

Each Noteholder shall be entitled to require all or part of the Notes (being £0.001 nominal or any integral multiple thereof) registered in his name (so far as not previously repaid and unless otherwise agreed by him) to be repaid immediately at par, in each of the following events, upon written notice by such Noteholder to the Company so long as that event is continuing:

- 2.1** any principal payable on any of the Notes held by that Noteholder is not paid in full within 30 days after the due date for payment; or
- 2.2** the making of an order by a competent court or the passing of an effective resolution for the winding-up or dissolution of the Company (other than for the purposes of a reconstruction, amalgamation, merger or members' voluntary winding-up on terms previously approved by a Special Resolution); or
- 2.3** the taking of possession by an encumbrancer of, or the appointment of a trustee, administrator or administrative receiver or manager or a similar officer over, or an administration order being made in respect of, the whole or substantially the whole of the undertaking or property of the Company, unless the same is paid out or discharged within 30 days.

The Company shall give the Noteholders notice in writing of the happening of any of the foregoing events promptly after becoming aware of the same.

3 Payment

Payment of the principal for the time being due and owing on the Notes, or any part thereof, may be made by cheque or warrant and made payable to the registered holder or, in the case of joint holders, to the first named holder or to such person or persons as the registered holder or joint holders may in writing, received by the Company at least five Business Days prior to the date of such payment, have directed. Every such

cheque or warrant may be sent by first class post no later than the Business Day preceding the due date for payment at the risk of the registered holder or joint holders and payment of any such cheque or warrant shall be a good discharge by the Company. No payments of principal will be mailed to an address in any Restricted Jurisdiction. Payments will be subject in all cases to any applicable fiscal and other laws and regulations.

4 Surrender of Certificate and Prescription

4.1 Without prejudice to any other provisions of this Instrument, every Noteholder any part of whose Notes is due to be repaid or redeemed under any of the provisions of these Conditions shall, not later than five Business Days before the due date for such repayment or redemption, deliver up to the Company, at the office for the time being of the Registrar, the Certificate for his Notes which are due to be repaid (or such indemnity and other documentation as the Directors may require under Condition 14 in the case of a lost, defaced or destroyed certificate) in order that it may be cancelled. Unless payment of the amount due to be repaid has already been made in accordance with Condition 3, upon such delivery and against a duly signed or authenticated receipt for the principal moneys payable in respect of the Notes to be repaid, the Company shall, on the due date for repayment, pay to the Noteholder the amount payable to him in respect of such repayment or redemption. If any Certificate so delivered to the Company includes any Notes not then repayable or redeemed, a new Certificate for the balance of the Notes not then repayable or redeemed shall be issued free of charge to the Noteholder delivering such Certificate to the Company.

4.2 If any Noteholder any part of whose Notes is liable to be repaid or redeemed under these Conditions fails or refuses to deliver up the Certificate for such Notes (or such indemnity and other documentation as the Directors may require under Condition 14 in the case of a lost, defaced or destroyed certificate) at the time and place fixed for repayment thereof, or fails or refuses to accept payment of the moneys payable in respect thereof, the moneys payable to such Noteholder shall be paid into a separate interest-bearing bank account in the name of the Company. The payment of such moneys into a bank account shall not constitute the Company a trustee of such moneys but shall discharge the Company from all obligations in respect of the Note. The Company shall not be responsible for the safe custody of such moneys or for interest thereon except such interest (if any) as the said moneys may earn whilst on deposit, less any expenses incurred by the Company in connection therewith. Any such amount so paid or deposited which remains unclaimed after a period of years from the making of the payment or deposit shall revert and belong to the Company, notwithstanding that in the intervening period the obligation to pay the same may have been provided for in the books, accounts and other records of the Company. Subject as aforesaid, any amount so paid or deposited will forthwith be paid directly to the Noteholder or his successors upon delivery of the relevant Certificate.

5 Cancellation

All Notes repaid, redeemed or purchased by the Company shall be cancelled and the Company shall not be at liberty to re-issue them.

