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Finance for Europe

European High Yield Primary Market Practice Guidelines

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Contents

1 Purpose and Scope of Guidelines

1.1 This document (the "Guidelines") is intended to provide certain background and guidance for syndicated primary market offerings of non-investment grade notes, known as "high yield bonds" by European Issuers. The Guidelines also provide forms of certain standardised documents for use in such offerings (see Appendices).

Certain elements of these Guidelines are solely descriptive and aim to provide an overview of the high yield issuance process to first time or potential issuers (and other interested parties). Where appropriate, other elements of the Guidelines reflect suggested best practice for market participants. It is important to note that the circumstances of each transaction will vary, and that appropriate legal and other advice should be sought as necessary. For the avoidance of doubt, any guidance contained herein, or in the documents referred to herein, is neither mandatory nor binding and is intended to provide background and instruction for European high yield transactions.

Issuers and AFME members are encouraged to consider the Guidelines when leading or otherwise participating in offerings of high yield debt.

1.2 The Guidelines focus on European high yield bond transactions and, in general, do not address the structures, terms or other aspects of high yield bond transactions conducted outside of Europe. The Guidelines do not apply to offers of investment grade notes. Everything in these Guidelines remains subject to applicable law and regulations, and certain items in these Guidelines may not be applicable to, or appropriate for, every European high yield bond transaction. In particular, the Guidelines consider the typical approach in offerings where securities are sold under Rule 144A of the U.S. Securities Act of 1933. Practice in an offering conducted wholly outside of the U.S. under regulation S of the U.S. Securities Act of 1933 may vary.

This guidance is intended as an overview and does not purport to be comprehensive or all-inclusive. No representation or warranty is provided by AFME or any contributor, and in particular nothing in this Guidelines is intended to constitute legal or other advice on any matter whatsoever. No reliance should be placed on these guidelines and parties should seek appropriate advice before contemplating or entering into any issuance or arrangement of the type described herein.

2 Transaction Participants

2.1 The Company, the Issuer and Related Entities

The group of entities seeking to borrow money from investors through the issuance of high yield notes (also referred to as "notes") is often broadly referred to as the "company" or the "group".

The "issuer" is the specific entity within the group that issues the notes and delivers them to the initial purchasers (who then resell them to investors), receives the net proceeds of the offering and is the primary obligor under the notes. The issuer may be the "parent company" within the group, a subsidiary (subsidiaries specially formed to issue the notes are referred to as "finance subsidiaries") or a special purpose entity that is not part of the operating group (an "orphan issuer"). In addition, in certain circumstances there may be two issuers of the notes (commonly referred to as "co-issuers").

Guarantees of the notes may be provided in certain circumstances by material entities within the group (the "guarantors") for the benefit of the noteholders.

If the group is ultimately owned by a private equity firm or similar fund or holding company (also known as "sponsors"), these sponsors will play an active role in negotiating the relevant documentation, particularly the terms of the notes.

2.2 The Initial Purchasers (also commonly referred to as the managers)

The managers (*i.e.*, institutions that act as the initial purchasers and coordinate the marketing and distribution of the notes on behalf of the issuer) are typically large commercial or investment banks. The group of all managers in a transaction may be referred to as the "syndicate".

The issuer may designate one or more manager(s) to act as "(joint) lead manager(s)" (also referred to as the "joint lead bookrunner(s)", "active bookrunners" and/or (joint) global coordinator(s)) to organise the syndicate, assist with obtaining credit ratings, engage managers' counsel, coordinate marketing efforts and the orderbook[1], drive communications with other members of the syndicate (including providing general transaction updates and facilitating orders provided to other members of the syndicate) and investors, and provide certain guidance to the group on strategy (including assisting the issuer in considering the structure and timing of the offering, covenants and pricing).

The appointment of the lead manager(s) may happen earlier than the appointment of the other managers (sometimes also referred to as the "passive" managers or bookrunners) and should make clear the extent of the authority granted by the issuer to the lead manager (s) in its dealings with the other managers (this could be formalised in an engagement/mandate letter between the issuer and the lead managers). See Section 3.5 below.

The passive managers:

(a) should be notified by the issuer of their appointment as managers, and the issuer should agree to provide them with draft documentation at a reasonable time prior to the announcement of the transaction to allow them

[1] If there are multiple lead bookrunners, the issuer will usually designate one of them to oversee billing and delivery ("B&D") at closing.

to familiarise themselves with the proposed transaction and related documentation, and to allow sufficient time for them to obtain any necessary internal approvals (including know-your-customer, or KYC procedures); and

(b) should be (i) invited by the issuer to participate in any transaction due diligence calls that take place after their appointment (and therefore, pre-announcement business, legal and accounting due diligence meetings, and to the extent possible calls, should be scheduled in a manner that permits all managers to participate) and (ii) invited to a discussion with counsel to the managers to provide an overview of the due diligence investigation performed and issues raised.

2.3 Auditors

The auditors of the issuer, in addition to auditing the issuer's year-end financial statements, will have to be separately engaged by the Company to carry out additional procedures, including to (i) review and provide a review report for any interim financial statements (if applicable) (ii) review certain other financial information of the issuer to be included in the offering documents and (iii) provide comfort letters to the managers and the Board of Directors of the issuer (and guarantors, if any).

In such comfort letter, the auditors will confirm the accuracy of the financial information included in the offering memorandum and will typically provide "negative assurance" comfort that specified financial statement line items have not materially altered compared to the corresponding period in the prior year (or the most recent balance sheet) except as specified in the comfort letter.

Usually, the auditors will provide a comfort letter at pricing and a "bring-down" comfort letter at closing of the offering. The issuer should consider having an early discussion with the auditors in order to identify which audited and reviewed financial statement can be made available, the level of comfort that can be provided on the Company's financial figures included in the offering memorandum, as well as any ancillary documentation that will be required by the auditors.

It is also important to confirm with the auditors whether their comfort letters will be prepared in accordance with AU-C Section 920 (formerly known as SAS72) promulgated by the American Institute of Certified Public Accounts (AICPA), which is the standard for any offerings that will be marketed into the United States. If an offering is conducted exclusively outside the United States under Regulation S of the U.S. Securities Act of 1933 ("Regulation S"), the auditors would typically provide comfort letters that conform with the International Capital Markets Association ("ICMA") form or, in some cases, the relevant local form of comfort letter.

Auditors typically participate in auditor due diligence calls relating to their audit and review of the issuer's financial statements as part of the managers' due diligence investigation.[2] The auditors will also assist the issuer in preparing and reporting alternative performance measures (APMs) and non-U.S. GAAP or non-IFRS financials, and also by reviewing certain sections of the offering document (e.g., the section of the offering memorandum entitled "Management's Discussion and Analysis"). Auditors may also be involved in the preparation of pro forma financial statements (if any).

[2] Subject to the arrangement letter or a hold harmless letter.

2.4 Trustee

The trustee will generally represent the interests of the noteholders and will be responsible for performing certain duties under the indenture with respect to the notes after they are issued and until maturity. For example, the trustee has the right to issue "default notices" upon the event of default (and will be required to do so upon instruction by noteholders holding, typically, 25% or more of the aggregate principal amount of the notes) or at the trustee's discretion. The trustee's duties also include, among other things, helping to facilitate the process of obtaining noteholder consent for amendments to, or waivers of, certain terms of the indenture, as well as redemption of the notes. It is typical for a trustee not to take any action unless it is provided with specific instructions and indemnity from the noteholders and/or provided with cash collateral or appropriate security.

2.5 Agents

The issuer will appoint a number of agents to perform a range of administrative duties. It is not uncommon for a number of these duties to be performed by the same entity (or an affiliate thereof). The paying agent, registrar and calculation agent will often be entities affiliated with the Trustee.

2.5.1 Paying Agent

The paying agent is responsible for distributing payments to the noteholders on behalf of the issuer. The issuer may change any paying agent and may appoint additional paying agents, in which case one paying agent will play a coordinating role (the "principal paying agent').

2.5.2 Registrar

The registrar keeps a register of the record holders of the notes and of the transfer and exchange of the notes. The registrar is often the same entity (or an affiliate thereof) as the entity that acts as paying agent or custodian.

2.5.3 Calculation Agent

A calculation agent, or agent bank, is required for notes that pay interest based on a floating rate. The calculation agent calculates the coupon payments for each interest period based on the formula(e) set out in the terms of the notes.

2.5.4 Security Agent

The notes may be secured by assets of the issuer, guarantor(s) or other obligor(s). In such a case, a security agent will be appointed to hold security over the relevant assets on behalf of the noteholders. Security agents handle the administrative aspects of the security (such as holding title deeds and other documents relating to charged property) and carry out realisation and other enforcement actions in accordance with the instructions of the secured creditors. The security agent may be affiliated with, or may be the same legal entity as, the trustee.

2.5.5 Listing Agent

European high yield notes are almost always listed on a stock exchange.[3] In obtaining such a listing for the notes, the issuer often appoints a listing agent to liaise with the relevant stock exchange. Together with issuer's counsel, the listing agent will prepare and submit all of the required materials and information and will participate in discussions with the stock exchange representatives until the notes have been approved for listing. For European high yield offerings, listing generally occurs as soon as practicable after closing. Documentation relating to the notes (most notably the indenture) will typically be made available to noteholders at the offices of the relevant exchange. See Appendix A for the AFME Recommended Listing Guidelines for Non-Investment Grade Debt.

2.6 Legal Counsel

2.6.1 Managers' Counsel

The lead manager(s) will retain external legal counsel to represent it (or them) and the other managers in the offering ("managers' counsel"). Although practices may vary depending on the nature of the transaction, the managers' counsel will generally have primary responsibility for drafting the terms and conditions of the notes, the indenture, the purchase agreement and other ancillary documents (including the signing and closing memorandum and attached closing certificate).

Managers' counsel will also perform documentary due diligence on the issuer and its business and will review and participate in the preparation of the offering memorandum prepared by the issuer with the assistance of its counsel. Managers' counsel would also, typically, take a leading role in helping the issuer to coordinate various due diligence and disclosure related processes, including comfort, back-up verification, legal opinions and due diligence calls.

In a transaction where securities are sold into the United States under Rule 144A of the U.S. Securities Act of 1933 ("Rule 144A"), manager's counsel is also expected to deliver the requisite legal opinions and, if appropriate, a "10b-5 disclosure letter" relating to the offering. (See Section 3.8).

The lead manager will also appoint local counsel in each relevant or material jurisdiction that it believes requires such an appointment. Local counsel may be appointed for a number of reasons, depending on the structure of the transaction. For example, local counsel might be appointed if (i) the issuer group has operations in a foreign country or countries, (ii) the notes are guaranteed by a foreign entity or entities (iii) the notes are secured by assets in a foreign country or countries or (iv) certain transaction documents are governed by the laws of a foreign country.

2.6.2 Issuer's Counsel

The issuer will appoint external legal counsel to represent it and the group in the offering ("issuer's counsel"). Issuer's counsel will assist the issuer in drafting the offering memorandum and negotiating the other transaction documents (such as corporate authorisations), with the managers' counsel or other relevant counsel.

The issuer will also appoint local counsel in each relevant or material jurisdiction that it believes requires such an appointment. Reasons for any such appointment

[3] New York law governed European high yield bonds are typically listed on a Multilateral Trading Facility (MTF), which is the exchange regulated (also known as "unregulated") market of the relevant stock exchange.

may be similar to those referred to in Section 2.6.1 above with respect to the appointment of the managers' local counsel appointments.

In addition, the initial purchasers may also request that the issuer appoint managers' external local counsel in the relevant jurisdictions.

In a transaction where securities are sold into the United States under Rule 144A, issuer's counsel is also expected to deliver the requisite legal opinions and, if appropriate, a "10b-5 disclosure letter relating to the offering. (See Section 3.8).

2.6.3 Trustee's and Other Agents' Counsel

The trustee and other agents will usually appoint counsel to represent their interests in the offering. Trustee's Counsel will review all note-related documentation and will negotiate these documents with the Issuer's Counsel.

2.7 Central Securities Depositories ("CSDs")

Euroclear Bank SA/NV and Clearstream Banking S.A. are the principal CSDs that settle trades in international debt securities. DTC is the principal CSD that settles trades in U.S. dollar denominated debt securities (although U.S. dollar denominated debt securities may also settle through Euroclear and Clearstream).

High yield notes are typically no longer issued in definitive form (i.e., in paper certificates) but are instead generally represented by global securities which are held in the CSDs.

Direct customers of CSDs can hold their securities in one of the CSDs through "participant accounts". This is known as a "book entry", and ownership of an interest in a global note is evidenced by the book entry on the account. Investors who do not have CSD accounts hold their securities through banks or brokers acting as custodians.

2.8 Credit Rating Agencies

Although credit ratings agencies (e.g. Moody's, Standard & Poor's and Fitch) are not direct participants in the debt capital markets, these parties may assign a rating to the issuer and the notes. The ultimate rating determinations that are assigned can be very important, but they do not represent an investment opinion by the managers or their counsel. The credit ratings process usually commences early in the transaction, through the preparation of a ratings agency presentation. Ratings (expected to be) assigned to a note issuance may influence the structure of the entire transaction.

3 Transaction Documentation

Relevant Documents:

3.1 Offering Memorandum

The offering memorandum is designed to provide potential investors in the notes with certain material information in order to enable them to make an informed investment decision. The offering memorandum may include, among other things, (i) information about the business and management structure of the issuer or company group; (ii) the business's strengths and strategies; (iii) material risks associated with investing in the issuer and the notes; (iv) the issuer's financial condition and operating results; (v) a description of the terms and conditions of the notes; (vi) information about relevant shareholders; (vii) biographies of executive officers and directors; (viii) any significant pending or threatened litigation; (ix) a description of material properties; (x) descriptions of other material indebtedness and (xi) an explanation of the use of proceeds of the offering. See Chapter 6 hereof for a further discussion of the disclosure included in the offering memorandum.

As described below, a preliminary offering memorandum is distributed to investors when the offering is launched (i.e. when the transaction is formally announced, and the managers begin to approaching investors). A pricing supplement is distributed when the offering is priced ("pricing"), and a final offering memorandum should be distributed at least 24 hours prior to settlement.

The offering memorandum should include contact information for the Trustee and all relevant agents. This information should include the name of the relevant party and, at least, a direct email address at which to contact such party.

3.1.1 Preliminary Offering Memorandum

At launch, the final version of the preliminary offering memorandum (also referred to as the "prelim", "preliminary OM", "red" or "red OM") is delivered to the potential investors and is used in the marketing/roadshow process for the offering. The preliminary offering memorandum should include all relevant transaction information other than the information that will follow in the pricing supplement, which is distributed at pricing (see Section 3.1.2 below).

If the transaction will be pre-marketed ahead of launch (see Section 4.5 hereof), a draft preliminary offering memorandum (the "pink" or "pink OM") may be used in the confidential pre-marketing discussions.

3.1.2 Pricing Supplement

The pricing supplement is a short document that conveys to investors pricing information and any other updates to the information provided in the preliminary offering memorandum. The pricing supplement is distributed by the managers and the issuer immediately after pricing and includes, among other information, the principal amount, offer price, coupon and yield to maturity of the notes and CUSIP/ISIN/Common Code numbers, as well as the redemption schedule. The issuer's counsel and managers' counsel use the pricing supplement to prepare the final offering memorandum.

Investor orders are generally confirmed once the pricing supplement is circulated, usually via Bloomberg, (such time being referred to as "time of first sale" or "applicable time"). Any disclosure letters (e.g. 10b-5 disclosure letters) that are issued refer to the

disclosure package as of the time of first sale, which generally constitutes the disclosure in the preliminary offering memorandum and the pricing supplement. The liability of the issuer and managers attaches at the time of first sale.

3.1.3 Final Offering Memorandum

The final offering memorandum is a revised version of the preliminary offering memorandum, updated to reflect the information included in the pricing supplement. Once complete, the final offering memorandum will be delivered, electronically or otherwise, to those investors that have placed an order for the notes and have received an allocation.

3.2 Roadshow Presentation

Once the offering has launched, senior management of the issuer and the managers will market the notes to appropriately qualified investors through a series of face-to-face meetings called the roadshow. The roadshow presentation is a series of slides and a script of talking points that are prepared by the issuer, with assistance from the working group, and which are used in these meetings to emphasize the bonds' key selling pints. The roadshow presentation must not contain any material non-public information that is not also included in the preliminary offering memorandum.

