

**Class A1 Currency Swap Confirmation**

18 September 2019

Brass No.8 PLC  
c/o Wilmington Trust SP Services (London) Limited  
Third Floor  
1 King's Arms Yard  
EC2R 7AF

Dear Sirs

**Re: BRASS NO. 8 PLC – Class A1 Currency Swap in respect of the Class A1 Notes**

Our Reference: TRADE 258865636 / CONTRACT 185240908  
UTI: 1030247694FI-STAR-185240908

The purpose of this document is to set forth the terms and conditions of the Transaction entered into between BNP Paribas (**Party A**) and yourselves, Brass No.8 PLC (**Party B**) on the Trade Date specified below (the **Transaction**). This document constitutes a "Confirmation" as referred to in the Agreement specified below.

The definitions and provisions contained in the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. (the **2006 Definitions**), are incorporated into this Confirmation. Capitalised terms that are not otherwise defined herein shall have the meanings given to them in the Master Definitions and Construction Schedule dated on or about the date hereof and made between, *inter alios*, Party A, Party B and Citicorp Trustee Company Limited, as Note Trustee and Security Trustee (the **Master Definitions Schedule**). This Confirmation also hereby incorporates by reference the definitions and provisions contained in the 2018 ISDA Benchmarks Supplement, published by the International Swaps and Derivatives Association, Inc. on 19 September 2018 (the **Benchmarks Supplement**), provided that only the definitions and provisions contained in the Benchmarks Supplement relating to the 2006 Definitions are hereby incorporated. In the event of any inconsistency between any of the following, the first listed shall govern (i) this Confirmation, (ii) the Master Definitions Schedule, (iii) the Benchmarks Supplement, and (iv) the 2006 Definitions, provided that all references to a "Calculation Period" in this Confirmation shall be to a Calculation Period as such term is defined pursuant to Section 4.13 of the 2006 Definitions and the definition of Calculation Period set out in the Master Definitions Schedule shall not apply with respect to this document.

This Confirmation supplements, forms part of, and is subject to, a 1992 ISDA Master Agreement dated as of 18 September 2019 as amended and supplemented from time to time, between yourselves and BNP Paribas which is identified by a header stating "SCHEDULE – CURRENCY SWAP TRANSACTION" (the **Agreement**). All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

The parties acknowledge and agree that this Transaction has been entered into in connection with the issuance by the Issuer of USD 316,000,000 Class A1 Notes due 16 November 2066 (the **Class A1 Notes**).

The terms of the particular Transaction to which this Confirmation relates are as follows:

## 1. General Terms

Trade Date	18 September 2019
Effective Date	18 September 2019
Termination Date	16 November 2066, subject to adjustment in accordance with the Following Business Day Convention.
Business Day Convention	Following
Business Days	London
Exchange Rate	GBP 1 per USD 1.2321.

### (A) PARTY A FLOATING AMOUNTS

Party A Floating Rate Payer Currency Amount	In respect of each Calculation Period, an amount in USD equal to the Principal Amount Outstanding of the Class A1 Notes on the first day of such Calculation Period (after taking into account any redemption on such day).
Party A Floating Rate Payer Payment Dates	The 16th day of February, May, August and November in each year, commencing on 16 February 2020 and with the final Party A Floating Rate Payer Payment Date falling on the Termination Date, all subject to adjustment in accordance with the Following Business Day Convention.
Party A Floating Rate Option	USD-LIBOR-BBA.
Designated Maturity	Three Months.
Reset Dates	The first day of each Calculation Period.
Spread	Prior to the Step-Up Date, 0.70 per cent. per annum and from the Step-Up Date, 1.40 per cent. per annum.
Negative Interest Rate Method	Applicable
Party A Floating Rate Day Count Fraction	Act/360
Rounding	To the nearest cent

### (C) PARTY B FLOATING AMOUNTS

Party B Currency Amount	In respect of each Calculation Period, an amount in GBP equal to the Sterling Equivalent Principal Amount Outstanding of the Class A1 Notes on
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the first day of such Calculation Period (after taking into account any redemption on such day).

Party B Payment Dates

Each Party A Floating Rate Payer Payment Date.

Party B Floating Rate Option

Compounded Daily SONIA

Compounded Daily SONIA

The rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent in respect of each Calculation Period as at the Reset Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{SONIA_{i-pLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

$d$  is the number of calendar days in the relevant Calculation Period;

$d_o$  for any Calculation Period, is the number of London banking days in the relevant Calculation Period;

$i$  is a series of whole numbers from one to  $d_o$ , each representing the relevant London banking day in chronological order from, and including, the first London banking day in the relevant Calculation Period;

**London banking day** or **LBD** means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

$n_i$ , for any day  $i$ , means the number of calendar days from and including such day  $i$  up to but excluding the following London banking day;

**Observation Period** means, in respect of a Calculation Period, the period from and including the date falling  $p$  London banking days prior to the first day of the relevant Calculation Period and ending on, but excluding, the date falling  $p$  London banking days prior to the Party B Payment Date for such Calculation Period (or, if applicable, the date falling  $p$  London banking days prior to any other date on which a payment

of interest is to be made in respect of the Class A1 Notes);

*p* means for any Calculation Period, five London banking days or such other period as otherwise agreed between Party A and Party B;

**Relevant Screen Page** means Reuters Screen SONIA Page (or any replacement thereto);

**SONIA Reference Rate**, in respect of any London banking day, is a reference rate equal to the daily Sterling Overnight Index Average (**SONIA**) rate for such London banking day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors (on the London banking day immediately following such London banking day); and

**SONIA<sub>*i-p*LBD</sub>** means, in respect of any London banking day falling in the relevant Observation Period, the SONIA Reference Rate for the London banking day falling *p* London banking days prior to the relevant London banking day *i*.

If, in respect of any London banking day in the Observation Period in respect of the relevant Calculation Period, the Calculation Agent determines that the SONIA Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall be: (i) the Bank of England's Bank Rate (the **Bank Rate**) prevailing at close of business on the relevant London banking day; plus (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous *p* London banking days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

Negative Interest Rate Method

Applicable

Reset Dates

In respect of each Calculation Period, the *p* London banking day prior to the Party B Floating Rate Payer Payment Date immediately following the last day of such Calculation Period.

Spread	Prior to the Step-Up Date, 0.892 per cent. per annum and from the Step-Up Date, 1.784 per cent. per annum.
Floating Rate Day Count Fraction	Act/365
Rounding	To the nearest penny.
(D) INITIAL EXCHANGE	
Initial Exchange Date	Effective Date
Party A Initial Exchange Amount	GBP 256,472,688.91
Party B Initial Exchange Amount	USD 316,000,000.00
(E) INTERIM EXCHANGE	
Interim Exchange Dates	Each Payment Date, other than the Termination Date, on which any of the Class A1 Notes are redeemed in part pursuant to Condition 7.2 ( <i>Mandatory Redemption</i> ).
Party A Interim Exchange Amount	In respect of each Interim Exchange Date, an amount in USD equal to the Party B Interim Exchange Amount for such Interim Exchange Date converted into USD using the Exchange Rate.
Party B Interim Exchange Amount	In respect of each Interim Exchange Date, an amount in GBP equal to the portion of the Available Principal Receipts to be applied in redemption of the Class A1 Notes on such Interim Exchange Date in accordance with the Pre-Acceleration Revenue Priority of Payments, the Pre-Acceleration Principal Priority of Payments and Condition 7.2 ( <i>Mandatory Redemption</i> ).
(F) FINAL EXCHANGE	
Final Exchange Date	Termination Date.
Party A Final Exchange Amount	An amount in USD equal to the Principal Amount Outstanding of the Class A1 Notes on the Final Exchange Date (before taking into account any redemption on such day).
Party B Final Exchange Amount	An amount in GBP equal to the Party A Final Exchange Amount for the Final Exchange Date converted into GBP using the Exchange Rate.

## 2. Account Details

(A) *Payments to Party A*

*Account for payments in USD:*

Bank: BNP PARIBAS NEW YORK, NY (Fed ABA  
XXXXXXXXXX)  
Account No.: XXXXX-XXXXXX-XXX-XX  
Swift: XXXXXXXX  
Reference:

*Account for payments in GBP:*

Bank: BNP PARIBAS LONDON  
Account No.: XXXXXXXXXXXXXXXXXXXXXXXX  
Swift: XXXXXXXX  
Reference:

(B) *Payments to Party B*

*Account for payments in USD:*

Account Number: XXXXXXXX  
BIC: XXXXXXXX  
ABA: XXXXXXXX  
Beneficiary: Citibank, N.A., London Branch

*Account for payments in GBP:*

Sort Code: XXXXXX  
Account Number: XXXXXXXX  
Swift: XXXXXXXXXXXX  
Beneficiary: Yorkshire Building Society

(C) *Payments to the Principal Paying Agent*

Party B hereby directs Party A to make any payments in USD to the account of the Principal Paying Agent in accordance with paragraph (B) (*Payments to Party B*) above.

The parties acknowledge and agree that any payments made to Citibank, N.A., London Branch, in its capacity as Principal Paying Agent, on the account of any payments to be made by Party A to Party B under this Confirmation shall be deemed to discharge the relevant payment obligations owed by Party A to Party B under this Confirmation.

### 3. **Additional Termination Events**

#### (A) *Partial payment of Final Exchange Amount*

In relation to Section 5(b)(vi) of the Agreement it shall be an Additional Termination Event if either: (x) Party B or the Cash Manager gives written notice to Party A on any of the five Business Days prior to the Final Exchange Date that according to the relevant Priorities of Payments Party B will not have sufficient monies to pay the Party B Final Exchange Amount in full on the Final Exchange Date; or (y) Party B fails to pay the Party B Final Exchange Amount in full by 12.00p.m. on the Final Exchange Date and neither Party B nor the Cash Manager has notified Party A that such failure to pay arises solely out of a wire transfer problem or an operational or administrative error or omission (provided that the required funds to make payment of the Party B Final Exchange Amount in full were otherwise available to Party B in accordance with the relevant Priorities of Payment).

In respect of this Additional Termination Event Party B shall be the Affected Party and the following provisions shall apply notwithstanding Section 2(a)(iii) and Section 6(c)(ii) of the Agreement:

- (i) the Early Termination Date shall occur automatically on the Final Exchange Date;
- (ii) on the Early Termination Date:
  - (a) if this Additional Termination Event arises under part (x) above, Party B shall pay to Party A the monies (if any) available pursuant to the relevant Priorities of Payment for the purpose of paying the Party B Final Exchange Amount;
  - (b) Party A shall reduce the amount of the Party A Final Exchange Amount to an amount in USD equal to the amount paid by Party B and actually received by Party A in respect of the Party B Final Exchange Amount converted into USD using the Exchange Rate, and pay such reduced Party A Final Exchange Amount to Party B;
  - (c) Party A shall pay the Party A Floating Amount calculated in respect of the final Calculation Period (on the basis that the last day of such final Calculation Period is the Early Termination Date) to Party B; and
  - (d) Party B shall pay the Party B Floating Amount calculated in respect of the final Calculation Period (on the basis that the last day of such final Calculation Period is the Early Termination Date) to Party A;
- (iii) notwithstanding Section 6(d)(ii) of the Agreement, any Early Termination Amount due in respect of such Early Termination Date will be payable on the Early Termination Date. For the purposes of Section 6(e) of the Agreement:
  - (a) the Settlement Amount in respect of this Transaction shall be calculated on the basis that the terms of this Transaction do not include this paragraph 3 (Additional Termination Events); and
  - (b) the amount payable by a party ("X") under Section 6(e) of the Agreement shall be: (1) increased by an amount equal to the aggregate of the Termination Currency Equivalents of the amounts received by X pursuant to subparagraph 3(A)(ii) above, and (2) decreased by an amount equal to the aggregate of the Termination Currency Equivalents of the amounts actually paid by X pursuant to subparagraph 3(A)(ii) above.

#### (B) *Early Redemption*

In relation to Section 5(b)(vi) of the Agreement and the Additional Termination Event set out in Part 1(h)(iii) of the Schedule to the Agreement, in the case of a redemption in full of the Class A1 Notes pursuant to Condition 7.4 (*Optional Redemption of the Class A Notes in Full*) or Condition 7.5 (*Optional Redemption of the Class A Notes for Taxation or Other Reasons*) the following provisions shall apply notwithstanding Section 2(a)(iii)(2) and Section 6(c)(ii) of the Agreement:

- (i) the Early Termination Date shall occur automatically on the redemption date;
- (ii) on the Early Termination Date:
  - (a) Party B shall pay the Party B Final Exchange Amount to Party A and Party A shall pay the Party A Final Exchange Amount to Party B, in each case, on the basis that the reference to "Final Exchange Date" in each of Party A Final Exchange Amount and Party B Final Exchange Amount is a reference to the Early Termination Date; and
  - (b) Party A shall pay the Party A Floating Amount calculated in respect of the final Calculation Period (on the basis that the last day of such final Calculation Period is the Early Termination Date) to Party B; and
  - (c) Party B shall pay the Party B Floating Amount calculated in respect of the final Calculation Period (on the basis that the last day of such final Calculation Period is the Early Termination Date) to Party A; and
- (iii) notwithstanding Section 6(d)(ii) of the Agreement, any Early Termination Amount due in respect of such Early Termination Date will be payable on the Early Termination Date. For the purposes of Section 6(e) of the Agreement:
  - (a) the Settlement Amount in respect of this Transaction shall be calculated on the basis that the terms of this Transaction do not include this paragraph 3 (Additional Termination Events); and
  - (b) the amount payable by a party ("X") under Section 6(e) of the Agreement shall be: (1) increased by an amount equal to the aggregate of the Termination Currency Equivalents of the amounts received by X pursuant to subparagraph 3(B)(ii) above, and (2) decreased by an amount equal to the aggregate of the Termination Currency Equivalents of the amounts actually paid by X pursuant to subparagraph 3(B)(ii) above.

#### **4. Provision of Information**

Party B or the Cash Manager acting on its behalf will (i) notify Party A of the amount of principal payments to be made on and the Principal Amount Outstanding of the Class A1 Notes on each Interest Payment Date no later than two (2) Local Business Days prior to such Interest Payment Date and (ii) provide any other information (such as monthly data tapes) from time to time reasonably requested by Party A and which Party B or the Cash Manager (as applicable) is able to provide without incurring unreasonable costs or expenses. Party B, or the Cash Manager acting on its behalf, will notify Party A as soon as it is reasonably practical of any early redemption of the Class A1 Notes in accordance with the Conditions.

#### **5. Required Reference Rate Adjustments**

- (i) The terms of this Transaction shall be deemed to incorporate the definitions and provisions contained in the Benchmarks Supplement, provided that only the definitions and provisions contained in the Benchmarks Supplement relating to the 2006 Definitions will be deemed to be incorporated.



- (ii) Notwithstanding sub-paragraph (i) and the provisions contained in the Benchmarks Supplement, upon the occurrence of a Benchmark Trigger Event (as defined in the Benchmarks Supplement), the parties each agree, where necessary to maintain the Hedging Efficiency of this Transaction, to use commercially reasonable efforts to apply an alternative fallback (and make alternative adjustments, amendments and payments) in respect of this Transaction to those that would otherwise apply in respect of such Benchmark Trigger Event pursuant to the provisions of the Benchmarks Supplement.
- (iii) To the extent any Hedging Efficiency Modification has an Economic Impact on Party A and/or Party B (the **Impacted Party**) (as determined by Party A acting in a commercially reasonable manner), the parties agree that the Impacted Party shall be compensated by the other in respect of any such Economic Impact and the Adjustment Payment (as defined in the Benchmarks Supplement) that would apply in respect of such economic impact and the mechanics for payment of the same shall be agreed at such time.
- (iv) For the purposes hereof:

**Economic Impact** means a transfer of economic value or adverse change in the economics of this Transaction.

**Hedging Efficiency** means the reduction or elimination of any mismatch that may arise from a difference between the index, benchmark or price source (including any fallbacks in relation thereto) contained in the terms of a Reference Obligation and that contained in the terms of this Transaction.

**Hedging Efficiency Modification** means any alternative fallback and/or any alternative adjustment, amendment and/or payment effected pursuant to and in accordance with sub-paragraph (ii) above.

Please confirm that the foregoing correctly sets forth the terms of our agreement by signing a copy of this Confirmation.

Yours sincerely

Name:

Title:

For and on behalf of

**BNP PARIBAS**

Acknowledged and agreed by **BRASS NO. 8 PLC** as of the Trade Date specified above.

Name:

Title:

For and on behalf of