6 Transfer of Notes

- 6.1** Notes may not be transferred except in accordance with the Exchange Agreement or, thereafter, to a holding company of the Company (in each case with the consent of the Company).
- 6.2** The Notes are transferable only as permitted by paragraph 6.1 above by instrument in writing in the usual or common form (or in such other form as the Directors may approve) in nominal amounts or integral multiples of £0.001, upon and subject to the Conditions. There shall not be included in any instrument of transfer any securities other than the Notes constituted by the Instrument.
- 6.3** Every instrument of transfer must be signed by the transferor (or by a person authorised to sign on behalf of the transferor) and the transferor shall be deemed to remain the owner of the Notes to be transferred until the name of the transferee is entered in the Register in respect thereof.
- 6.4** Every instrument of transfer must be sent for registration to the Registrar accompanied by the Certificate(s) for the Notes to be transferred together with such other evidence as the Company may require to prove the title of the transferor or his right to transfer the Notes and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person to do so. All instruments of transfer which are registered may be retained by the Company. No transfer of Notes shall be registered in respect of which a notice requiring repayment has been given. No transfer will be registered at any time when the Register is closed.
- 6.5** No fee shall be charged for the registration of any transfer or for the registration of any probate, letters of administration, certificate of confirmation, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any Notes.
- 6.6** Notwithstanding the foregoing:
- 6.6.1** the Notes may not be offered, sold or delivered, directly or indirectly, in or into any Restricted Jurisdiction;
 - 6.6.2** documents of title in respect of the Notes will not be sent to addresses in any Restricted Jurisdiction; and
 - 6.6.3** registered addresses of Noteholders must be outside of any Restricted Jurisdiction.
- 6.7** The Notes have not been and will not be registered under the Securities Act or under the securities laws of any state of the United States, nor under applicable securities laws of any Restricted Jurisdiction.

7 Death or Bankruptcy of Noteholders

- 7.1** The executors or administrators of a deceased registered holder of Notes (not being one of several joint holders) and, in the case of the death of one or more of several joint registered holders, the survivor or survivors of such joint registered holders, shall be the only person or persons recognised by the Company as having any title to such Notes.
- 7.2** Any person becoming entitled to Notes in consequence of the death or bankruptcy of a holder of Notes or of any other event giving rise to the transmission of such Notes by

operation of law may, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Condition or of his title as the Company shall think sufficient, be registered himself as the holder of such Notes or may transfer such Notes.

8 Modification

- 8.1** The Company may, with the consent of its financial adviser, amend the provisions of the Instrument or of the Notes, without the sanction or consent of Noteholders if, in the opinion of the financial adviser, such amendment is of a formal, minor or technical nature or to correct a manifest error. Any opinion of the financial adviser in this regard shall be arrived at in its absolute discretion without consulting Noteholders and no liability shall attach to the Company or its financial adviser in respect thereof.
- 8.2** The provisions of the Instrument or of the Notes and the rights of the Noteholders may from time to time be modified, abrogated or compromised or any arrangement or amendment agreed in any respect with the sanction of a Special Resolution or by written resolution of the holders of at least 75 per cent in nominal amount of the Notes then in issue subject, in either case, to the prior consent of the Company.
- 8.3** Any such modification, abrogation, compromise or arrangement effected pursuant to either paragraph 8.1, 8.2 and 8.3 shall be binding on all Noteholders.

9 Dealings

The Notes shall not be capable of being dealt in on any stock exchange in the United Kingdom or elsewhere and no application has been or is intended to be made to any stock exchange for the Notes to be listed or otherwise traded.

10 Receipt of joint holders

If two or more persons are entered in the Register as joint registered holders of any Notes then, the receipt by any one of such persons of any principal shall be as effective a discharge to the Company as if the person signing such receipt were the sole registered holder of such Notes.

11 Replacement of Certificates

If the Certificate for any Notes is lost, defaced or destroyed, it may, upon payment by the Noteholder of any out-of-pocket expenses of the Company, be replaced, on such terms (if any) as to evidence and indemnity as the Directors may require, but so that, in the case of defacement, the defaced Certificate shall be surrendered before the new Certificate is issued.