3.3 Indenture

The indenture is the contractual source of the terms and conditions of the notes (also sometimes referred to as the "trust indenture", or, if governed by English law, the "trust deed"). An agreement between the issuer (and guarantor(s), if any) and the trustee (who acts as the representative of the noteholders), the indenture contains the terms of the notes, including, among others, the interest rate, maturity date, redemption provisions and covenants. The indenture is entered into by the issuer, any guarantors and the trustee. The terms of the indenture are summarized in the offering memorandum in a "Description of the Notes" section.

Indentures and purchase agreements (see below) for high yield notes are typically, although not always, governed by New York law, while other transaction documents may be governed by the laws of different jurisdictions. For example, the indenture and purchase agreement may be governed by New York law, while the intercreditor agreement may be governed by English law and the security documents may be governed by the laws of the local jurisdictions where the relevant collateral is located.

The issuer and/or the trustee should provide a copy of the Indenture to noteholders upon request.

3.4 Purchase Agreement[4]

The purchase agreement sets forth the terms, subject to the conditions therein, at which the issuer agrees to sell, and the managers agree to purchase, the notes. It is the contractual source of the representations, warranties, covenants, conditions precedent and indemnities relating to the note offering as among the issuer, the guarantors and the managers.

The purchase agreement is signed on the day of pricing after the issuer and the managers have completed marketing of the notes and determined the final price, principal amount, interest rate and maturity date of the notes.

[4] If the document is governed by English law (rather than New York law), it is referred to as the "Subscription Agreement".

3.5 Manager Engagement Letter

The managers will sometimes request, and the issuer may agree, that the issuer execute an "engagement letter" or "mandate letter" with the initial purchasers prior to launch.

If an engagement letter is issued, it will typically document the role of the initial purchasers and relate to other matters relating to the engagement, and may include, among other matters: (i) a description of the services to be provided by the initial purchasers and the extent of the authority to engage with other members granted to them by the issuer, (ii) a description of the fee structure, (iii) an agreement to reimburse the initial purchasers for certain expenses (including costs of legal counsel), (iv) provisions governing the (confidential) exchange of information and (v) an indemnification provision.

3.6 Agreement Among Initial Purchasers

The agreement among initial purchasers (also known as the "AAIP") governs the obligations and liabilities of the managers in relation to each other and in respect of their commitments to the issuer in the purchase agreement. See Appendices B and C, respectively, for the New York law and English law versions of the AFME agreement among initial purchasers.

3.7 Intercreditor Agreement (if applicable)

In the event that the company has a multi-tiered debt capital structure, it may be appropriate to utilise an intercreditor agreement, which is an agreement between the main creditors of the issuer (and the guarantor(s), if any) that sets out their respective rights and obligations, with respect to security agreements, disposals and enforcement actions. The intercreditor agreement is typically used in a high yield note issuance when the notes are secured, in which case the trustee signs the intercreditor agreement on behalf of the noteholders and the appointment of the security agent is effected.

The intercreditor agreement establishes, among other things, intercreditor relationship matters such as voting and enforcement rights, requirements for notifications of defaults, the application of proceeds of any debt recovery efforts (including from the sale of collateral), and, to the extent some creditors are subordinated to others, the terms of subordination and other principles to apply as between the different creditor classes.

The intercreditor agreement should be made available to noteholders if requested from the issuer and/or the trustee (to the extent it has not been included in or distributed with the offering memorandum). The offering memorandum should include both a summary description of the intercreditor agreement and clear instructions on how a copy of the intercreditor agreement can be obtained.

3.8 Legal Opinions and 10b-5 Disclosure Letters

Pursuant to the purchase agreement, the managers' counsel and the issuer's counsel will be required to provide certain legal opinions with regard to, among other matters, due organization of the issuer, due authorization of the notes, enforceability of transaction documents, validity of any security, fair summary of certain terms in the disclosure documents, and compliance with applicable securities and other laws. The

opinion should also state that the offering does not result in a violation of any laws or agreements by which the issuer is bound. Legal opinions from local counsel in each jurisdiction in which a guarantor or any related security interests are located may also be provided.

In a European high yield bond offering where the bonds are sold into the U.S. under Rule 144A, both managers' counsel and issuer's counsel will, in most cases, also be required to provide formal disclosure letters to the managers as a result of certain U.S. securities laws. Such letters may be referred to as "negative assurance letters" or "10b-5 disclosure letters" referring to the relevant liability provision under the U.S. securities laws to which the managers, but not the issuer, may assert a defence by evidencing that they performed appropriate due diligence. These letters state that, in the course of such counsel's work on the offering and as a result of their own investigations, nothing came to their attention to cause them to believe that the offering memorandum included any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

3.9 Comfort Letters

The issuer's auditor will typically provide a "comfort letter" at or immediately prior to the signing of the purchase agreement ("pricing") and at closing, pursuant to an auditor engagement letter negotiated among the auditor, the issuer and the managers, and executed by the issuer and the auditor prior to launch.

In the comfort letter, the auditors will confirm their audit of the issuer's financial statements included in the offering memorandum. The comfort letter also describes any review procedures they have performed on any interim financial information included in the offering memorandum or on any internal management accounts for any period between the date of the latest audited or reviewed financial statements of the issuer and the date of the offering memorandum. The auditors will also describe any additional "agreed upon procedures" they have conducted with regard to the issuer's financial information included in the offering memorandum. In transactions in which offers are made both inside and outside of the United States, two separate (but nearly identical) comfort letters are issued, one with respect to the U.S. offering and the other with respect to the non-U.S. offering.

Depending on the transaction, the auditor may also provide "negative assurance", or affirm the absence of any material changes to certain specified financial line items since the date of the most recent financial statements included in the offering memorandum. Under relevant audit standards, where the comfort letter relates to the U.S. component of an offering, any negative assurance will not be given as of a date that is 135 or more days after the end of the most recent period for which the auditors have performed an audit or review.

At closing of the offering, the auditors will typically provide a "bring-down" comfort letter, which will reaffirm, as of the closing date, that the statements made in the original comfort letter are still valid and which will include bring-down procedures to a cut-off date that is as close as practicable to the closing date. The comfort letter will normally follow a standard format prescribed by the relevant accounting body, subject to any adjustments that may be negotiated.

In connection with this process, the auditor will typically review the relevant financial statements, management accounting books and records and provide tick marks (e.g. "A", "B", "C") next to financial numbers that appear in the offering memorandum. Each

tick mark represents a negotiated procedure designed to demonstrate how the given number was verified by the auditors as part of the comfort process. These tick marks constitute the "agreed upon procedures" referred to above.

The managers' counsel will agree with the Company's auditors a "circle up", placing a circle around each number in the offering memorandum for which a tick mark is requested. Alternatively, the issuer's auditors (rather than the managers' counsel) will prepare the first draft of the circle up, along with tick marks, for the managers' counsel's review and comment.

3.10 Security Documents

In the case of an offering of secured high yield notes, each entity providing a lien on assets to secure the debt obligations will execute its respective security documents, typically governed by the law of the jurisdiction in which the relevant collateral is located, within the time frame specified under the purchase agreement and disclosed in the disclosure documents.

3.11 Due Diligence Request List and Directors' and Officers' Questionnaires

At the commencement of the transaction, Managers' Counsel may request a list of documents that they would expect to review as part of the due diligence process. The nature of any due diligence request list will depend on the particular circumstances of the transaction and the expectations of the parties. It will cover a broad range of documents that could reasonably be considered material in the context of a notes offering.

For example, the board minutes of the issuer and the guarantors for the financial periods described in the offering memorandum (typically three years, plus interim period) are particularly critical, as the review of minutes is specifically prescribed by U.S. case law as an important part of due diligence and the minutes would normally describe any transactions or decisions that the issuer and guarantors consider significant. Other examples of significant documents include constitutional documents, material agreements (including commercial contracts and financing agreements), licenses to operate, and documents relating to litigation, regulation, sanctions, investigations or other government action. Depending on the issuer and their industry, documents relating to real estate, intellectual property, environmental compliance or other specific areas may be significant as well.

In response to the due diligence request list, the issuer will prepare a physical or virtual/electronic data room containing the requested documents. Counsel will review the documents in the data room and make follow-up requests for additional documents or clarifications and will amend and supplement the disclosure based on this review.

Additionally, as part of diligence, the directors and senior officers of the issuer (practically speaking, anyone who is listed in the "Management" section of the offering memorandum) will also provide counsel with information regarding each director or officer's background and experience, independence, compensation, insider transactions, affiliate transactions and potential conflicts of interest. This information may be provided in the form of a questionnaire (referred to as a "D&O questionnaire").

3.12 Press Releases

In connection with the launch and closing of the offering, the Company would usually issue a press release to inform the market of the transaction taking place, and this may also be required to comply with the Market Abuse Regulation (for existing issuers).

3.13 Note Regarding Comments to Documentation

Each of the relevant parties should receive drafts of any document on which it is expected to comment or sign off, including those documents listed as conditions precedent to closing of the purchase agreement, as early as practicable and with sufficient time for such parties to review the document, confer with the relevant advisors and provide comments (if any).

The name of a manager making a particular comment on the documentation should not be disclosed to the issuer without the relevant manager's prior consent.

Each of the managers should receive drafts of any conditions precedent documents within a reasonable time before its intended delivery.

4 Pre-Transaction Announcement Procedures

4.1 Invitation to join transactions

The appointment of the lead manager(s) may happen earlier than the appointment of other managers (sometimes also referred to as the "passive" managers or bookrunners).

Therefore, such other managers:

(a) should be notified by the issuer of their appointment as managers and the issuer should agree to provide them with draft documentation at a reasonable time prior to announcement of the transaction to allow them to familiarise themselves with the proposed transaction and related documentation, and to allow sufficient time for them to obtain any necessary internal approvals (including know-your-customer, or KYC, procedures); and

(b) should be (i) invited by the issuer to participate in any transaction due diligence calls that take place post appointment[5] [6](and therefore pre-announcement business, legal and accounting due diligence meetings and, to the extent possible, calls should be scheduled in a manner that permits all managers to participate) and (ii) invited to a discussion with counsel to the managers to provide an overview of the due diligence investigation performed and issues raised.

4.2 Due diligence

The appropriate level of due diligence to be performed in a high yield offering will depend on the nature of the transaction, the jurisdictions into which the notes will be marketed and sold, and the policies and procedures of the relevant parties.

There are no statutory guidelines regarding the conduct of a due diligence investigation. The due diligence exercise may vary from situation to situation and the procedures are determined on a case-by-case basis. Often (particularly for a first-time, or debut, issuer) the initial purchasers will meet with senior management of the issuer and discuss the issuer's business and prospects, visit certain key sites, and review the issuer's financials and business plan.

The initial purchasers will also be supported by external counsel, which in a Rule 144A offering will provide a 10b-5 disclosure letter stating that their investigation has not revealed any material misstatements or omission in the disclosure document. In addition, in a Rule 144A offering, the auditors will be expected to provide a SAS 72 comfort letter regarding the financial information contained in the disclosure document that is not covered by the auditor's report.

4.3 Publicity

Certain jurisdictions, including the United States, impose various restrictions on publicity and the release of information generally in connection with proposed offerings of securities. Failure to observe these publicity restrictions may constitute violations of securities laws, resulting in offering memorandum publication, registration or similar requirements and may also have an adverse effect on the offering, including by way of

[5] Customarily, the lead initial purchasers will conduct substantial due diligence. While the other initial purchasers generally rely on such procedures, upon appointment the co-managers should inform themselves of the due diligence that has been carried out to date and supplement it with additional reasonable requests, if necessary in their view. Counsel to the initial purchasers should be available to orally brief the co-managers of the legal due diligence carried out to date and any relevant findings.

[6] Additional managers may also be invited between announcement and pricing.

delays related to a "cooling off period" that may be imposed after improper publicity under the U.S. securities laws.

Therefore, the issuer's counsel may wish to prepare "publicity guidelines" early in the preparatory stage of the transaction, which should be reviewed by the managers counsel and observed by all offering participants. In addition, one representative of the Issuer should be appointed to serve as the initial point of contact with the press and securities analysts, and to manage any publicity and other broad-based communications during the offering process in order to ensure compliance with the restrictions set out in the publicity guidelines.

All representatives of the Issuer and other offering participants who are likely to be approached by, or come in contact with, the press or securities analysts should be made familiar with the publicity guidelines and should ensure that no publicity is undertaken or permitted except in accordance with the publicity guidelines.

4.4 Pre-Investment Investor meetings

In order to ensure that the relevant investor community is familiar with their businesses, issuers may wish to hold a series of meetings with investors that, unlike transaction-specific or "deal" roadshows, are not intended to market a specific immediate transaction nor to gauge investor interest or feedback. Issuers should not discuss the terms of a potential transaction nor communicate any material non-public or inside information concerning their businesses in such update meetings; rather, they should focus on discussing published financials and any other publicly available information). The issuer should consider consulting with its external legal counsel prior to undertaking any such credit update meetings, particularly if planned in close proximity to an offering. It is also important that competing investors do not exchange any non-public commercially sensitive information at such meetings (for example, in relation to recent transactions or business strategies).

4.5 Pre-Marketing

Lead managers may sometimes seek initial feedback from a small number of investors, representative of the issuer's targeted investor base, to help assess the general receptivity and expected depth of demand for a particular credit and transaction structure, and to formulate appropriate initial price guidance ahead of a transaction announcement ("pre-marketing"). This is often conducted on a confidential basis under the terms of appropriate non-disclosure agreements and should be undertaken with the prior knowledge and consent of the issuer.

In any case, all pre-marketing activities must be conducted in compliance with the relevant provisions of the EU Market Abuse Regulation ("MAR").

4.5.1 Information Disclosure

In many cases, specific information that may be considered confidential, or that may potentially amount to "inside information", might need to be disclosed to such investors during pre-marketing. In such cases, the lead manager(s) carrying out the pre-marketing will establish, together with the issuer, the extent to which information proposed to be disclosed constitutes inside information and whether and how such information should be disclosed. The lead managers (and other disclosing market participant) will carry out such disclosure in line with applicable securities and other laws, including the provisions of MAR. If the parties decide to disclose any "inside information", they will inform such investors that they could, as a result, be subject to restrictions under laws

and regulations applicable to the possession of such information (including restrictions on trading in related securities) – i.e. indicating that the investor is to be "wall-crossed". Records of any such interaction where "inside information" is conveyed are generally required by law to be kept (e.g. of the persons who have been pre-marketed, of the time of the pre-marketing and of the information disclosed), and insider lists are required to be updated.

The practice of wall-crossing is limited by investors' ability and willingness to be approached in this way, to provide meaningful feedback and to potentially be restricted from trading the relevant securities. Investors may also make 'reverse enquiries' – proactively contacting financial institutions to indicate interest in certain hypothetical transactions.

The interpretation of what constitutes inside information in connection with pre-marketing activities may differ. Investors should consult their own compliance functions and advisors as to the potential status of the information and the potential scope of the restrictions to which such investor is subject (including their duration).

4.5.2 Market Abuse Regulation[7]

The EU Market Abuse Regulation, which came into effect in July 2016, extended the previous market abuse regime to securities issued on EEA exchange-regulated markets (such as a typical high yield bond). It also introduced rules and procedures with respect to disclosure of information, among other things.

Participants in European high yield transactions must keep records and otherwise conduct note offerings in accordance with the relevant provisions of MAR[8]. However, provided that certain conditions are met, a safe harbour from market abuse is available under MAR for market soundings.

4.5.3 Recommendations

Prior to any pre-marketing, there should be a discussion (with the knowledge and consent of the issuer), among the lead managers as to:

- what information is proposed to be disclosed in the course of such pre-marketing;
- whether such information constitutes 'inside information' under applicable market abuse rules; and
- what procedures will be applied in managing the disclosure of such information (including as to any wall crossing and potential subsequent 'cleansing' strategy) to ensure compliance with such rules.

Investors should have a nominated first-instance contact for the purposes of receiving pre-marketing information.

Lead banks should have policies in place relating to the selection of investors chosen to participate in for market soundings. The policy should include the rationale for which and how many investors are chosen for the process.

The following factors should be considered in making this decision:

- the views of the issuer;

[7] Only applicable to issuers with listed securities in the European Economic Area ("EEA"). For issuers with no existing securities that are listed in the EEA, such applicability only attaches post any relevant listing.

[8] The provisions and implications of MAR are currently being reviewed and interpreted. We will revise these guidelines as necessary to keep them up-to-date with any relevant developments.

- the nature and manner of the investor's participation in similar processes;
- the level of engagement by the investor in the issuer, or in the issuer's sector, or in past offerings by the issuer; and
- eligibility of investors to participate (e.g. due to deal documentation or selling restrictions).

These policies may form part of, or be distinct from, a lead manager's allocation policy.

4.6 U.S./non-U.S. differences in Global Offers

Where significant U.S. distribution is expected, there should be early determination as to whether standard international offer/execution/distribution procedures need to be varied (as U.S. market practice may differ from that customarily applicable to international offers outside the U.S.).

Such differences may include, for example, DTC-specific closing arrangements (which differ from ICSD closing arrangements).

5 Transaction Announcement

5.1 Initial Syndicate Communication Prior to Transaction Announcement

Prospective managers should be notified of at least the following basic terms of the offering when, with the consent of the issuer, they are approached to be brought into the syndicate, and this must occur prior to their names being publicly associated with the transaction and prior to pricing:

- the names of the issuer and any guarantors;
- any security granted in connection with the offering;
- the currency, expected maturity, interest basis, minimum denomination and ranking of the notes;
- the invited party's proposed role, initial purchaser allocations and fees;
- any relevant selling or distribution restrictions (e.g. restrictions on sales into the U.S. or to retail investors);
- if the notes to be offered will not include a gross-up; and
- any substantial disapplication of these Guidelines, including whether the issue follows the customs of a particular domestic market.

A prospective manager should not be publicly named in relation to a transaction unless:

- it has communicated to the issuer its acceptance to join the syndicate for that transaction; and
- it has received, reviewed and provided sign-off on drafts of the preliminary offering memorandum and relevant transaction documents.

5.2 Minimum Manager Commitments

Invitations to prospective managers should not be offered on the basis of a zero-underwriting commitment.

5.3 Facilitating Communication with U.S. Affiliates

Where a U.S. affiliate is a lead manager of a European high yield bond offering, other managers should, upon request, be provided with the details of the relevant U.S. affiliate contacts. If there is no U.S. affiliate contact, managers' counsel should confirm with the syndicate in advance that any relevant European affiliate has signed up to the appropriate master agreement among initial purchasers with the U.S. affiliate of the lead manager.

5.4 Information Provision to and Consultation with ICSDs

A draft offering memorandum and related term sheet (quoting any allocated securities codes and note title) should be sent as early as possible (and within one business day following any changes) to the relevant clearing system(s). This is done, among other reasons, in order to obtain the relevant ISIN(s) for the securities.

Any requirement for paying agent or ICSD actions/procedures should be discussed and agreed with that entity as early as possible during the documentation of the transaction, unless they have been agreed and operated by that entity in a previous transaction.

6 Disclosure

6.1 Introduction

The information below reflects market practice in a typical transaction conducted under Rule 144A, which would largely track the disclosure for a US SEC-registered offering.

Regulation S only offerings or offerings extended only to a very limited number of U.S. investors, in each case with the expectation that the bulk of the offering will be sold in the local market, may involve far less U.S. style disclosure.

The offering memorandum is a disclosure document intended to provide potential investors with material information necessary to enable them to make an informed investment decision with respect to the notes. See Appendix D for the AFME Recommended Disclosure Guidelines for Non-Investment Grade Debt.

The issuer is responsible for the accuracy and completeness of the information included in any offering memorandum, although other parties involved in the transaction may be responsible for specific information they provided about themselves for inclusion in the offering memorandum.

An offering memorandum for a European high yield note transaction will typically include the following main sections:[9]

6.2 Summary Box

The summary box briefly summarizes the more detailed information included elsewhere in the offering memorandum, including a description of the transaction, a description of the issuer and its business strategy, a summary of the terms and conditions of the notes and summary financial data.

6.3 Risk Factors

Risk factors list and explain certain risks related to the Notes and the transaction. This section will also include other relevant risks, which will vary depending on many factors, including, among other things, the issuer, the issuer's industry, the geo-political environment and the general deal structure.

6.4 Pro-forma and other Financial Data

Where there has been a recent acquisition or other materially significant event, this section would recast the issuer's financial statements "as if" the relevant transaction or other state of affairs had occurred at the beginning of the period presented (in the case of income statement data) or as of the last balance sheet date (for balance sheet data).

The offering memorandum may also include certain alternative performance measures (APMs) and non-U.S. GAAP or non-IFRS financials, which will be reviewed by the Issuer's auditors. See Section 2.3 (Auditors).

[9] The contents of the offering memorandum will also be informed by (i) the disclosure requirements for annual reports of foreign issuers that may be filed with the U.S. Securities and Exchange Commission's ("SEC") on its Form 20-F, (ii) facts specific to the issuer, (iii) market practices and (iv) the specific expectations of the initial purchasers as to the appropriate disclosure for the transaction.

6.5 Management's Discussion and Analysis

Management's discussion and analysis of the issuer's financial condition and results of operations, or "MD&A," provides management's insight into, and analysis of, the issuer's financial performance and position, including not only the issuer's historical financial performance but also its likely future performance. This section includes a period-by-period analysis of the issuer's operating results. This analysis will typically describe each significant line item in the issuer's financial statements and compare that line item for the applicable period to comparable information for other periods and will also explain why they have changed.

6.6 Business

The business section describes the company's operations. The format for this section will vary depending on the particular circumstances but will typically include a brief description of the company followed by a description of the company's business strategy. After this introductory information, the company will include descriptions of its products and services, the competitive landscape, information technology capabilities, production facilities and various other aspects of its business. This section will also often contain a discussion of the industry in which the company operates (although some offering documents may include a standalone industry section).

6.7 Management; Certain Relationships

The management and certain relationships sections include descriptions of the issuer's directors and officers, how they are compensated and what other relationships they may have with the issuer. The management section typically begins with a series of brief biographies of the issuer's officers and directors and, optionally, its key employees. This section will also typically include a description of any business relationships between the issuer and its officers, directors and principal stockholders.

6.8 Description of Certain Other Financing Arrangements

The offering memorandum will often contain a description of the company's other financing arrangements, which includes a description of the company's senior credit facilities, any other indebtedness or preferred stock that would be relevant to a credit decision, as well as the intercreditor agreement (if any). This section describes the capital structure of the Company going forward and is therefore presented in the offering memorandum on the assumption that the notes and the use of proceeds therefrom have already taken place.

6.9 Description of Notes

The description of notes provides a detailed summary of the key indenture mechanics and includes an almost word-for-word version of the covenants included in the indenture.

6.10 Use of Proceeds

A description of the proposed use or uses of the proceeds of the offering.

It is recommended that any arrangement under which the initial purchasers receive any of the proceeds from the transaction, directly or indirectly, is clearly disclosed.

6.10 Other Information

The offering memorandum will also contain a number of other sections, such as a capitalization table, selected financial data, industry section, book-entry mechanics, plan of distribution, tax information and selling and transfer restrictions.

7 Transaction Launch and Bookbuilding

7.1 Roadshow Participation

Lead managers should have policies in place relating to the selection of investors for participation in roadshows. The policy should include the rationale for which, and how many, investors are chosen.

The following factors, among others, may be relevant in making this decision:

- the view of the issuer;
- the nature and manner of the investor's participation in similar processes;
- whether the investor has expressed interest in the issuer;
- the level of engagement by the investor in the issuer, or in the issuer's sector, or in past offerings by the issuer; and
- eligibility of investors to participate (e.g. due to deal documentation or selling restrictions).

7.2 Order Book Disclosure

Article 12 of the Market Abuse Regulation includes a new requirement to ensure that any suspicious transactions and orders are reported to the regulatory authorities accordingly. The market abuse regime prohibits behaviour that is likely to give a regular user of the market a false or misleading impression as to the supply of, demand for, or price or value of qualifying investments. Accuracy of order book updates, where provided, must therefore be clear, fair and not misleading.

Recommendations:

- lead managers should agree strategy on book disclosure/frequency of updates with the issuer before opening the order book;
- any disclosure that the parties agree to make in accordance with their policies and communications procedures should be made public and should not be misleading at the time that it is made; and
- in order to allow investors time to collate their demand, no significant changes to indicative issue terms, including pricing and expected range of issue size, nor publicity of the order book size, should be made during the last 15 minutes of the bookbuild (see Section 8.3 hereof;[10])

For high yield transactions, giving no book size updates is an acceptable alternative;

There should be no selective disclosure, and any disclosure that is given should be made in a public manner. Any transaction communication, including transaction announcements, roadshow scheduling, pricing indications, transaction updates, pricing, and free to trade timing should be distributed by the lead manager(s) to the other managers without delay.

7.3 Intermediate Discovery – "Initial Price Talk"

Following public announcements of transactions, managers may implement an intermediate price discovery step following public announcement of the transaction. This involves public dissemination of more tentative price indications, on which

[10] If a significant change to the issue terms other than the expected range of issue size has to be made in the last 15 minutes, the clock should be reset, and the book remain open for another 15 minutes after the change has been communicated to all relevant parties.

managers then actively seek feedback. Such indications need to be clearly distinguished from formal price guidance (see Section 7.5 below) because, unlike formal price guidance, they may involve several successive iterations that may widen as well as tighten. The designation generally used is "initial price talk", though designations like "price discovery", "initial price thoughts" and "price level under discussion" are also sometimes used.

Selective verbal disclosure regarding price ("price whispers") is to be avoided as it would likely not be available to all market participants.

Under the laws of some countries such information may be regarded as being confidential and its disclosure may only be made with the prior consent of the concerned party.

7.4 Allocation priorities of issuers

Specific issuer allocation interests or priorities (or related broad guidelines), if any, should be discussed with the issuer and considered at the earliest opportunity, and at least prior to draft allocations being presented to the issuer.

See Chapter 8 – "Order Book Management".

7.5 Bookbuilding – Price Guidance

Market participants must comply with MAR's Suspicious Transaction and Order Reports ("STOR") regime, which is outlined in Article 16 of the MAR, and set out in further detail in the MAR Delegated regulation.

A link to the delegated directive is provided here.

8 Order Book Management

8.1 MiFID II[11]

MiFID II requirements are applicable from January 2018.

Under Article 40(4) of the MiFID Delegated Directive underwriters must establish, implement and maintain an allocation policy that sets out the process for developing allocation recommendations, and such policy should be provided to the issuer before agreeing to undertake any underwriting services.

Article 40(5) requires managers to involve the issuer in discussions about the placing process in order to take into account the issuer's interests and objectives and requires the managers to obtain the issuer's agreement to its proposed allocation for the transaction.

Article 43 requires managers to keep records of the content and timing of instructions received from the issuer. In particular, the final allocation made must be clearly justified and recorded (and the complete audit trail must be made available to competent authorities upon request).[12]

8.2 Allocation

All allocation policies and practices should conform to the requirements of MiFID II.[13]

Lead managers should also describe and make their allocation policies, or a summary of such policies, available to issuers and all other market participants, taking into account the issuer's allocation objectives and preferences (if any).

Examples of factors that may be taken into account during the allocation process include, but are not limited to:

- the current holdings (and past dealings) of an investor in other notes of the issuer;
- the investor's familiarity with the issuer's sector and/or the investor's holdings in comparable issues;
- if applicable, the investor's involvement in roadshow or other marketing and the investor's response to the issue during that phase of the process;
- the point during the marketing of the notes when the investor submits an order;

[11] MiFID II is currently being analysed and its provisions are still subject to interpretation by the industry and, in some cases, confirmation by regulators. These sections of the guidelines will be revised if and when necessary to reflect any relevant and material developments.

[12] The guidance at Answer 3 on page 30 of the ESMA Q&A on MiFID II and MiFIR investor protection topics of 4 April 2017 (the "ESMA Guidance") requires records of allocation decisions should include:

(a) The firm's overarching allocation policy under Article 40(4) in force at the time of the commencement of the service;
(b) The firm's initial discussion with the issuer client and the agreed proposed allocation per type of investment client, as required by Article 40(5);
(c) The content and timing of allocation requests received from each investment client with an indication of their type;
(d) Where relevant, any further discussion and instructions or preferences provided by the issuer client, other members of the syndicate, or the firm itself, on the allocation process, including any emerging in light of allocation requests received from investment clients;
(e) The final allocations registered in each individual investment client's account

The ESMA Guidance goes on to say ' Firms must provide a justification for the final allocation made to each investment client. For this purpose, a justification should explicitly provide detailed reasoning unless such detail has been provided through records maintained at stages (a-e) above.

[13] See Articles 16(3), 23 and 24 of the MiFID II Directive (2014/65/EU), and Articles 38 to 43 of the MiFID II Delegated Regulation.

- the size and nature of the investor's assets under management (and also the size of assets under management relative to the size of the order placed); and
- the geographical location of an investor and applicable selling restrictions; and (vii) ensuring an appropriate mix of investors to allow for an effective aftermarket in the securities.

8.3 Changes to the Order Book

No significant changes to indicative issue terms, including pricing and expected range of issue size, nor publicity of the order book size, should be made during the last 15 minutes of the bookbuild.

If a significant change to the issue terms other than the expected range of issue size has to be made in the last 15 minutes, the clock should be reset, and the book should remain open for another 15 minutes after the change has been communicated to all relevant parties.

8.4 Distribution Disclosure

If any disclosure of the status of the order book or distributions to managers is made:

- it should be agreed by the (joint) lead managers in advance of being made;
- it should occur on a public basis, even if not required under applicable law or regulation; and
- it is required by law to be clear, fair and not misleading and issuers and managers should focus on ensuring any disclosure is representative of investor demand.

8.5 Access to Distribution

The lead manager(s) are encouraged to share the final allocation for the transaction with the other (passive) managers on the transaction as soon as possible. In any event they should endeavour to do so as soon as practicable (if possible no later than 24 hours) following the pricing of the transaction. The lead manager(s) should also give access to the final allocation for the transaction to any other manager without responsibility for actively running the order book.

The final allocation information for the transaction should not obscure the names of the relevant investors, unless the managers receiving the order have been expressly directed to exclude such name(s) by the relevant investor(s) or are required to do so by applicable laws or regulation.

9 Pricing and Signing[14]

9.1 Announcing Pricing to Syndicate

All members of the syndicate should be informed:

- as soon as practically possible, as to when and on what reference basis the issue will be priced;
- promptly, as to any change to the above; and
- immediately, as to pricing itself.

9.2 Free to Trade/Pricing Supplement

All members of the syndicate should be given some notice (even if very short) of when the new issue has priced and will therefore be free to trade. In no event should such notice or information be provided to such parties later than the time that it is provided (or otherwise made known) to the investor community. The notes should not be made free to trade until the final pricing supplement has been distributed to managers.

9.3 Comfort letters

A final comfort letter(s) from the issuer's auditor (and any guarantor's auditor) dated the pricing date and addressed to the managers should be delivered to the managers, or to the lead manager on behalf of all the managers, prior to signing. The final signed comfort letter is generally provided in advance of signing of the Purchase Agreement (although an auditor may insist on seeing the executed purchase agreement before delivering the signed comfort letter).

A 'bring down" comfort letter (covering the period since the signing of the original comfort) should also be delivered prior to closing. See Section 3.9.

9.4 Pricing Deliverables and Distribution Thereof

On the pricing date, in addition to the preparation and distribution of the pricing supplement described in Section 3.1.2 and Section 9.2. above:

- the comfort letter is delivered by the auditors (see Section 3.9);
- the signature pages to the purchase agreement (see Section 3.4) are released by the managers, the issuer and the guarantors); and
- the signature pages to the agreement among initial purchasers (see Section 3.6) are released by the managers.

All managers should receive, as soon as available after pricing, electronic copies of the following, all dated as of the pricing date:

(a) the pricing supplement;
(b) the executed purchase agreement;
(c) the executed agreement among initial purchasers; and
(d) the executed comfort letter.

The final offering memorandum reflecting the final offering terms contained in the pricing supplement (see Section 3.1.3), should be received by managers no later than 24 hours prior to settlement.

[14] In a Rule 144A offering, pricing and signing usually occur on the same day. In a Regulation S only offering, such as Eurobonds, signing usually occurs two or three days after pricing and is linked to the prospectus approval date.

10 Stabilisation

10.1 Introduction

Important changes with respect to stabilisation practice came into effect in July 2016 with the entry into force of MAR and relevant implementing regulations, which extended the European market abuse regulatory regime to securities listed on non-regulated exchanges. The new rules include a pan-European safe harbour from market abuse for certain stabilising activities.

10.2 MAR Stabilisation Safe Harbour

In order to avail itself of the Stabilisation safe harbour under MAR, a market participant should meet certain requirements, including, among others:

- limitations on size of overallotment options (measured as a percentage of the size of the offer);
- limitation on size of naked shorts (measured as a percentage of the size of the offer);
- limitations on the ability to undertake stabilisation activities until after an application for admission to trading has been made;
- limitation on the ability to reopen short positions after the initial overallotment has been made;
- requirement for both pre-, mid-, and post-stabilisation announcements;
- requirement for stabilising managers to record each stabilisation "order" as well as each executed transaction; and
- non-application of the safe harbour to stabilising activity conducted in accordance with non-EU stabilising rules (e.g. U.S., Japan or Hong Kong).

10.3 Recommendations

10.3.1 Appointment of the Stabilisation Manager(s)

Unless otherwise agreed, one of the lead managers should also be the stabilisation manager for the transaction. If there are multiple lead managers, it is often the case that the lead manager exercising the billing and delivery function also acts as the stabilisation manager. The stabilisation manager will be clearly stated in the offering memorandum and its obligations will be set forth in detail in the agreement among initial purchasers.

If requested, a summary of the Stabilisation trades, if any, should be promptly sent by the stabilisation managers to the relevant manager.

10.3.2 Stabilisation notices

The stabilisation coordinator should send copies of any pre-stabilisation, mid-stabilisation and post-stabilisation notices, as well as stabilisation notifications made, to the relevant competent authority and to the other stabilisation managers promptly following publication or submission to the relevant competent authority, as applicable. The stabilisation coordinator shall notify the issuer before such notices are published.

10.3.3 Stabilisation strategy

The general stabilisation strategy should be agreed among the active managers. A detailed breakdown of all stabilisation trades should be kept by the stabilisation manager and promptly provided, upon request, to any other manager.

10.3.4 Stabilisation Accounts

Unless otherwise agreed in the relevant agreement among initial purchasers:

- when the stabilisation manager agrees to stabilise an issue, it may charge stabilisation losses, and should account for stabilisation profits to the lead manager(s); and
- losses or profits should be attributed pro rata to each manager's underwriting commitment.

11 Closing and Settlement

11.1 Circulation of Final Documents to Managers

Promptly after the closing, managers' counsel should distribute to the managers, the issuer and issuer's counsel a complete set of electronic copy transaction documentation.

11.2 Circulation of Final Copies to ICSDs

Prior to, or in any case promptly after, closing:

- the billing and delivery manager(s) should distribute to the ICSDs copies of:
  - the final offering memorandum; and
  - the indenture (or trust deed).
- the issuer should distribute to the ICSDs copies of:
  - any issuer/ICSD agreement; and
  - any global note.

11.3 Circulation of Final Documents

As soon as possible, the lead manager should deliver the final offering memorandum to the relevant investors. Each investor should have a nominated contact/email address to be used for receipt of documentation.

All managers should receive a complete set of soft-copy final documentation from managers' counsel as soon as practicable after closing.

11.4 Payment and Reimbursement of Fees and Expenses

For the avoidance of doubt, the payment of fees and expenses are governed by the purchase agreement, the agreement among initial purchasers and, if applicable, any engagement letter or fee side letter between the issuer and any manager.

Any expenses to be charged by one lead manager to another lead manager should be submitted and reimbursed promptly, and not later than 90 days after the closing of the transaction, or as otherwise agreed in the agreement among initial purchasers.

Legal costs of the issue, the cost of the issuer's professional advisers, expenses incurred for the listing, the printing and delivery of the offering memorandum and notes and all necessary approvals should not be charged against fees paid to the managers unless otherwise negotiated in the Purchase Agreement.

11.5 Conditions Precedent to Closing

Conditions precedent that must be met before the transaction can close are set forth explicitly in the purchase agreement. See Section 3.4.

11.6 Delivery of Permanent Global Notes to ICSDs

Any permanent global note to be exchanged for a temporary global note should be made available for exchange:

(a) as soon as practicable after the closing date (this enables exchange as soon as possible after the 40th day following closing); or
(b) if regulations prevent exchange for a period longer than 40 days after the closing date (e.g. an issue with a tap feature), as soon as possible after the date on which such exchange is first permissible; or;
(c) as otherwise disclosed in the offering memorandum or final terms/pricing supplement.

Appendices

- Appendix A – AFME Recommended Listing Guidelines for Non-Investment Grade Debt
- Appendix B – AFME Standard Form Agreement Among Initial Purchasers – New York law version
- Appendix C – AFME Standard Form Agreement Among Initial Purchasers – English law version
- Appendix D – AFME Recommended Disclosure Guidelines for Non-Investment Grade Debt

Appendix A

AFME Recommended Listing Guidelines for Non-Investment Grade Debt

AFME Recommended Listing Practices for Non-Investment Grade Debt Securities

April 2016

The Association for Financial Markets in Europe recommends that the following practices are followed in connection with listing of non-investment grade debt securities to the extent practicable.

I. General

The Issuer should be reminded of the following:

(a) the purpose and necessity for listing the bonds (i.e., withholding tax purposes and/or to comply with certain investment related requirements of institutional investors); and
(b) that Listing Particulars are generally required and made publicly available.

II. Timing of Listing of Notes and Selection of Stock Exchange

- Decide early in the process the appropriate stock exchange for listing the notes.
- Issuer's counsel to confirm with stock exchange review timeline and list of ancillary documents to support the listing[1].
- If practicable, depending on transaction timeline, issuer's counsel should aim to submit an initial draft of the listing particulars in time to receive initial comments from the stock exchange prior to the launch of the offering (i.e., prior to printing the preliminary offering memorandum).
- Where timing considerations are such that obtaining comments prior to launch is not possible, reasonable effort should be made to obtain comments and complete the listing as soon as is reasonably practicable after closing.

III. Listing Particulars

If the listing is not completed at, or prior to, closing of the transaction, the names of the underwriters should not be included in the listing particulars (to the extent permitted by the listing rules of the relevant exchange) unless, on a case-by-case basis, the relevant parties agree otherwise.

IV. Purchase/Underwriting Agreement

If the listing particulars are completed at the date of the Purchase Agreement and the underwriters are named in the document, it might be appropriate to include a 10b-5 representation to cover the disclosure in the listing particulars.

The parties should also consider negotiating an appropriate representation and a corresponding covenant that the parties will complete the listing process as soon as reasonably practicable after closing of the offering.[2]:

[1] The structure of the offering and the nature of the issuer (or issuers) business should also be considered early in the process to allow sufficient time to address timing, levels of disclosure, as well as any interpretative guidance from the relevant exchange. The presence of guarantees, collateral and other credit enhancement mechanisms may require additional disclosure to satisfy specific rules of the exchange and/or materiality concerns. Of specific concern are situations where guarantees provided come from some but not all of the subsidiaries of the group or where guarantees come from holding companies. Financial information of the guarantor group compared to the non guarantor group may be required under relevant stock exchange rules. It is important to raise these issues early in the transaction as the exchange as a policy matter may take a more practical view of the policies concerning relief and guidance when the issues are raised early on rather than after the fact and once the issuer is committed to listing on the relevant exchange in terms of reputation and time invested.

[2] The form of representation and covenant should be determined on a case-by-case basis.

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V. Disclosure

Where practical, the disclosure in the offering memorandum and the listing particulars should be substantively the same. However, where the listing occurs after the closing of the offering, there will often be a range of differences owing to timing and to changes made in response to comments from the exchange. Therefore, best practice would be to complete the listing as soon as reasonably practicable following pricing of the offering to avoid or minimize differences between the offering memorandum and the listing particulars.

Appendix B

AFME Standard Form Agreement Among Initial Purchasers – New York law version

For the avoidance of doubt, this standard form is in a non-binding, recommended form. Individual parties are free to depart from the terms of this form and should always satisfy themselves regarding the legal, regulatory, taxation, and accounting implications of its use.

afme/ Finance for Europe

Association for Financial Markets in Europe

AFME Standard Form

Agreement Among Initial Purchasers

New York Law Version

Rule 144A and/or Regulation S Offering

Last Revised: March 2016

IMPORTANT NOTICE

This form (the "**Standard Form**") has been prepared for the Association for Financial Markets in Europe ('**AFME**') in connection with offerings of high yield debt securities. Whilst every care has been taken in the preparation of this Standard Form, no representation or warranty is given by AFME:

- as to the suitability of the Standard Form for any particular transaction;
- that the Standard Form will cover any particular eventuality;
- as to the accuracy or completeness of the contents of this Standard Form.

In particular, users of the Standard Form should satisfy themselves as to the taxation, regulatory and accounting implications of its use and that the Standard Form is appropriate to the terms of the commercial transaction.

AFME is not liable for any losses suffered by any person as a result of any contract made on the terms of this Standard Form or which may arise from the presence of any errors or omissions in this Standard Form and no proceedings shall be taken by any person in relation to such losses.

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AGREEMENT AMONG INITIAL PURCHASERS

Date:

Issuer:

Guarantors:

Securities:

Lead Representative:

Joint Bookrunners:

Initial Purchasers:

This Agreement governs the relationship among the Initial Purchasers in connection with their purchase, reoffer and resale of the Securities (the "**Offering**").

The Initial Purchasers have entered or will enter into an agreement (the "**Purchase Agreement**") with the Issuer and the Guarantors, if any, under which the Initial Purchasers, acting severally and not jointly, have agreed or will agree to purchase the Securities on the terms and conditions set forth therein. The Issuer has prepared or will prepare certain offering documents for use by the Initial Purchasers in connection with their offer and resale of the Securities (such documents, to the extent permitted or required by the Purchase Agreement, including any amendments and supplements thereto, the "**Offering Documents**").

The term "**Purchase Commitment**", as used in this Agreement with respect to any Initial Purchaser, shall refer to the principal amount of Securities which such Initial Purchaser is obligated to purchase pursuant to the Purchase Agreement (plus such additional Securities, if any, as such Initial Purchaser may be required to purchase pursuant to the Purchase Agreement or this Agreement). The ratio of the Purchase Commitment of any Initial Purchaser to the aggregate principal amount of Securities to be purchased by all Initial Purchasers pursuant to the Purchase Agreement is referred to in this Agreement as the "**Placement Percentage**" of such Initial Purchaser.

Each Initial Purchaser acknowledges and agrees that the recommendations of the International Capital Market Association ("**ICMA**"), as amended, modified or supplemented from time to time, including, without limitation, the ICMA recommendations concerning limits on stabilization losses and expenses, shall not apply to this transaction.

1. *Authority of the Lead Representative.*

   (a) Each Initial Purchaser authorizes the Lead Representative as its agent, representative and attorney-in-fact to:

      (i) with the agreement of the Joint Bookrunners[1], (A) waive any and all rights of the Initial Purchasers or any of them pursuant to the Purchase Agreement, (B) give notice to the Issuer and the Guarantors, if any, of termination of the Purchase Agreement in accordance with the terms thereof, and (C) agree to any variation in the terms or performance of, and execute and deliver any amendment to, the Purchase Agreement;

      (ii) with the agreement of the Joint Bookrunners[2], if required pursuant to Section 1(a)(i) above, (A) exercise any and all rights of, authority vested in and

[1] The parties may consider, in certain circumstances, the appropriateness of this requirement, or provide for an alternative formulation depending on the transaction structure and participating parties (for example, transactions where the large number of bookrunners might make this unfeasible).

[2] See footnote 1.

discretion accorded to, and take any and all action permitted to be taken by, the Initial Purchasers or any of them pursuant to the Purchase Agreement, (B) execute and deliver any agreement (excluding, for the avoidance of doubt, the Purchase Agreement), certificate, letter, receipt or other instrument to be executed or delivered by or on behalf of the Initial Purchasers in connection with the closing of the Offering, and (C) take all other action that it may believe necessary or desirable in carrying out the provisions of the Purchase Agreement and this Agreement in accordance with their terms; and

(iii) pay to the Issuer the purchase price for the Securities in accordance with the Purchase Agreement on behalf of, and for the several accounts of, the Initial Purchasers, and borrow in the Initial Purchasers' names and for their several accounts (in proportion to their respective Placement Percentages) such amount as the Lead Representative may in its discretion determine in order that such payment can be effected; and any amount so borrowed shall forthwith be reduced by the amount of all payments subsequently received from any Initial Purchaser in respect of Securities purchased by it;

provided, however, that the Lead Representative shall not, except as otherwise permitted or required by the Purchase Agreement, [(x)] effect or agree to an increase in the amount of Securities to be purchased by any Initial Purchaser, without the consent of such Initial Purchaser [or (y) adversely modify any rights of any Initial Purchaser to receive commissions under the Purchase Agreement without the consent of such Initial Purchaser."][3].

Each Initial Purchaser hereby ratifies all such actions heretofore taken by the Lead Representative in respect of the foregoing (provided that the consent of the Joint Bookrunners has been obtained for any actions for which Section 1(a)(i) would require such consent).

(b) The Lead Representative [/[INSERT NAME OF RELEVANT BANK]][4] shall have the authority to reserve for offer and sale and sell Securities for the account of the Initial Purchasers (in proportion to their respective Placement Percentages). The Lead Representative [/[INSERT NAME OF RELEVANT BANK]] shall advise each Initial Purchaser when the Securities are released for sale and of the amount of Securities sold or reserved for sale for the account of such Initial Purchaser at such time. After completion of the Offering, the Lead Representative [/[INSERT NAME OF RELEVANT BANK]] shall provide any Initial Purchaser with such information concerning the allocation of the Securities as it may reasonably request. Securities that are held by the Lead Representative [/[INSERT NAME OF RELEVANT BANK]] for sale for the account of an Initial Purchaser but not sold may at any time, in the Lead Representative's [/[INSERT NAME OF RELEVANT BANK's]] discretion, be released to such Initial Purchaser, and Securities so released to such Initial Purchaser shall no longer be deemed held for sale by the Lead Representative [/[INSERT NAME OF RELEVANT BANK]].

2. *Representations, Warranties and Covenants of the Initial Purchasers.*

(a) *Compliance with Law.*

Each Initial Purchaser represents and agrees that it has complied and will comply with all laws and regulations in each jurisdiction that are applicable to the Offering.

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[3] Include if the language referenced in footnotes 1 and 2 is not included.

[4] Where the Agreement provides for more than one Lead representative, reference should be made here to the name of the specific bank that is handling billing, delivery, allocatons and stabilization.

(b) *Compliance with Offering Documents and Purchase Agreement.*

Each Initial Purchaser (i) confirms that it has examined the Offering Documents as amended and supplemented to date and is familiar with the information contained therein, the terms of the Securities, and the other terms of the Offering, as set forth in the Purchase Agreement and the Offering Documents, and (ii) represents and agrees that it has complied and will comply with all such terms, including, without limitation, all restrictions applicable to the reoffer and resale of the Securities by the Initial Purchasers.

Each Initial Purchaser confirms that (i) the representations and warranties given by it or on its behalf in the Purchase Agreement are accurate and complete when given and (ii) the written information relating to it that has been furnished by it to the Issuer or the Lead Representative specifically for inclusion in the Offering Documents (including, without limitation, information about any material relationship between such Initial Purchaser or any of its affiliates or any of their respective directors, officers or partners and the Issuer or any Guarantor and any affiliates such persons control or that control such persons) is accurate, complete and not misleading in any material respect. Each Initial Purchaser agrees that it will notify the Lead Representative immediately of any development prior to the completion of the Offering that makes any such information inaccurate, incomplete or misleading in any material respect.

(c) *No Public Offering.*

Each Initial Purchaser acknowledges and agrees that, except as contemplated in the Purchase Agreement or the Offering Documents, no action has been or will be taken in any jurisdiction by the Issuer or any Initial Purchaser that would permit a public offering of the Securities, or possession or distribution of the Offering Documents or any other offering material, in any country or jurisdiction where action for that purpose is required.

Each Initial Purchaser agrees that it will not directly or indirectly purchase, offer, sell or deliver any Securities or have in its possession or distribute or publish the Offering Documents or any other offering material in or from any country or jurisdiction under circumstances that will impose any registration or filing obligations on any other Initial Purchaser or the Issuer[5].

(d) *No Resales Prior to Release.*

Each Initial Purchaser agrees (i) not to sell any Securities prior to the time the Lead Representative *[/[INSERT NAME OF RELEVANT BANK]]*[6] releases such Securities for resale to purchasers and (ii) prior to pricing of the Securities, not to engage in any activities related to credit default swaps referencing the Issuer, any Guarantor or any parent company or subsidiary of the Issuer or any Guarantor and involving the Securities.

(e) *Eligible Investors.*

Each Initial Purchaser agrees that it will reoffer and resell the Securities only (i) if the Offering contemplates sales into the United States, to persons who it and any person acting on its behalf reasonably believe are "qualified institutional buyers" within the meaning of Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), in reliance on and compliance with Rule 144A, and

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[5] Except in the event that a public offering is anticipated and the **appropriate and necessary** filing and **registration** has been approved by the **relevant** Joint Book Runner**, with the prior approval of and on behalf of the Initial Purchasers,** and the Issuer.

[6] See footnote 4.

(ii) in offshore transactions in reliance on and in compliance with Regulation S under the Securities Act ("**Regulation S**"), and, for the avoidance of doubt, in each case, only if such reoffers and resales are permitted under the Purchase Agreement and the Offering Documents. If the Offering contemplates resales in reliance on Rule 144A, each Initial Purchaser agrees to deliver, either with the confirmation of any resale of the Securities or otherwise prior to settlement of any such resale, a written notice to the effect that the resale of the Securities may be made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A.

(f) *No General Solicitation or General Advertising; No Directed Selling Efforts.*

Each Initial Purchaser represents and agrees that neither it nor any of its affiliates nor any other person acting on its or their behalf (i) has offered or sold or will offer to sell the Securities by means of any general solicitation or general advertising within the meaning of Rule 502(c) under the Securities Act or (ii) has engaged or will engage with respect to the Securities in any directed selling efforts within the meaning of Regulation S.

(g) *Distribution of Offering Documents.*

Each Initial Purchaser agrees that it will use its reasonable efforts to (i) deliver the Offering Documents to all persons to whom it distributes any Securities, (ii) keep an accurate record of all persons to whom it delivers copies of any Offering Documents and (iii) when furnished with any subsequent amendment or supplement to any Offering Documents or any memorandum outlining changes therein, promptly deliver copies thereof to all such persons. Delivery pursuant to this Section 2(g) may be made by electronic means.

(h) *No Unauthorized Communications, Representations and Information.*

Each Initial Purchaser represents and agrees that, in connection with the Offering, such Initial Purchaser:

(i) except as otherwise approved by the Joint Bookrunners, has not made, used, prepared, delivered, distributed, authorized, approved or referred to and will not make, use, prepare, deliver, distribute, authorize, approve or refer to any written communication (as defined under Rule 405 under the Securities Act) other than the Offering Documents, that constitutes an offer to sell or solicitation of an offer to buy the Securities;

(ii) except as otherwise approved by the Joint Bookrunners, has not made and will not make any representation and has not used and will not use any information other than as contained in the Offering Documents;

(iii) has not communicated or caused to be communicated and will not communicate or cause to be communicated any invitation or inducement to engage in investment activity within the meaning of the U.K. Financial Services and Markets Act 2000 ("**FSMA**") received by it in connection with the issue or sale of any Securities, except in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or any Guarantor; and

(iv) except as otherwise approved by the Lead Representative, will not make, in any jurisdiction, any press or public announcement or public comment which it believes or ought reasonably to believe is likely to be published in the press or elsewhere concerning the Offering until the later of 40 days after commencement of the Offering and completion of the Offering, provided that

the foregoing shall not restrict any Initial Purchaser from making any such public announcement as is required by applicable law.

(i) *Non-U.S. Banks and Dealers.*

Each Initial Purchaser that is a non-U.S. bank or dealer not registered as a broker-dealer under Section 15 of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), agrees that, while acting as an Initial Purchaser in respect of the Securities and in any event during the term of this Agreement, it will not, directly or indirectly, make use of any U.S. mails or any means or instrumentality of interstate commerce to effect transactions in, or induce or attempt to induce the purchase or sale of, any Securities except for transactions in compliance with Rule 15a-6 under the Exchange Act or as otherwise permitted by Section 15 of the Exchange Act and the rules and regulations thereunder.

(j) Each Initial Purchaser represents that its several obligation to purchase Securities will not result in a violation of the financial responsibility requirements of Rule 15c3-1 under the Exchange Act, if applicable, or of any similar provision of applicable law or any similar rules of a securities exchange to which it is subject.[7]

3. *Payment and Delivery; Distribution of Moneys; Expenses; Settlement of Accounts.*

(a) *Payment for and Delivery of Securities.*

The Lead Representative [/[INSERT NAME OF RELEVANT BANK]][8] shall (i) upon satisfaction (or waiver by the Lead Representative *[/[INSERT NAME OF RELEVANT BANK]]*) of the conditions set forth in the Purchase Agreement, arrange for the payment to the Issuer of the purchase price for the Securities in accordance with the Purchase Agreement, (ii) receive (or retain from the purchase price paid pursuant to clause (i)) on behalf of each Initial Purchaser the commission or discount set forth in the Purchase Agreement, (iii) subject to Section 1(b) above, arrange for delivery of the Securities in accordance with the directions of each Initial Purchaser, and (iv) release the Securities in accordance with the final sentence of Section 1(b) above for resale in accordance with the terms of the Purchase Agreement at the initial offering price as soon as practicable after the execution and delivery of the Purchase Agreement, as in the Lead Representative's [/[INSERT NAME OF RELEVANT BANK's]] judgment is advisable. At the Lead Representative's [/[INSERT NAME OF RELEVANT BANK's]] request, each Initial Purchaser shall pay the Lead Representative [/[INSERT NAME OF RELEVANT BANK]] an amount equal to the applicable purchase price pursuant to the Purchase Agreement for the Securities allotted to such Initial Purchaser, and such payment will be credited to such Initial Purchaser's account and applied to the payment of the purchase price to the Issuer.

(b) *Transactions Through Euroclear, Clearstream and the Depository Trust Company.*

If transactions in the Securities are to be settled through the facilities of Euroclear Bank S.A./N.V., Clearstream Banking société anonyme and/or the Depository Trust Company, payment for and delivery of Securities purchased by each Initial Purchaser will be made through such facilities, if such Initial Purchaser is a participant of such facilities, or, if it is not such a participant, settlement may be made through a participant of such facilities, and each Initial Purchaser authorizes the Lead Representative [/[INSERT NAME OF RELEVANT BANK]], in [/[INSERT NAME OF

[7] Rule 15c3-1 under the Exchange Act sets forth minimum net capital requirements for brokers and dealers. The rule is intended to ensure that brokers and dealers have the ability to meet their financial obligations to customers and other creditors.

[8] See footnote 4.

RELEVANT BANK]]'s discretion, to arrange for delivery of any Securities and for payment therefor to and by such Initial Purchaser through such facilities.

(c) *Distribution of Commission.*

After payment of the net aggregate purchase price for the Securities to the Issuer and receipt (or retention) of the Initial Purchasers' commission or discount and other amounts from the Issuer in accordance with the Purchase Agreement, the Lead Representative [/[INSERT NAME OF RELEVANT BANK]] shall, out of the balance of the moneys received by it pursuant to the issue of the Securities in accordance with the Purchase Agreement and after deducting any expenses set forth in Section 3(d) below, distribute among the Initial Purchasers the balance of such moneys [in proportion to their respective Placement Percentages,][9] in accordance with, and subject to, Section 3(e) below.

(d) *Expenses.*

The Lead Representative [/[INSERT NAME OF RELEVANT BANK]] may charge the account of each Initial Purchaser with its respective Placement Percentage of any transfer taxes on sales made by The Lead Representative [/[INSERT NAME OF RELEVANT BANK]] of the Securities purchased by the Initial Purchasers under the Purchase Agreement, and all other expenses not reimbursed by the Issuer, including but not limited to legal fees and stabilization losses (to the extent provided in Section 4 below) incurred by the Lead Representative [/[INSERT NAME OF RELEVANT BANK]] or, at the discretion The Lead Representative [/[INSERT NAME OF RELEVANT BANK]], any other Initial Purchaser under this Agreement or the Purchase Agreement in connection with the Offering.

Each Initial Purchaser agrees that any offers, sales and deliveries of Securities and distribution of the Offering Documents made by such Initial Purchaser after release of the Securities to such Initial Purchaser in accordance with the final sentence of Section 1(b) above will be made at such Initial Purchaser's own expense.

(e) *Settlement of Accounts.*

The accounts hereunder will be settled as promptly as practicable after the completion of the Offering, as determined by the Lead Representative [/[INSERT NAME OF RELEVANT BANK]], and in any case no later than 90 days after the date of the closing of the purchase of the Securities by the Initial Purchasers (the "**Closing Date**"), but the Lead Representative [/[INSERT NAME OF RELEVANT BANK]] may reserve such amount as it deems advisable for additional expenses or costs. The Lead Representative's [/[INSERT NAME OF RELEVANT BANK's]] determination of the amount to be paid to or by the Initial Purchasers under this Section 3(e) will be conclusive. The Lead Representative [/[INSERT NAME OF RELEVANT BANK]] may at any time make partial distributions of credit balances or call for payment of debit balances. Any of the Initial Purchasers' funds in the Lead Representative's [/[INSERT NAME OF RELEVANT BANK]]'s hands may be held with its general funds, without accountability for interest. Notwithstanding any settlement, each Initial Purchaser will remain liable for any taxes on transfers for its account, and for its Placement Percentage of all expenses and liabilities that may be incurred by or for the accounts of the Initial Purchasers.

[9] Replace with alternative fee arrangements if applicable.

(f) *Reimbursements by Issuer.*

Amounts paid or reimbursed by the Issuer in respect of Initial Purchasers' expenses will be retained by the Lead Representative [/[INSERT NAME OF RELEVANT BANK]] and distributed to the Initial Purchasers in proportion to the expenses incurred by each Initial Purchaser that such Initial Purchaser is authorized by The Lead Representative [/[INSERT NAME OF RELEVANT BANK]] to incur and that the Issuer is required to reimburse under the Purchase Agreement.

4. *Stabilization and Over-Allotment.*

(a) *Authorization to Stabilize.*

In order to facilitate the Offering, each Initial Purchaser authorizes the Lead Representative [/[INSERT NAME OF RELEVANT BANK]][10] in its discretion (i) to buy and sell Securities and, in consultation with the Joint Bookrunners, any other debt securities of the Issuer that the Lead Representative [/[INSERT NAME OF RELEVANT BANK]] designates, in the open market or otherwise, for long or short account, (ii) to over-allot in arranging for sales of the Securities and to buy Securities for the purpose of covering any such over-allotments, and (iii) otherwise to effect transactions with a view to supporting the market price of the Securities at levels higher than those which might otherwise prevail had such transactions not been effected (collectively, "**Stabilizing Transactions**"). Each Initial Purchaser authorizes the Lead Representative [/[INSERT NAME OF RELEVANT BANK]] to effect Stabilizing Transactions for the account of such Initial Purchaser on such terms and at such prices as the Lead Representative [/[INSERT NAME OF RELEVANT BANK]] deems advisable. The Lead Representative [/[INSERT NAME OF RELEVANT BANK]] (A) shall, to the extent practicable, notify and consult with each Initial Purchaser prior to effecting any Stabilizing Transactions that could reasonably be expected to result in losses being incurred for the account of the Initial Purchasers in excess of the full commission or discount due to the Initial Purchasers under the Purchase Agreement and (B) shall in any case promptly notify the Initial Purchasers if such losses have been incurred. No Initial Purchaser shall be relieved of its obligation for any losses so incurred for its account solely because of the Lead Representative's [/[INSERT NAME OF RELEVANT BANK]]'s failure to provide the notice and/or consultation required by the foregoing sentence. The Lead Representative [/[INSERT NAME OF RELEVANT BANK]] shall complete all Stabilizing Transactions no later than 30 days after the Closing Date (or, if earlier, 60 days after the date of the allotment of the Securities), unless the foregoing period is extended with the consent of each Initial Purchaser and in compliance with applicable law. For the avoidance of doubt, any Initial Purchaser that enters into this Agreement after the original execution hereof shall have the same rights and obligations in respect of any Stabilizing Transactions as if such Initial Purchaser had been an original party to this Agreement.

(b) *Allocation of Gains or Losses.*

Any gains or losses incurred by the Lead Representative [/[INSERT NAME OF RELEVANT BANK]] in effecting Stabilizing Transactions shall be aggregated and credited or charged by the Lead Representative [/[INSERT NAME OF RELEVANT BANK]] to the account of each Initial Purchaser in proportion to their respective Placement Percentages. Each Initial Purchaser will, at any time as the Lead Representative [/[INSERT NAME OF RELEVANT BANK]] determines, upon demand, take up at cost any securities purchased and deliver any securities sold or over-allotted in Stabilizing Transactions for its account pursuant to the authorization in Section 4(a) above, and, if any Initial Purchaser defaults in its corresponding

[10] See footnote 4.

commitment, the other Initial Purchasers will assume their proportionate share (based on the ratio of its Purchase Commitment to the aggregate Purchase Commitments of all non-defaulting Initial Purchasers) of such commitment without relieving the defaulting Initial Purchaser from liability.

(c) *Undertaking Not to Stabilize.*

Each Initial Purchaser (other than the Lead Representative [/[INSERT NAME OF RELEVANT BANK]] in its capacity as such) represents and agrees that it has not effected and will not effect any transactions (whether in the open market or otherwise) with a view to stabilizing or maintaining the market price of the Securities at levels other than those which might otherwise prevail.

(d) *Regulatory Inquiries.*

The Lead Representative [/[INSERT NAME OF RELEVANT BANK]] shall, to the extent practicable, act as a central point of inquiry for any request from any relevant regulatory authority in relation to stabilization and shall promptly provide each Initial Purchaser with any information concerning Stabilizing Transactions as such Initial Purchaser is required to provide to any relevant regulatory authority.

(e) *Information about Stabilizing Transactions.*

The Lead Representative [/[INSERT NAME OF RELEVANT BANK]] shall, after the completion of all Stabilizing Transactions, provide any Initial Purchaser with such information concerning the Stabilizing Transactions as may be reasonably requested by such Initial Purchaser.

(f) *Delegation.*

The Lead Representative [/[INSERT NAME OF RELEVANT BANK]] may delegate any of its rights or obligations under this Section 4 to any of its affiliates other than an affiliate constituting a fund in the business of holding securities for its own account. Notwithstanding any such delegation, the Lead Representative [/[INSERT NAME OF RELEVANT BANK]] shall retain its obligations to the other Initial Purchasers hereunder.

5. *Default by Initial Purchasers.*

A default by any Initial Purchaser hereunder or under the Purchase Agreement will not release any other Initial Purchaser from its obligations or affect such defaulting Initial Purchaser's liability to any other Initial Purchaser for damages resulting from its own default. If any Initial Purchaser defaults in its obligation to purchase Securities under the Purchase Agreement, the Lead Representative may arrange for the purchase by others, including any non-defaulting Initial Purchaser, of Securities not taken up by the defaulting Initial Purchaser in accordance with the Purchase Agreement. If any Initial Purchaser defaults in its obligation to make any payments under Section 3(d), 4, 7, 8 or 10 hereof, each non-defaulting Initial Purchaser shall be obligated to pay its proportionate share of all such defaulted payments, based on the ratio of its Purchase Commitment to the aggregate Purchase Commitments of all non-defaulting Initial Purchasers, but no such payment shall relieve the defaulting Initial Purchaser from liability for its default.

6. *Position of the Lead Representative and the Joint Bookrunners; Relationship Between Initial Purchasers.*

The Lead Representative and the Joint Bookrunners will be under no liability to any Initial Purchaser for any act or omission except for obligations expressly assumed by the Lead Representative or the Joint Bookrunners herein, and no obligations on the Lead

Representative's or the Joint Bookrunners' part will be implied hereby or inferred herefrom. The rights and liabilities of the Initial Purchasers hereunder are several and not joint, the representations, warranties and covenants of the Initial Purchasers hereunder are given severally and not jointly, and nothing contained herein shall constitute or be deemed to constitute the Initial Purchasers as partners with each other or (except as expressly provided herein) render any Initial Purchaser liable for the obligations of any other Initial Purchaser. No Initial Purchaser shall be bound in any way by the acts of any other Initial Purchaser in respect of the issue of the Securities except those of the Lead Representative on behalf of the Initial Purchasers pursuant to the provisions of this Agreement or the Purchase Agreement, and no Initial Purchaser shall have any right to contribution or account against any other Initial Purchaser except as expressly provided herein. Each Initial Purchaser shall bear all losses and expenses incurred by it and be entitled to retain all profits earned by it in connection with the Purchase Agreement except as otherwise expressly provided herein. If for U.S. federal income tax purposes the Initial Purchasers shall be deemed to constitute a partnership, each Initial Purchaser elects to be excluded from the application of Subchapter K, Chapter 1, Subtitle A, of the U.S. Internal Revenue Code, as amended.

7. *Indemnification.*

Each Initial Purchaser (each, an "**Indemnifying Initial Purchaser**") will indemnify and hold harmless each other Initial Purchaser, its affiliates, their respective officers, directors, employees, representatives and agents, and each person, if any, who controls any such Initial Purchaser within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act (each, an "**Indemnified Party**") to the extent and upon the terms upon which such Indemnifying Initial Purchaser agrees to indemnify and hold harmless any of the Issuer, any Guarantor, any person controlling the Issuer or any Guarantor, and their respective directors and officers, in each case as set forth in the Purchase Agreement. The Indemnifying Initial Purchaser will also indemnify and hold harmless each Indemnified Party from and against any and all losses, claims, damages, liabilities, costs and expenses (including fees and expenses of legal advisers) arising out of or in connection with any breach by the Indemnifying Initial Purchaser of any of the provisions of this Agreement or the Purchase Agreement (including, without limitation, the representations, warranties and covenants in Section 2(b) above), and any litigation, investigation, proceeding, claim or other action which is asserted, threatened, or instituted by any party, including any governmental or regulatory body (collectively, "**Actions**") relating to any matter covered by this Section 7. The Indemnifying Initial Purchaser will also reimburse each Indemnified Party upon demand for all expenses, including fees and expenses of legal advisers, as they are incurred, in connection with investigating, preparing for or defending any matter covered by this Section 7.

8. *Contribution.*

Each Initial Purchaser will pay, as contribution, its Placement Percentage of any losses, claims, damages, liabilities and, except as limited by the next sentence, costs and expenses (collectively, "**Losses**"), joint or several, paid or incurred by any Initial Purchaser to any person other than an Initial Purchaser, in connection with the Offering (including, without limitation, Losses arising out of or based upon any untrue statement or alleged untrue statement of any material fact contained in any of the Offering Documents, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading (other than an untrue statement or alleged untrue statement or omission or alleged omission to the extent made in reliance upon and in conformity with written information furnished by the Initial Purchaser seeking contribution expressly for use therein)) and any Action relating to any of the foregoing. Each Initial Purchaser will also pay its Placement Percentage of any legal or other expenses, including fees and expenses of legal advisers (to the extent such payment of fees and expenses of legal advisers is required under Section 10 below), as they are incurred, which are reasonably incurred by the Initial Purchaser seeking contribution in connection with

investigating or defending any such Loss or any Action in respect thereof. No Initial Purchaser shall be entitled to contribution in respect of any such Losses or Actions arising out of or in connection with (i) any Action by a regulatory or supervisory body by which such Initial Purchaser is authorized or regulated, in respect of a breach of the rules or regulations of that body by such Initial Purchaser or (ii) any breach by such Initial Purchaser of any of the provisions of this Agreement or the Purchase Agreement. In determining the amount of any Initial Purchaser's obligation under this Section 8, appropriate adjustment may be made by the Lead Representative to reflect any amounts received by any Initial Purchaser in respect of such Loss from the Issuer or any other person (other than an Initial Purchaser) pursuant to the Purchase Agreement or otherwise. There shall be credited against any amount paid or payable by any Initial Purchaser pursuant to this Section 8 any Loss that is incurred by such Initial Purchaser as a result of any such Action, and if such Loss is incurred by such Initial Purchaser subsequent to any payment by it pursuant to this Section 8, appropriate provision shall be made to effect such credit, by refund or otherwise. In determining amounts payable pursuant to this Section 8, any Loss incurred by any person who controls an Initial Purchaser within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act that has been incurred by reason of such control relationship shall be deemed to have been incurred by that Initial Purchaser. Whenever an Initial Purchaser receives notice of any Action to which the provisions of this Section 8 would be applicable, such Initial Purchaser will give prompt notice thereof to each of the other Initial Purchasers. No Initial Purchaser shall be entitled to contribution from any other Initial Purchaser pursuant to this Section 8 for any Loss arising out of or in connection with a settlement or compromise of, or consent to the entry of judgment with respect to, any Action unless such settlement, compromise or consent is in accordance with Section 9 below. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. None of the foregoing provisions of this Section 8 will relieve any defaulting or breaching Initial Purchaser from liability for its default or breach.

9. *Settlement of Actions.*

Neither the Lead Representative nor any other Initial Purchaser party to this Agreement may settle or agree to settle any Action related to or arising out of the Offering, unless the Lead Representative, together with such other Initial Purchasers as represent a majority of the Placement Percentage of the Initial Purchasers as a whole (including the Lead Representative's interest), approve the settlement of such Action, in which case the Lead Representative is authorized to settle for all Initial Purchasers, provided, however, that the settlement agreement results in the settlement of the Action against all Initial Purchasers raised by the plaintiffs party thereto.

10. *Retention of Legal Advisers.*

Except as provided for in Section 7 above, where any Action related to or arising out of the Offering is brought against any of the Initial Purchasers, the Joint Bookrunners shall retain legal advisers reasonably satisfactory to all of them to represent the person against whom such Action is brought and each Initial Purchaser shall pay its Placement Percentage of the fees and expenses of such legal advisers related to such Action. Except as provided for in Section 7 above, in any such Action, any Initial Purchaser shall have the right to retain its own legal advisers, but the fees and expenses of such legal advisers shall be the liability of such Initial Purchaser unless any of the following circumstances occur in which case they shall be the liability of all of the Initial Purchasers on the basis of their respective Placement Percentages:

(i) the Joint Bookrunners have failed within a reasonable time to agree on the legal advisers to be retained; or

(ii) counsel selected by the Joint Bookrunners determines that representation of all Initial Purchasers by the same legal advisers would be inappropriate due to actual or potential differing interests between them.

11. *Actions in Respect of the Purchase Agreement.*

If any Initial Purchaser wishes to terminate its obligation to purchase Securities under the Purchase Agreement or waive compliance with any of the conditions therein, in each case as permitted by the terms thereof, it shall consult with the Lead Representative who shall, to the extent it considers reasonably practicable, consult with the other Initial Purchasers. The Lead Representative may in any event, on behalf of the Initial Purchasers and with the agreement of the Joint Bookrunners (as required by Section 1(a)(i) above), give notice to the Issuer and the Guarantors, if any, of termination of the Purchase Agreement or waiver of compliance with any of the conditions therein in accordance with the terms thereof and shall not be responsible to any Initial Purchaser for any consequences resulting from such notice. No Initial Purchaser other than the Lead Representative may give any such notice, and the Lead Representative is not required to give, or not to give, such notice.

12. *Termination.*

If the Purchase Agreement is terminated prior to the Closing Date as permitted by its terms, this Agreement will terminate upon the date of such termination of the Purchase Agreement.

Upon termination of this Agreement, Sections 3(d), 5, 6, 7, 8, 9, 10, 13, 14 and 15 hereof shall survive.

13. *Notices.*

Any notice or, unless otherwise agreed, approval under this Agreement shall be deemed to have been given if mailed, hand-delivered, or sent by telecopier or electronic transmission or other communication in writing, or telephoned and subsequently confirmed in writing, to the relevant address set forth in the Purchase Agreement or in Annex A to this Agreement. Any such notice shall take effect upon receipt thereof.

14. *No Third Party Rights.*

Nothing expressed or referred to in this Agreement will be construed to give any person other than the parties to this Agreement and their respective successors and permitted assigns any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision hereof, except as expressly set forth in Section 7 above.

15. *Applicable Law; Jurisdiction.*[11]

This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

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[11] The Bank Resolution and Recovery Directive ("BRRD") ensures that any exercise of bail-in powers by a resolution authority will automatically be effective within the EU. However, outside the EU, where the BRRD does not apply, there is a risk that a court in a non-EU country may challenge or fail to give effect to the bail-in, especially where the contract is governed by the law of the non-EU country. Article 55 of the BRRD is designed to address this problem by requiring in-scope entities to include a contractual recognition clause in contracts governed by the law of a non-EU country which contain a relevant liability of the in-scope entity. The contractual term must include the counterparty's acknowledgement and acceptance that the in-scope entity's liability may be subject to the bail-in powers of the BRRD. Please consider the particular circumstances to determine whether the inclusion of a contractual recognition clause pursuant to BRRD Article 55 is appropriate.

Please contact Gary Simmons at gsimmons@afme.eu for information regarding AFME's form of contractual recognition clause .

The federal and state courts in the Borough of Manhattan in the City of New York shall have jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and, accordingly, any legal action or proceedings arising out of or in connection with this Agreement ("**Proceedings**") may be brought in such courts. Each of the parties hereto irrevocably submits to the non-exclusive jurisdiction of the federal and state courts in the Borough of Manhattan in the City of New York and waives any objection to Proceedings in such courts on the grounds of immunity, venue or that Proceedings have been brought in an inconvenient or inappropriate forum.

Each of the parties hereto irrevocably waives its right to a trial by jury in any Proceedings.

16. *Counterparts.*

This Agreement may be signed in various counterparts, which together shall constitute one and the same instrument.

17. *Headings.*

The headings herein are inserted for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first written above.

[NAME OF LEAD REPRESENTATIVE]
as the Lead Representative and
as a Joint Bookrunner and
as an Initial Purchaser

By:_____
Name:
Title:

[NAME OF JOINT BOOKRUNNER]
as a Joint Bookrunner and
as an Initial Purchaser

By:_____
Name:
Title:

[NAME OF INITIAL PURCHASER]
as an Initial Purchaser

By:_____
Name:
Title:

[NAME OF INITIAL PURCHASER]
as an Initial Purchaser

By:_____
Name:
Title:

ANNEX A

ADDRESS FOR NOTICES

[NAME OF LEAD REPRESENTATIVE]

Attention:
Mailing address:
Telephone:
Telecopier:
E-mail:

[NAME OF JOINT BOOKRUNNER]

Attention:
Mailing address:
Telephone:
Telecopier:
E-mail:

[NAME OF INITIAL PURCHASER]

Attention:
Mailing address:
Telephone:
Telecopier:
E-mail:

[NAME OF INITIAL PURCHASER]

Attention:
Mailing address:
Telephone:
Telecopier:
E-mail:

Appendix C

AFME Standard Form Agreement Among Initial Purchasers – English law version

For the avoidance of doubt, this standard form is in a non-binding, recommended form. Individual parties are free to depart from the terms of this form and should always satisfy themselves of the taxation, regulatory and accounting implications of its use.

AFME Standard Form

Agreement Among Initial Purchasers

English Law Version

Rule 144A and/or Regulation S Offering

Last Revised: March 2016

IMPORTANT NOTICE

This form (the "Standard Form") has been prepared for the Association for Financial Markets in Europe, in connection with offerings of high yield debt securities. Whilst every care has been taken in the preparation of this Standard Form, no representation or warranty is given by AFME:

- as to the suitability of the Standard Form for any particular transaction;
- that the Standard Form will cover any particular eventuality;
- as to the accuracy or completeness of the contents of this Standard Form.

In particular, users of the Standard Form should satisfy themselves as to the taxation, regulatory and accounting implications of its use and that the Standard Form is appropriate to the terms of the commercial transaction.

AFME is not liable for any losses suffered by any person as a result of any contract made on the terms of this Standard Form or which may arise from the presence of any errors or omissions in this Standard Form and no proceedings shall be taken by any person in relation to such losses.

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AGREEMENT AMONG INITIAL PURCHASERS

Date:

Issuer:

Guarantors:

Securities:

Lead Representative:

Joint Bookrunners:

Managers:

This Agreement governs the relationship among the Initial Purchasers in connection with their purchase, reoffer and resale of the Securities (the "**Offering**").

The Initial Purchasers have entered or will enter into an agreement (the "**Purchase Agreement**") with the Issuer and the Guarantors, if any, under which the Initial Purchasers, acting severally and not jointly, have agreed or will agree to purchase the Securities on the terms and conditions set forth therein. The Issuer has prepared or will prepare certain offering documents for use by the Initial Purchasers in connection with their offer and resale of the Securities (such documents, to the extent permitted or required by the Purchase Agreement, including any amendments and supplements thereto, the "**Offering Documents**").

The term "**Purchase Commitment**", as used in this Agreement with respect to any Initial Purchaser, shall refer to the principal amount of Securities which such Initial Purchaser is obligated to purchase pursuant to the Purchase Agreement (plus such additional Securities, if any, as such Initial Purchaser may be required to purchase pursuant to the Purchase Agreement or this Agreement. The ratio of the Purchase Commitment of any Initial Purchaser to the aggregate principal amount of Securities to be purchased by all Initial Purchasers pursuant to the Purchase Agreement is referred to in this Agreement as the "**Placement Percentage**" of such Initial Purchaser.

Each Initial Purchaser acknowledges and agrees that the recommendations of the International Capital Market Association ("**ICMA**"), as amended, modified or supplemented from time to time, including, without limitation, the ICMA recommendations concerning limits on stabilization losses and expenses, shall not apply to this transaction.

1. *Authority of the Lead Representative.*

   (a) Each Initial Purchaser authorizes the Lead Representative as its agent, representative and attorney-in-fact to:

      (i) with the agreement of the Joint Bookrunners[1], (A) waive any and all rights of the Initial Purchasers or any of them pursuant to the Purchase Agreement, (B) give notice to the Issuer and the Guarantors, if any, of termination of the Purchase Agreement in accordance with the terms thereof, and (C) agree to any variation in the terms or performance of, and execute and deliver any amendment to, the Purchase Agreement;

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[1] The parties may consider, in certain circumstances, the appropriateness of this requirement, or provide for an alternative formulation depending on the transaction structure and participating parties (for example, transactions where the large number of bookrunners might make this unfeasible).

(ii) with the agreement of the Joint Bookrunners[2], if required pursuant to Section 1(a)(i) above, (A) exercise any and all rights of, authority vested in and discretion accorded to, and take any and all action permitted to be taken by, the Initial Purchasers or any of them pursuant to the Purchase Agreement, (B) execute and deliver any agreement (excluding, for the avoidance of doubt, the Purchase Agreement), certificate, letter, receipt or other instrument to be executed or delivered by or on behalf of the Initial Purchasers in connection with the closing of the Offering, and (C) take all other action that it may believe necessary or desirable in carrying out the provisions of the Purchase Agreement and this Agreement in accordance with their terms; and

(iii) pay to the Issuer the purchase price for the Securities in accordance with the Purchase Agreement on behalf of, and for the several accounts of, the Initial Purchasers, and borrow in the Initial Purchasers' names and for their several accounts (in proportion to their respective Placement Percentages) such amount as the Lead Representative may in its discretion determine in order that such payment can be effected; and any amount so borrowed shall forthwith be reduced by the amount of all payments subsequently received from any Initial Purchaser in respect of Securities purchased by it;

provided, however, that the Lead Representative shall not, except as otherwise permitted or required by the Purchase Agreement, [(x)] effect or agree to an increase in the amount of Securities to be purchased by any Initial Purchaser, without the consent of such Initial Purchaser [or (y) adversely modify any rights of any Initial Purchaser to receive commissions under the Purchase Agreement without the consent of such Initial Purchaser."][add footnote 3)[3].

Each Initial Purchaser hereby ratifies all such actions heretofore taken by the Lead Representative in respect of the foregoing (provided that the consent of the Joint Bookrunners has been obtained for any actions for which Section 1(a)(i) would require such consent).

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[2] See footnote 1.

[3] Include if the language referenced in footnotes 1 and 2 is not included.

(b) The Lead Representative [/[INSERT NAME OF THE RELEVANT BANK]][4] shall have the authority to reserve for offer and sale, and sell, Securities for the account of the Initial Purchasers (in proportion to their respective Placement Percentages). The Lead Representative [/[INSERT NAME OF THE RELEVANT BANK]] shall advise each Initial Purchaser when the Securities are released for sale and of the amount of Securities sold or reserved for sale for the account of such Initial Purchaser at such time. After completion of the Offering, the Lead Representative [/[INSERT NAME OF THE RELEVANT BANK]] shall provide any Initial Purchaser with such information concerning the allocation of the Securities as it may reasonably request. Securities that are held by the Lead Representative [/[INSERT NAME OF THE RELEVANT BANK]]for sale for the account of an Initial Purchaser but not sold may at any time, in the Lead Representative's [/[INSERT NAME OF THE RELEVANT BANK's]] discretion, be released to such Initial Purchaser, and Securities so released to such Initial Purchaser shall no longer be deemed held for sale by the Lead Representative [/[INSERT NAME OF THE RELEVANT BANK]].

2. *Representations, Warranties and Covenants of the Initial Purchasers.*

(a) *Compliance with Law.*

Each Initial Purchaser represents and agrees that it has complied and will comply with all laws and regulations in each jurisdiction that are applicable to the Offering.

(b) *Compliance with Offering Documents and Purchase Agreement.*

Each Initial Purchaser (i) confirms that it has examined the Offering Documents as amended and supplemented to date and is familiar with the information contained therein, the terms of the Securities, and the other terms of the Offering, as set forth in the Purchase Agreement and the Offering Documents, and (ii) represents and agrees that it has complied and will comply with all such terms, including, without limitation, all restrictions applicable to the reoffer and resale of the Securities by the Initial Purchasers.

Each Initial Purchaser confirms that (i) the representations and warranties given by it or on its behalf in the Purchase Agreement are accurate and complete when given and (ii) the written information relating to it that has been furnished by it to the Issuer or the Lead Representative specifically for inclusion in the Offering Documents (including, without limitation, information about any material relationship between such Initial Purchaser or any of its affiliates or any of their respective directors, officers or partners and the Issuer or any Guarantor and any affiliates such persons control or that control such persons) is accurate, complete and not misleading in any material respect. Each Initial Purchaser agrees that it will notify the Lead Representative immediately of any development prior to the completion of the Offering that makes any such information inaccurate, incomplete or misleading in any material respect.

(c) *No Public Offering.*

Each Initial Purchaser acknowledges and agrees that, except as contemplated in the Purchase Agreement or the Offering Documents, no action has been or will be taken in any jurisdiction by the Issuer or any Initial Purchaser that would permit a public offering of the Securities, or possession or distribution of the Offering Documents or any other offering material, in any country or jurisdiction where action for that purpose is required.

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[4] Where the agreement provides for more than one Lead Representative, reference should be made here to the name of the specific bank that is handling billing, delivery, allocations ans stabilisation.

Each Initial Purchaser agrees that it will not directly or indirectly purchase, offer, sell or deliver any Securities or have in its possession or distribute or publish the Offering Documents or any other offering material in or from any country or jurisdiction under circumstances that will impose any registration or filing obligations on any other Initial Purchaser or the Issuer.[5]

(d) *No Resales Prior to Release.*

Each Initial Purchaser agrees (i) not to sell any Securities prior to the time the Lead Representative [/[INSERT NAME OF THE RELEVANT BANK]][6] releases such Securities for resale to purchasers and (ii) prior to pricing of the Securities, not to engage in any activities related to credit default swaps referencing the Issuer, any Guarantor or any parent company or subsidiary of the Issuer or any Guarantor and involving the Securities.

(e) *Eligible Investors.*

Each Initial Purchaser agrees that it will reoffer and resell the Securities only (i) if the Offering contemplates sales into the United States, to persons who it and any person acting on its behalf reasonably believe are "qualified institutional buyers" within the meaning of Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), in reliance on and compliance with Rule 144A, and (ii) in offshore transactions in reliance on and compliance with Regulation S under the Securities Act ("**Regulation S**"), and, for the avoidance of doubt, in each case, only if such reoffers and resales are permitted under the Purchase Agreement and the Offering Documents. If the Offering contemplates resales in reliance on Rule 144A, each Initial Purchaser agrees to deliver, either with the confirmation of any resale of the Securities or otherwise prior to settlement of any such resale, a written notice to the effect that the resale of the Securities may be made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A.

(f) *No General Solicitation or General Advertising; No Directed Selling Efforts.*

Each Initial Purchaser represents and agrees that neither it nor any of its affiliates nor any other person acting on its or their behalf (i) has offered or sold or will offer to sell the Securities by means of any general solicitation or general advertising within the meaning of Rule 502(c) under the Securities Act or (ii) has engaged or will engage with respect to the Securities in any directed selling efforts within the meaning of Regulation S.

(g) *Distribution of Offering Documents.*

Each Initial Purchaser agrees that it will use its reasonable efforts to (i) deliver the Offering Documents to all persons to whom it distributes any Securities, (ii) keep an accurate record of all persons to whom it delivers copies of any Offering Documents and (iii) when furnished with any subsequent amendment or supplement to any Offering Documents or any memorandum outlining changes therein, promptly deliver copies thereof to all such persons. Delivery pursuant to this Section 2(g) may be made by electronic means.

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[5] Except in the event that a public offering is anticipated and the appropriate and necessary filing and registration has been approved by the relevant Joint Book Runner, with the prior approval of and on behalf of the Initial Purchasers, and the Issuer.

[6] See footnote 4.

(h) *No Unauthorized Communications, Representations and Information.*

Each Initial Purchaser represents and agrees that, in connection with the Offering, such Initial Purchaser:

(i) except as otherwise approved by the Joint Bookrunners, has not made, used, prepared, delivered, distributed, authorized, approved or referred to and will not make, use, prepare, deliver, distribute, authorize, approve or refer to any written communication (as defined under Rule 405 under the Securities Act) other than the Offering Documents, that constitutes an offer to sell or solicitation of an offer to buy the Securities;

(ii) except as otherwise approved by the Joint Bookrunners, has not made and will not make any representation and has not used and will not use any information other than as contained in the Offering Documents;

(iii) has not communicated or caused to be communicated and will not communicate or cause to be communicated any invitation or inducement to engage in investment activity within the meaning of the U.K. Financial Services and Markets Act 2000 ("**FSMA**") received by it in connection with the issue or sale of any Securities, except in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or any Guarantor; and

(iv) except as otherwise approved by the Lead Representative, will not make, in any jurisdiction, any press or public announcement or public comment which it believes or ought reasonably to believe is likely to be published in the press or elsewhere concerning the Offering until the later of 40 days after the commencement of the Offering and completion of the Offering, provided that the foregoing shall not restrict any Initial Purchaser from making such public announcement as is required by applicable law.

(i) *Non-U.S. Banks and Dealers.*

Each Initial Purchaser that is a non-U.S. bank or dealer not registered as a broker-dealer under Section 15 of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), agrees that, while acting as an Initial Purchaser in respect of the Securities and in any event during the term of this Agreement, it will not, directly or indirectly, make use of any U.S. mails or any means or instrumentality of interstate commerce to effect transactions in, or induce or attempt to induce the purchase or sale of, any Securities except for transactions in compliance with Rule 15a-6 under the Exchange Act or as otherwise permitted by Section 15 of the Exchange Act and the rules and regulations thereunder.

(j) Each Initial Purchaser represents that its several obligation to purchase Securities will not result in a violation of the financial responsibility requirements of Rule 15c3-1 under the Exchange Act, if applicable, or of any similar provision of applicable law or any similar rules of a securities exchange to which it is subject.[7]

(k)

(l)

3. *Payment and Delivery; Distribution of Moneys; Expenses; Settlement of Accounts.*

(a) *Payment for and Delivery of Securities.*

The Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]*[8] shall (i) upon satisfaction (or waiver by the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]*) of the conditions set forth in the Purchase Agreement, arrange for the payment to the Issuer of the purchase price for the Securities in accordance with the Purchase Agreement, (ii) receive (or retain from the purchase price paid pursuant to clause (i)) on behalf of each Initial Purchaser the commission or discount set forth in the Purchase Agreement, (iii) subject to Section 1(b) above for resale, arrange for delivery of the Securities in accordance with the directions of each Initial Purchaser, and (iv) release the Securities for resale in accordance with the final sentence of Section 1(b) above in accordance with the terms of the Purchase Agreement at the initial offering price as soon as practicable after the execution and delivery of the Purchase Agreement, as in the Lead Representative's *[/[INSERT NAME OF THE RELEVANT BANK's]]* judgment is advisable. At the Lead Representative's *[/[INSERT NAME OF THE RELEVANT BANK's]]* request, each Initial Purchaser shall pay the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* an amount equal to the applicable purchase price pursuant to the Purchase Agreement for the Securities allotted to such Initial Purchaser, and such payment will be credited to such Initial Purchaser's account and applied to the payment of the purchase price to the Issuer.

(b) *Transactions Through Euroclear, Clearstream and the Depository Trust Company.*

If transactions in the Securities are to be settled through the facilities of Euroclear Bank S.A./N.V., Clearstream Banking société anonyme and/or the Depository Trust Company, payment for and delivery of Securities purchased by each Initial Purchaser will be made through such facilities, if such Initial Purchaser is a participant of such facilities, or, if it is not such a participant, settlement may be made through a participant of such facilities, and each Initial Purchaser authorizes the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]*, in the Lead Representative's *[/[INSERT NAME OF THE RELEVANT BANK's]]* discretion, to arrange for delivery of any Securities and for payment therefor to and by such Initial Purchaser through such facilities.

(c) *Distribution of Commission.*

After payment of the net aggregate purchase price for the Securities to the Issuer and receipt (or retention) of the Initial Purchasers' commission or discount and other amounts from the Issuer in accordance with the Purchase Agreement, the Lead

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[7] Rule 15c3-1 under the Exchange Act sets forth minimum net capital requirements for brokers and dealers. The rule is intended to ensure that brokers and dealers have the ability to meet their financial obligations to customers and other creditors.

[8] See footnote 4

Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* shall, out of the balance of the moneys received by it pursuant to the issue of the Securities in accordance with the Purchase Agreement and after deducting any expenses set forth in Section 3(d) below, distribute among the Initial Purchasers the balance of such moneys [in proportion to their respective Placement Percentages][9], in accordance with, and subject to, Section 3(e) below.

(d) *Expenses.*

The Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* may charge the account of each Initial Purchaser with its respective Placement Percentage of any transfer taxes on sales made by the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* of the Securities purchased by the Initial Purchasers under the Purchase Agreement, and all other expenses not reimbursed by the Issuer, including but not limited to legal fees and stabilization losses (to the extent provided in Section 4 below), incurred by the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* or, at the discretion of the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]*, any other Initial Purchaser under this Agreement or the Purchase Agreement in connection with the Offering.

Each Initial Purchaser agrees that any offers, sales and deliveries of Securities and distribution of the Offering Documents made by such Initial Purchaser after release of the Securities to such Initial Purchaser in accordance with the final sentence of Section 1(b) above will be made at such Initial Purchaser's own expense.

(e) *Settlement of Accounts.*

The accounts hereunder will be settled as promptly as practicable after the completion of the Offering, as determined by the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]*, and in any case no later than 90 days after the date of the closing of the purchase of the Securities by the Initial Purchasers (the "**Closing Date**"), but the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* may reserve such amount as it deems advisable for additional expenses or costs. The Lead Representative's *[/[INSERT NAME OF THE RELEVANT BANK's]]* determination of the amount to be paid to or by the Initial Purchasers under this Section 3(e) will be conclusive. The Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* may at any time make partial distributions of credit balances or call for payment of debit balances. Any of the Initial Purchasers' funds in the Lead Representative's *[/[INSERT NAME OF THE RELEVANT BANK's]]* hands may be held with its general funds, without accountability for interest. Notwithstanding any settlement, each Initial Purchaser will remain liable for any taxes on transfers for its account, and for its Placement Percentage of all expenses and liabilities that may be incurred by or for the accounts of the Initial Purchasers.

(f) *Reimbursements by Issuer.*

Amounts paid or reimbursed by the Issuer in respect of Initial Purchasers' expenses will be retained by the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* and distributed to the Initial Purchasers in proportion to the expenses incurred by each Initial Purchaser that such Initial Purchaser is authorized by the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* to incur and that the Issuer is required to reimburse under the Purchase Agreement.

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[9] Replace with alternative fee arrangements, if applicable.

4. *Stabilization and Over-Allotment.*

(a) *Authorization to Stabilize.*

In order to facilitate the Offering, each Initial Purchaser authorizes the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* in its discretion (i) to buy and sell Securities and, in consultation with the Joint Bookrunners, any other debt securities of the Issuer that the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* designates, in the open market or otherwise, for long or short account, (ii) to over-allot in arranging for sales of the Securities and to buy Securities for the purpose of covering any such over-allotments, and (iii) otherwise to effect transactions with a view to supporting the market price of the Securities at levels higher than those which might otherwise prevail had such transactions not been effected (collectively, "**Stabilizing Transactions**"). Each Initial Purchaser authorizes the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* to effect Stabilizing Transactions for the account of such Initial Purchaser on such terms and at such prices as the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* deems advisable. The Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* (A) shall, to the extent practicable, notify and consult with each Initial Purchaser prior to effecting any Stabilizing Transactions that could reasonably be expected to result in losses being incurred for the account of the Initial Purchasers in excess of the full commission or discount due to the Initial Purchasers under the Purchase Agreement and (B) shall in any case promptly notify the Initial Purchasers if such losses have been incurred. No Initial Purchaser shall be relieved of its obligation for any losses so incurred for its account solely because of the Lead Representative's *[/[INSERT NAME OF THE RELEVANT BANK's]]* failure to provide the notice and/or consultation required by the foregoing sentence. The Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* shall complete all Stabilizing Transactions no later than 30 days after the Closing Date (or, if earlier, 60 days after the date of the allotment of the Securities), unless the foregoing period is extended with the consent of each Initial Purchaser and in compliance with applicable law. For the avoidance of doubt, any Initial Purchaser that enters into this Agreement after the original execution hereof shall have the same rights and obligations in respect of any Stabilizing Transactions as if such Initial Purchaser had been an original party to this Agreement.

(b) *Allocation of Gains or Losses.*

Any gains or losses incurred by the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* in effecting Stabilizing Transactions shall be aggregated and credited or charged by the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* to the account of each Initial Purchaser in proportion to their respective Placement Percentages. Each Initial Purchaser will, at any time as the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* determines, upon demand, take up at cost any securities purchased and deliver any securities sold or over-allotted in Stabilizing Transactions for its account pursuant to the authorization in Section 4(a) above, and, if any Initial Purchaser defaults in its corresponding commitment, each of the other Initial Purchasers will assume their proportionate share (based on the ratio of its Purchase Commitment to the aggregate Purchase Commitments of all non-defaulting Initial Purchasers) of such commitment without relieving the defaulting Initial Purchaser from liability.

(c) *Undertaking Not to Stabilize.*

Each Initial Purchaser (other than the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* in its capacity as such) represents and agrees that it has not effected and will not effect any transactions (whether in the open market or otherwise)

with a view to stabilizing or maintaining the market price of the Securities at levels other than those which might otherwise prevail.

(d) *Regulatory Inquiries.*

The Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* shall, to the extent practicable, act as a central point of inquiry for any request from any relevant regulatory authority in relation to stabilization and shall promptly provide each Initial Purchaser with any information concerning Stabilizing Transactions as such Initial Purchaser is required to provide to any relevant regulatory authority.

(e) *Information about Stabilizing Transactions.*

The Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* shall, after the completion of all Stabilizing Transactions, provide any Initial Purchaser with such information concerning the Stabilizing Transactions as may be reasonably requested by such Initial Purchaser.

(f) *Delegation.*

The Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* may delegate any of its rights or obligations under this Section 4 to any of its affiliates other than an affiliate constituting a fund in the business of holding securities for its own account. Notwithstanding any such delegation, the Lead Representative *[/[INSERT NAME OF THE RELEVANT BANK]]* shall retain its obligations to the other Initial Purchasers hereunder.

5. *Default by Initial Purchasers.*

A default by any Initial Purchaser hereunder or under the Purchase Agreement will not release any other Initial Purchaser from its obligations or affect such defaulting Initial Purchaser's liability to any other Initial Purchaser for damages resulting from its own default. If any Initial Purchaser defaults in its obligations to purchase Securities under the Purchase Agreement, the Lead Representative may arrange for the purchase by others, including any non-defaulting Initial Purchaser, of Securities not taken up by the defaulting Initial Purchaser in accordance with the Purchase Agreement. If any Initial Purchaser defaults in its obligation to make any payments under Section 3(d), 4, 7, 8 or 10 hereof, each non-defaulting Initial Purchaser shall be obligated to pay its proportionate share of all such defaulted payments, based on the ratio of its Purchase Commitment to the aggregate Purchase Commitments of all non-defaulting Initial Purchasers, but no such payment shall relieve the defaulting Initial Purchaser from liability for its default.

6. *Position of the Lead Representative and the Joint Bookrunners; Relationship Between Initial Purchasers.*

The Lead Representative and the Joint Bookrunners will be under no liability to any Initial Purchaser for any act or omission except for those obligations expressly assumed by the Lead Representative or the Joint Bookrunners herein, and no obligations on the Lead Representative's or the Joint Bookrunners' part will be implied hereby or inferred herefrom. The rights and liabilities of the Initial Purchasers hereunder are several and not joint, the representations, warranties and covenants of the Initial Purchasers hereunder are given severally and not jointly, and nothing contained herein shall constitute or be deemed to constitute the Initial Purchasers as partners with each other or (except as expressly provided herein) render any Initial Purchaser liable for the obligations of any other Initial Purchaser. No Initial Purchaser shall be bound in any way by the acts of any other Initial Purchaser in respect of the issue of the Securities except those of the Lead Representative on behalf of the Initial Purchasers pursuant to the provisions of this Agreement or the Purchase Agreement, and no Initial Purchaser shall have any right to contribution or account against

any other Initial Purchaser except as expressly provided herein. Each Initial Purchaser shall bear all losses and expenses incurred by it and be entitled to retain all profits earned by it in connection with the Purchase Agreement except as otherwise expressly provided herein. If for U.S. federal income tax purposes the Initial Purchasers shall be deemed to constitute a partnership, each Initial Purchaser elects to be excluded from the application of Subchapter K, Chapter 1, Subtitle A, of the U.S. Internal Revenue Code, as amended.

7. *Indemnification.*

Each Initial Purchaser (each an "**Indemnifying Initial Purchaser**") will indemnify and hold harmless each other Initial Purchaser, its affiliates, their respective officers, directors, employees, representatives and agents, and each person, if any, who controls any such Initial Purchaser within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act (each, an "**Indemnified Party**") to the extent and upon the terms upon which such Indemnifying Initial Purchaser agrees to indemnify and hold harmless any of the Issuer, any Guarantor, any person controlling the Issuer or any Guarantor, and their respective directors and officers, in each case as set forth in the Purchase Agreement. The Indemnifying Initial Purchaser will also indemnify and hold harmless each Indemnified Party from and against any and all losses, claims, damages, liabilities, costs and expenses (including fees and expenses of legal advisers) arising out of or in connection with any breach by the Indemnifying Initial Purchaser of any of the provisions of this Agreement or the Purchase Agreement (including, without limitation, the representations, warranties and covenants in Section 2(b) above), and any litigation, investigation, proceeding, claim or other action which is asserted, threatened, or instituted by any party, including any governmental or regulatory body (collectively, "**Actions**") relating to any matter covered by this Section 7. The Indemnifying Initial Purchaser will also reimburse each Indemnified Party upon demand for all expenses, including fees and expenses of legal advisers, as they are incurred, in connection with investigating, preparing for or defending any matter covered by this Section 7.

8. *Contribution.*

Each Initial Purchaser will pay, as contribution, its Placement Percentage of any losses, claims, damages, liabilities and, except as limited by the next sentence, costs and expenses (collectively, "**Losses**"), joint or several, paid or incurred by any Initial Purchaser to any person other than an Initial Purchaser, in connection with the Offering (including, without limitation, Losses arising out of or based upon any untrue statement or alleged untrue statement of any material fact contained in any of the Offering Documents, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading (other than an untrue statement or alleged untrue statement or omission or alleged omission to the extent made in reliance upon and in conformity with written information furnished by the Initial Purchaser seeking contribution expressly for use therein)) and any Action relating to any of the foregoing. Each Initial Purchaser will also pay its Placement Percentage of any legal or other expenses, including fees and expenses of legal advisers (to the extent such payment of fees and expenses of legal advisers is required under Section 10 below), as they are incurred, which are reasonably incurred by the Initial Purchaser seeking contribution in connection with investigating or defending any such Loss or any Action in respect thereof. No Initial Purchaser shall be entitled to contribution in respect of any such Losses or Actions arising out of or in connection with (i) any Action by a regulatory or supervisory body by which such Initial Purchaser is authorized or regulated, in respect of a breach of the rules or regulations of that body by such Initial Purchaser or (ii) any breach by such Initial Purchaser of any of the provisions of this Agreement or the Purchase Agreement. In determining the amount of any Initial Purchaser's obligation under this Section 8, appropriate adjustment may be made by the Lead Representative to reflect any amounts received by any Initial Purchaser in respect of such Loss from the Issuer or any other person (other than an Initial Purchaser) pursuant to the Purchase Agreement or otherwise. There shall be credited against any amount paid or

payable by any Initial Purchaser pursuant to this Section 8 any Loss that is incurred by such Initial Purchaser as a result of any such Action, and if such Loss is incurred by such Initial Purchaser subsequent to any payment by it pursuant to this Section 8, appropriate provision shall be made to effect such credit, by refund or otherwise. In determining amounts payable pursuant to this Section 8, any Loss incurred by any person who controls an Initial Purchaser within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act that has been incurred by reason of such control relationship shall be deemed to have been incurred by that Initial Purchaser. Whenever an Initial Purchaser receives notice of any Action to which the provisions of this Section 8 would be applicable, such Initial Purchaser will give prompt notice thereof to each of the other Initial Purchasers. No Initial Purchaser shall be entitled to contribution from any other Initial Purchaser pursuant to this Section 8 for any Loss arising out of or in connection with a settlement or compromise of, or consent to the entry of judgment with respect to, any Action unless such settlement, compromise or consent is in accordance with Section 9 below. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. None of the foregoing provisions of this Section 8 will relieve any defaulting or breaching Initial Purchaser from liability for its default or breach.

9. *Settlement of Actions.*

Neither the Lead Representative nor any other Initial Purchaser party to this Agreement may settle or agree to settle any Action related to or arising out of the Offering, unless the Lead Representative, together with such other Initial Purchasers as represent a majority of the Placement Percentage of the Initial Purchasers as a whole (including the Lead Representative's interest), approve the settlement of such Action, in which case the Lead Representative is authorized to settle for all Initial Purchasers, provided, however, that the settlement agreement results in the settlement of the Action against all Initial Purchasers raised by the plaintiffs party thereto.

10. *Retention of Legal Advisers.*

Except as provided for in Section 7 above, where any Action related to or arising out of the Offering is brought against any of the Initial Purchasers, the Joint Bookrunners shall retain legal advisers reasonably satisfactory to all of them to represent the person against whom such Action is brought and each Initial Purchaser shall pay its Placement Percentage of the fees and expenses of such legal advisers related to such Action. Except as provided for in Section 7 above, in any such Action, any Initial Purchaser shall have the right to retain its own legal advisers, but the fees and expenses of such legal advisers shall be the liability of such Initial Purchaser unless any of the following circumstances occur in which case they shall be the liability of all of the Initial Purchasers on the basis of their respective Placement Percentages:

(i) the Joint Bookrunners have failed within a reasonable time to agree on the legal advisers to be retained; or

(ii) counsel selected by the Joint Bookrunners determines that representation of all Initial Purchasers by the same legal advisers would be inappropriate due to actual or potential differing interests between them.

11. *Actions in Respect of the Purchase Agreement.*

If any Initial Purchaser wishes to terminate its obligation to purchase Securities under the Purchase Agreement or waive compliance with any of the conditions therein, in each case as permitted by the terms thereof, it shall consult with the Lead Representative who shall, to the extent it considers reasonably practicable, consult with the other Initial Purchasers. The Lead Representative may in any event, on behalf of the Initial Purchasers and with the

agreement of the Joint Bookrunners (as required by Section 1(a)(i) above), give notice to the Issuer and the Guarantors, if any, of termination of the Purchase Agreement or waiver of compliance with any of the conditions therein in accordance with the terms thereof and shall not be responsible to any Initial Purchaser for any consequences resulting from such notice. No Initial Purchaser other than the Lead Representative may give any such notice, and the Lead Representative is not required to give, or not to give, such notice.

12. *Termination.*

If the Purchase Agreement is terminated prior to the Closing Date as permitted by its terms, this Agreement will terminate upon the date of such termination of the Purchase Agreement.

Upon termination of this Agreement, Sections 3(d), 5, 6, 7, 8, 9, 10, 13, 14 and 15 hereof shall survive.

13. *Notices.*

Any notice or, unless otherwise agreed, approval under this Agreement shall be deemed to have been given if mailed, hand-delivered, or sent by telecopier or electronic transmission or other communication in writing, or telephoned and subsequently confirmed in writing, to the relevant address set forth in the Purchase Agreement or in Annex A to this Agreement. Any such notice shall take effect upon receipt thereof.

14. *No Third Party Rights.*

A person that is not a party to this Agreement has no rights including, without limitation, under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement, except as expressly set forth in Section 7 above. The parties to this Agreement do not require the consent of any person not a party to this Agreement to rescind or vary this Agreement at any time.

15. *Applicable Law; Jurisdiction.*

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

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

16. *Counterparts.*

This Agreement may be signed in various counterparts, which together shall constitute one and the same instrument.

17. *Headings.*

The headings herein are inserted for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first written above.

[NAME OF LEAD REPRESENTATIVE]
as the Lead Representative and
as a Joint Bookrunner and
as an Initial Purchaser

By:_____
Name:
Title:

[NAME OF JOINT BOOKRUNNER]
as a Joint Bookrunner and
as an Initial Purchaser

By:_____
Name:
Title:

[NAME OF INITIAL PURCHASER]
as an Initial Purchaser

By:_____
Name:
Title:

[NAME OF INITIAL PURCHASER]
as an Initial Purchaser

By:_____
Name:
Title:

ANNEX A

ADDRESS FOR NOTICES

[NAME OF LEAD REPRESENTATIVE]

Attention:
Mailing address:
Telephone:
Telecopier:
E-mail:

[NAME OF JOINT BOOKRUNNER]

Attention:
Mailing address:
Telephone:
Telecopier:
E-mail:

[NAME OF INITIAL PURCHASER]

Attention:
Mailing address:
Telephone:
Telecopier:
E-mail:

[NAME OF INITIAL PURCHASER]

Attention:
Mailing address:
Telephone:
Telecopier:
E-mail:

Appendix D

AFME Recommended Disclosure Guidelines for Non-Investment Grade Debt

Association for Financial Markets in Europe

AFME Recommended Market Practices Disclosure by Issuers of Non-Investment Grade Debt Securities[1]

Updated March 2017

The Association for Financial Markets in Europe recommends that the issuers of noninvestment grade debt securities adopt the following four principles of disclosure as "best practice" where their securities are to be listed or otherwise publicly traded:[2]

1. Disclosure of Debt Documentation and Amendments

An issuer of non-investment grade debt securities should make publicly available the key documentation for its material debt facilities and intercreditor arrangements, including agreed amendments and waivers. The documentation should be available on the issuer's public website, Bloomberg (or other comparable public news service), and/or, to the extent practicable, the exchange on which the securities are listed.

2. The Offering Memorandum

An offering memorandum for a new issue of non-investment grade debt securities should include an organizational chart of the issuer's corporate legal structure, including an indication of where in the corporate legal structure each material debt facility or other financing (including any guarantees or security interests, if applicable) is located.

In addition, the offering memorandum should disclose the key terms of the issuer's material debt facilities and other financings, including a table showing the maturity profile of the issuer's long term debt obligations (on a pro forma basis for the offering) over the next 5 years and, with respect to each material facility or instrument:

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1 The recommendations in these guidelines are subjectto applicable laws in the relevant jurisdiction.

2 These guidelines represent an update of the disclosure guidelines that were issued by AFME in December 2011.

- Key payment terms, including unused availability, interest rate, maturity and required amortization;

- Financial covenants, including definitions, and ratios (for each period of the loan until maturity) in sufficient detail to enable investors to understand the issuer's obligations under the covenants;

- Guarantees and security, including material limitations on enforceability and release provisions; and

- Terms of any intercreditor arrangements that affect such debt.

This description may be in any form, including term sheet format.

It is recommended that investors are given an opportunity to discuss the capital structure and covenants affecting an investment in the relevant bonds, and that the discussion take place at the same time as the issuer's group presentations (i.e., the relevant investor breakfast, lunch and global conference call). Please see the AFME website for a sample list of questions that investors might ask during any such discussions."

3. Ongoing Disclosure

The issuer of non-investment grade debt securities should promptly disclose to the same extent and in substantially the same manner as the initial issue disclosure:

- When agreed:

  - The terms of any material amendments to, or waivers of, provisions of its material debt facilities (including any related guarantees and security interests);

  - The terms of any material amendments to, or waivers of, provisions of its material intercompany debt arrangements, including intercompany loans, guarantees and security interests;

  - new or refinanced material debt facilities;

- Payment or covenant default or any other triggering event that has resulted in acceleration of debt of the issuer; and

- Any material changes to its corporate legal structure (including any material acquisitions, disposals or corporate reorganizations).

4. Financial Disclosure and Ongoing Reporting Obligations

Issuers of non-investment grade debt securities are reminded of their recurring and special reporting obligations under the indenture or trust deed and the listing rules of the exchange on which the securities may belisted. Any financial reports or other disclosure given after the initial

issuance of non-investment grade debt securities should be consistent with, and made to the same extent and in substantially the same manner as, the reports and disclosure given in connection with the initial issuance, including a reconciliation between EBITDA and the Cash Flow Statement, if applicable.

The issuer's quarterly (semi-annual, if any) and annual reports should include, where applicable:[3]

- Balance Sheet, Income Statement and Cash Flow Statement, each prepared in accordance with the relevant GAAP standard;
- Definitions for non-GAAP measures referred to in the report;
- Information regarding the issuer's outstanding debt obligations, including:
  - The total amount of the issuer's material debt obligations, including a breakdown of the individual components of such debt obligations; and

Unused availability under committed credit lines.

The issuer's annual report should also include a maturity profile for the issuer's long term debt obligations over the next 5 years, shown on a yearly basis (to be included in the issuer's annual report).

It is recommended that the publication of each quarterly (semi-annual, if any) and annual financial reporting disclosure should be followed by a conference call open to all relevant market participants (as outlined below). We encourage market participants to include a covenant in the relevant indenture requiring such conference call.

Issuers of non-investment grade debt securities should ensure that:

- Any report, financial or other disclosure, or other information regarding the relevant securities (or, if applicable, the Issuer), is released promptly and simultaneously to all relevant market participants;
- All relevant market participants are given reasonable advance notice of (a) any conference calls related to the securities (or, if applicable, the Issuer) and (b) the release dates and times of any quarterly report, annual report or other relevant information regarding the securities (or, if applicable, the Issuer); and
- To the extent that information regarding the securities or the Issuer is released via email, the related email distribution list is updated on a continuous basis.

- In addition to the foregoing, the issuer should, within a reasonable time after each quarterly and annual report, make the report accessible to investors on the issuer's website.

Issuers of non-investment grade debt securities should be able to satisfy the disclosure and reporting and other obligations referred to above by posting the relevant information to the issuer's public website, Bloomberg (or other comparable public news service), and/or, to the extent practicable, the exchange on which the securities are listed, in each case simultaneously with, or as soon as practicable after, such information is first released or otherwise disseminated by the issuer.

It is recommended that access to any issuer website, or any relevant section of an issuer's website, related to the relevant securities should not be conditional on registration of a password (or other prior registration), approval of access, acceptance of confidentiality obligations or other restrictions on access or on the use or disclosure of the information related to the relevant securities disclosed on the issuer's website.

Issuers are reminded that the relevant listing or disclosure rules may also require the issuer to make disclosures using a prescribed service (such as an approved regulatory information service in the UK and Ireland) and to post information to its own website. Those rules may also require that material information should not be publicly disclosed by posting to a website or otherwise released in advance of publication via the prescribed service.

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1040 Brussels
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+32 (0)2 788 3971

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