12 Risk to Noteholders

All Certificates, other documents and remittances sent through the post shall be sent by first class post but otherwise at the risk of the Noteholder(s) entitled thereto.

13 Notices

- 13.1** Any notice or other document (including Certificates) may be given or sent to any Noteholder by sending it by post in a pre-paid envelope addressed to such Noteholder

at his registered address in the United Kingdom or (if he has no registered address within the United Kingdom) to the address (if any) within the United Kingdom supplied by him to the Company for the giving of notice to him. In the case of joint registered holders of any Notes, a notice given to the Noteholder whose name stands first in the Register in respect of such Notes shall be sufficient notice to all joint holders. Notice may be given to the persons entitled to any Notes in consequence of the death or bankruptcy of any Noteholder by sending the same by post, in a pre-paid envelope addressed to them by name or by the title of the representative or trustees of such holder, at the address (if any) in the United Kingdom supplied for the purpose by such persons or (until such address is supplied) by giving notice in the manner in which it would have been given if the death or bankruptcy had not occurred. Save as otherwise provided in this paragraph, only Noteholders with a registered address in the United Kingdom shall be entitled to receive any notice, demand or other document.

13.2 Any notice, demand or other document (including Certificates and transfers of Notes) may be served on the Company by sending the same by post in a pre-paid envelope addressed to the Company at the following address (or to such other address as the Company may from time to time notify to Noteholders):

Address: TowerBrook Capital Partners (U.K.) LLP
1 St. James's Market
Carlton Street
London
SW1Y 4AH

Marked for the attention of: Alexander Walsh

Email: Alexander.Walsh@towerbrook.com

Address: Warburg Pincus International LLC
Almack House
28 King Street, St. James's
London
SW1Y 6QW

Marked for the attention of: James O'Gara

Email: james.ogara@warburgpincus.com,
notices@warburgpincus.com

With copies to (delivery of which shall not in itself constitute valid notice):

Matthew Gerber at TowerBrook Capital Partners (U.K.) LLP, 1 St. James's Market, Carlton Street, London, SW1Y 4AH (email: Matthew.Gerber@towerbrook.com);

Alison Heyden at Warburg Pincus LLC, 450 Lexington Avenue, New York, NY 10017 (email: alison.heyden@warburgpincus.com); and

Carlton Evans of Linklaters LLP, One Silk Street, London, EC2Y 8HQ (email: carlton.evans@linklaters.com).

13.3 Any notice given or document sent by first class post shall be deemed to be served or received at the expiry of 24 hours (or, where second class post is employed, 48 hours) after the time when it is posted. In proving such service or receipt, it shall be sufficient to prove that the envelope containing the notice or document was properly addressed, stamped and posted.

14 General

14.1 A certification of the Directors, the Registrar or the Company's financial adviser as to any matter relating to the Offer or the Notes shall, in the absence of manifest error, be conclusive evidence as against Noteholders. None of the Directors, the Registrar or the Company's financial adviser shall, in the absence of negligence or wilful default, have any liability of any nature whatsoever in connection with any exercise of, or omission to exercise, any function assigned to them or it as described in the Instrument.

14.2 Each Noteholder shall be recognised by the Company as entitled to his Notes free from any equity, set-off or counterclaim on the part of the Company against the original or any intermediate holder of the Notes

14.3 The Instrument and the Notes and any non-contractual obligations arising out of or in connection with them are governed by, and will be construed in accordance with, English law.

THE THIRD SCHEDULE - Provisions for meetings of the Noteholders

1 Calling of meetings

The Company may at any time and shall, upon request in writing signed by the registered holders of not less than one-tenth in nominal value of the Notes for the time being outstanding (excluding any in respect of which a notice requiring repayment shall have been given), convene a meeting of the Noteholders to be held at such time and place as the Company shall determine.

2 Notice of meetings

2.1 The Company shall give to the Noteholders at least 14 clear days of any meeting of Noteholders, specifying the place, day and time of meeting. Any such notice shall specify the general nature of the business to be transacted at the meeting thereby convened but, except in the case of a resolution to be proposed as a Special Resolution, it shall not be necessary to specify the terms of any resolution to be proposed.

2.2 The accidental omission to give notice of a meeting, or to send a form of proxy with a notice, to any person entitled to receive the same, or the non-receipt of a notice of meeting or form of proxy by any such person, shall not invalidate the proceedings, including any resolution duly passed at that meeting.

3 Chairman of meetings

Some person nominated by the Company shall be entitled to take the chair at any such meeting and if no such nomination is made or, if at any meeting the person nominated shall not be present within 30 minutes after the time appointed for holding the meeting, the Noteholders present shall choose one of their number to be Chairman.

4 Quorum at meetings

At any such meeting, persons (at least two in number) holding or representing by proxy at least one-tenth (or at any such meeting at which a Special Resolution is to be considered, one-quarter) in nominal value of the Notes for the time being outstanding shall form a quorum for the transaction of business. No business (other than the choosing of a Chairman) shall be transacted at any meeting unless the requisite quorum be present at the commencement of business.

5 Absence of quorum

If within 30 minutes from the time appointed for any meeting of the Noteholders a quorum is not present, the meeting shall, if convened upon the requisition of the Noteholders, be dissolved. In any other case it shall stand adjourned to such day and time (being not less than 14 nor more than 42 days thereafter) and to such place as may be appointed by the Chairman. At such adjourned meeting, the Noteholders present in person or by proxy and entitled to vote, whatever the number of persons or the nominal value of the Notes held by them, shall form a quorum and shall have power to pass any Special Resolution or other resolution and to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place.

6 Notice of adjourned meetings

At least seven days' notice of any adjourned meeting at which a Special Resolution is to be submitted shall be given in the manner provided by this Instrument and such notice shall state that the Noteholders present in person or by proxy at the adjourned meeting will form a quorum. Notice is not required for any adjourned meeting at which no Special Resolution is to be submitted.

7 Adjournment of meetings

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

8 Resolution on show of hands

Every question submitted to a meeting of Noteholders shall be decided in the first instance by a show of hands and, in case of an equality of votes, the Chairman shall, both on a show of hands and on a poll, have a casting vote in addition to the vote or votes (if any) to which he may be entitled as a Noteholder or as a duly appointed proxy of a Noteholder.

9 Demand for poll

At any meeting of Noteholders, unless (before or on the declaration of the result of the show of hands) a poll is demanded by the Chairman or by one or more Noteholders present in person or by proxy and holding or representing in aggregate not less than one-tenth in nominal value of the Notes then outstanding, a declaration by the Chairman that a resolution has been carried or carried by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

10 Manner of taking poll

If at any such meeting a poll is so demanded it shall be taken in such manner as the Chairman may direct and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

11 Time for taking poll

Any poll demanded at any such meeting on the election of a Chairman or on any question of adjournment shall be taken at the meeting without adjournment. A poll demanded on any other question shall be taken in such manner and place immediately or at any time within ten days of such demand, as the Chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. The demand for a poll may be withdrawn.

12 Persons entitled to attend and vote

12.1 The registered holder of any of the Notes or, in the case of joint holders, any one of them shall be entitled to vote in respect thereof either in person or by proxy and in the latter case as if such joint holder were solely entitled to such Notes. If more than one of

such joint holders be present at any meeting, either personally or by proxy, the vote of the senior who tenders a vote (seniority being determined by the order in which the joint holders are named in the Register) shall be accepted to the exclusion of the votes of the other joint holders.

- 12.2** The Directors and the Secretary and solicitors to and auditors of the Company and any other person authorised by the Directors may attend and speak (but not vote) at any such meeting.

13 Instrument appointing proxy

Every instrument appointing a proxy must be in writing signed by the appointor or his attorney or, in the case of a corporation, under its common seal or signed by its attorney or a duly authorised officer and shall be in the usual or common form or in such other form as the Directors may approve. Such instrument of proxy shall unless the contrary is stated thereon be valid as well for an adjournment of the meeting as for the meeting to which it relates and need not be witnessed. A person appointed to act as a proxy need not be a Noteholder.

14 Deposit of instrument appointing proxy

The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority shall be deposited at such place or places as the Company may in the notice of meeting direct or, if no such place is specified, then at the registered office of the Company not less than 48 hours before the time appointed for holding the meeting or adjourned meeting or the taking of a poll at which the person named in such instrument proposes to vote; in default the instrument of proxy shall not be treated as valid. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument of proxy or of the authority under which the instrument of proxy is given or transfer of the Notes in respect of which it is given, unless previous notice in writing of such death, insanity, revocation or transfer shall have been received at the registered office of the Company. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution.

15 Votes

On a show of hands, every Noteholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative shall have one vote and, on a poll, every Noteholder present in person or by proxy shall have one vote for every £0.001 in nominal amount of the Notes of which he is the holder. A Noteholder entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

16 Powers of Meetings of Noteholders

A meeting of the Noteholders shall, in addition to any other powers, have the following powers exercisable by Special Resolution namely:

- 16.1** power to sanction any compromise or arrangement proposed to be made between the Company and the Noteholders;

- 16.2** power to sanction any abrogation, modification or compromise or any arrangement in respect of the rights of the Noteholders against the Company or its properties, whether such rights arise under the Instrument or otherwise;
- 16.3** power to sanction any scheme or proposal for the sale or exchange of the Notes or for the conversion of the Notes into shares, stock, debentures, debenture stock or other obligations or securities of the Company or any other company formed or to be formed or cash or partly for or into such shares, stock, debentures, debenture stock or other obligations or securities as aforesaid and partly for or into cash and for the appointment of some person with power on behalf of the Noteholders to execute an instrument of transfer of the Notes held by them in favour of the person to or with whom the Notes are to be sold or exchanged respectively;
- 16.4** power to assent to any modification or abrogation of the provisions of this Instrument or of the Notes which shall be proposed by the Company and for which the consent of Noteholders is required and to authorise the Company to execute an instrument supplemental to this Instrument embodying any such modification or abrogation;
- 16.5** power to give any authority or sanction which under the provisions of this Instrument is required to be given by Special Resolution;

Provided that no modification of the Conditions or the Instrument shall be made or take effect unless the Company shall have consented to any such modification.

17 Definition of Special Resolution

The expression "**Special Resolution**" means a resolution passed at a meeting of the Noteholders, duly convened and held in accordance with the provisions herein contained, by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or, if a poll is demanded, by a majority consisting of not less than three-fourths of the votes given on such poll.

18 Special Resolution binding on all Noteholders

An Extraordinary Resolution shall be binding upon all the Noteholders whether or not present at such meeting and each of the Noteholders shall be bound to give effect to it accordingly. The passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof, the intention being that it shall rest with the meeting to determine without appeal whether or not the circumstances justify the passing of such resolution.

19 Resolutions in writing

A resolution in writing signed by the holders of not less than 75 per cent in nominal amount of the Notes for the time being outstanding who are for the time being entitled to receive notice of meetings in accordance with the provisions herein contained shall for all purposes be as valid and effectual as an Special Resolution. Such resolution in writing may be contained in one document or in several documents in similar form each signed by one or more of the Noteholders.

20 Minutes of meetings

Minutes of all resolutions and proceedings at every meeting of Noteholders shall be made and duly entered in books to be from time to time provided for that purpose by the Company. Any such minutes, if purporting to be signed by the Chairman of the meeting at which such resolutions were passed or proceedings held or by the Chairman of the next succeeding meeting of the Noteholders, shall be conclusive evidence of the matters therein contained. Until the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly convened and held and all resolutions passed at that meeting to have been duly passed.

Executed as a Deed by
BASING BIDCO LIMITED

acting by



.....

In the presence of:

Witness Signature:

Name:

Address:

.....

Occupation: