

TERMS AND CONDITIONS OF THE BONDS

The following is the text of the Terms and Conditions of the Bonds (as defined below) which will be applicable to the Certificates (as defined below) in definitive form (if any) issued in exchange for the Global Certificate representing the Bonds. The full text of these terms and conditions shall be endorsed on the Certificates relating to such Bonds.

The USD 1,035,375,000 7 per cent. bonds due 22 March 2026 (the “**Bonds**”, which expression shall in these Terms and Conditions, unless the context otherwise requires, include any further bonds issued pursuant to Condition 19 (*Further issues*) and forming a single series with the Bonds) are constituted by a trust deed dated 22 March 2021 (as modified and/or supplemented and/or superseded from time to time, the “**Trust Deed**”) between Telegram Group Inc. (the “**Issuer**”) and The Law Debenture Trust Corporation p.l.c. (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the holders of the Bonds. The issue of the Bonds was authorised by a resolution of the sole director of the Issuer passed on 14 March 2021.

The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Trust Deed, which includes the form of the Certificates referred to below. An agency agreement dated 22 March 2021 (as modified and/or supplemented and/or superseded from time to time, the “**Agency Agreement**”) has been entered into in relation to the Bonds between the Issuer, the Trustee, GLAS SAS as registrar and as transfer agent, GLAS Trust Company LLC as principal paying agent and the other paying agents appointed thereunder. The principal paying agent, the other paying agents, the registrar and the transfer agent for the time being under the Agency Agreement are referred to below respectively as the “**Principal Paying Agent**”, the “**Paying Agent**” (which expression shall include the Principal Paying Agent), the “**Registrar**” and the “**Transfer Agent**” (in each case, which expression shall include any successor in such capacity).

Copies of the Trust Deed and the Agency Agreement are available for inspection during normal business hours by the Bondholders at the specified offices of the Paying Agents and the Transfer Agent and will be made available in electronic form upon request made to the Principal Paying Agent at - tes@glas.agency.

The Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of each of the provisions of the Agency Agreement applicable to them.

Unless defined elsewhere in these Terms and Conditions, words and expressions used in these Terms and Conditions shall have the meanings given to them in Condition 22 (*Definitions*).

1. Form, denominations and title

1.1 Form and denomination

The Bonds are issued in registered form in a minimum denomination of USD 500,000 and in multiples of USD 1,000 in excess thereof. A bond certificate (each a “**Certificate**”) will be issued to each Bondholder in respect of its registered holding of Bonds. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Bondholders that the Issuer will procure to be kept outside the United Kingdom by the Registrar (the “**Register**”).

1.2 Title

Title to the Bonds passes only by registration in the Register. The holder of any Bond will (except as ordered by a court of competent jurisdiction or as otherwise required by applicable law and regulation) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Terms and Conditions, “**Bondholder**” and (in relation to a Bond) “**holder**” means the person in whose name a Bond is registered in the Register.

2. Transfer of Bonds and issue of Certificates

2.1 Transfers

A Bond may be transferred by depositing the Certificate issued in respect of that Bond, with the form of transfer on the back duly completed and signed, at the specified office of the Transfer Agent.

In the case of a transfer of part only of a holding of Bonds represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

New Certificates shall only be issued against surrender of the existing Certificates to the Transfer Agent. In the case of a transfer of Bonds to a person who is already a holder of Bonds, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

2.2 Delivery of new Certificates

Each new Certificate to be issued upon a transfer of Bonds will, within five (5) Business Days of receipt by the Transfer Agent of the duly completed form of transfer endorsed on the relevant Certificate, be mailed by uninsured mail at the risk of the holder entitled to the Bond to the address specified in the form of transfer.

Where some but not all of the Bonds in respect of which a Certificate is issued are to be transferred, a new Certificate in respect of the balance of Bonds not so transferred will, within five (5) Business Days of receipt by the Transfer Agent of the original Certificate, be mailed by uninsured mail at the risk of the transferor Bondholder to the address of such holder appearing on the Register or as specified in the form of transfer.

2.3 Formalities free of charge

Registration of transfer of any Bonds will be effected without charge by or on behalf of the Issuer or the Transfer Agent but upon payment (or the giving of such indemnity as the Issuer or the Transfer Agent may reasonably require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer.

2.4 Closed periods

No Bondholder may require the transfer of a Bond to be registered:

- (A) during the period of 15 days ending on (and including) the due date for redemption of that Bond; or
- (B) after any such Bond has been called for redemption; or
- (C) during the period from (and including) any Record Date to (and including) the relevant Interest Payment Date; or
- (D) at any time after a Bondholder has delivered, in respect of such Bond, an IPO Redemption Notice that has not been validly revoked in accordance with Condition 8.2 (*Procedure*).

2.5 Regulations

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Bondholder who requests one.

3. Status

The Bonds constitute direct, unconditional, unsubordinated and, subject to the provisions of Condition 4.1 (*Negative pledge*), unsecured obligations of the Issuer and rank and will

rank *pari passu* without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable laws and subject to Condition 4.1 (*Negative pledge*), at all times rank at least equally with all its other outstanding unsecured and unsubordinated obligations, present and future.

4. Negative pledge and other covenants

4.1 Negative pledge

So long as any of the Bonds remains outstanding (as defined in the Trust Deed), the Issuer undertakes that no Indebtedness of any member of the Group or any other person and no guarantee or indemnity by any member of the Group of any Indebtedness of any person will be secured by a mortgage, charge, lien, pledge or other security interest (each a "**Security Interest**") upon the whole or any part of the present or future business, undertaking, assets or revenues (including any uncalled capital) of any member of the Group unless, before or at the same time as the creation of the Security Interest, the Issuer shall take any and all action necessary to ensure that:

- (A) all amounts payable by the Issuer under the Bonds and the Trust Deed are secured equally and rateably with such Indebtedness, guarantee or indemnity, as the case may be, in each case to the satisfaction of the Trustee; or
- (B) such other Security Interest, guarantee, indemnity or other arrangement (whether or not including the giving of a Security Interest) is provided in respect of all amounts payable by the Issuer under the Bonds and the Trust Deed either: (1) as the Trustee shall in its absolute discretion determine to be not materially less beneficial to the interests of the Bondholders; or (2) as shall be approved by an Extraordinary Resolution,

save that any member of the Group may create or have outstanding (without any obligation to provide a Security Interest or guarantee, indemnity or other arrangement in respect of the Bonds and the Trust Deed as aforesaid) any Permitted Security Interest.

The Trustee shall not be under any duty to monitor whether any Security Interest has been created or is outstanding for the purposes of this Condition 4.1 and will not be responsible to Bondholders for any loss arising from any failure to do so. Unless and until the Trustee has received written notice pursuant to the Trust Deed of the creation or existence of any such Security Interest, it will be entitled to assume that none exists.

4.2 Telegram Platform

So long as any Bond remains outstanding, the Issuer shall:

- (A) procure that, except in the case of any intellectual property that is made publicly available by any member of the Group as "open source" software, all material intellectual property rights and interests in the Telegram Platform are at all times legally and beneficially owned by the Issuer and/or any Subsidiary which is directly or indirectly wholly-owned and controlled by the Issuer; and
- (B) ensure that the management, maintenance and operation of the Telegram Platform by the Group and the Group's ability to generate revenues and other sources of income therefrom is not dependent to any material extent on any technology, licence, permission, infrastructure or other asset, except for any technology, licence, permission, infrastructure or other asset which is either (i) owned or controlled by a member of the Group or (ii) the subject of a licence, permission or other contractual right of use granted by a Person that is not an Affiliate of the Group in favour of a member of the Group,

provided that paragraphs (A) and (B) above shall not restrict the development or provision of products or services by the Group where such products or services form part of the New Business, are developed or provided by the Group pursuant to arrangements with one or more third parties and do not form part of core operational function of the Telegram

Platform and provided further that no member of the Group contributes any technology, licence, permission, infrastructure or other asset to such third party(ies) or any joint venture entity between a member of the Group and such third party(ies) where such technology, licence, permission, infrastructure or other asset is part of the core operational function of the Telegram Platform.

4.3 Indebtedness

So long as any Bond remains outstanding, the Issuer shall not, and will procure that no other member of the Group shall, incur, create or permit to subsist or have outstanding any Indebtedness save for Permitted Indebtedness, provided that the Issuer or another member of the Group may incur, create or permit to subsist or have outstanding any Indebtedness if such Indebtedness is applied, substantially concurrently with the incurrence thereof, in repaying all or part of the Bonds (or any other existing Indebtedness that has been incurred in compliance with this Condition 4.3) to the extent that, if any Bonds remain outstanding after such repayment, all Indebtedness of the Group that is outstanding after such repayment would fall within the definition of Permitted Indebtedness.

4.4 Asset Sales

So long as any Bond remains outstanding, the Issuer shall not, and will procure that no other member of the Group shall, consummate any Asset Sale unless the consideration received by the relevant member of the Group is at least equal to the Fair Market Value of the assets sold or disposed of; provided that (i) such Fair Market Value shall have been certified by an Independent Adviser in the case of any Asset Sale (or series of related Asset Sales) involving a value equal to or in excess of USD 100,000,000 (or its equivalent in any other currency or currencies) and (ii) if the cumulative net cash proceeds received by members of the Group in respect of Asset Sales conducted by the Group during any financial year equal or exceed USD 100,000,000 (or its equivalent in any other currency or currencies), the net cash proceeds in excess of USD 100,000,000 shall be:

- (A) applied to repay permanently the Bonds (such repayment to be made (together with accrued and unpaid interest) following a tender offer by the Issuer to the Bondholders or through a private buy back by the Issuer, to the extent that such tender offer or buy back is accepted by the Bondholders); and/or
- (B) applied to repay permanently any other existing Indebtedness that has been incurred in compliance with Condition 4.3 (such repayment to be made in accordance with any early redemption, prepayment, debt purchase or similar provisions under the documentation applicable to such other Indebtedness or, to the extent there are no such provisions, such repayment to be made (together with accrued and unpaid interest) following a tender offer by the Issuer to the holders of such instruments or through a private buy back by the Issuer, to the extent that such tender offer or buy back is accepted by the relevant holders); and/or
- (C) invested or utilised in carrying out the business of the Group, including undertaking the Core Business or the New Business,

in each case within 365 days of the end of such financial year.

4.5 Affiliate Transactions

So long as any Bond remains outstanding, the Issuer shall not, and will procure that no other member of the Group shall, enter into, renew or extend any transaction or arrangement (or series of related transactions or arrangements) with any Affiliate of the Issuer (each an "**Affiliate Transaction**"), other than a Permitted Transaction, unless:

- (A) the Affiliate Transaction is on fair and reasonable terms that are no less favourable to the relevant member of the Group than those that would have been obtained (at the time of such transaction or, if such transaction is pursuant to a

written agreement, at the time of execution of such agreement) in a comparable transaction by such member of the Group with a Person that is not an Affiliate of the Issuer; and

- (B) the Issuer delivers to the Trustee:
- (i) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of USD 50,000,000 (or its equivalent in any other currency or currencies), an Officer's Certificate certifying that such Affiliate Transaction complies with this Condition 4.6 and such Affiliate Transaction has been approved by the board of directors of the relevant member of the Group (or, where the relevant member of the Group has a sole director, by such director); and
 - (ii) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of USD 100,000,000 (or its equivalent in any other currency or currencies), in addition to the Officer's Certificate required pursuant to paragraph (i) above, an opinion of an Independent Adviser addressed to the Trustee as to the fairness to the relevant member of the Group of such Affiliate Transaction from a financial point of view issued or confirming that the terms of such Affiliate Transaction are no less favourable to such member of the Group than terms available to (or from, as applicable) a person that is not an Affiliate of the Issuer.

4.6 Restricted Payments; restrictions on loans

- (A) So long as any Bond remains outstanding, the Issuer shall not, and will procure that no other member of the Group shall, directly or indirectly, make a Restricted Payment, other than a Permitted Payment, unless at the time of and after giving effect to such Restricted Payment:
- (i) no Event of Default or Potential Event of Default (as defined in the Trust Deed) shall have occurred and be continuing (or would result therefrom); and
 - (ii) where the date of such Restricted Payment falls prior to an IPO Date, the amount of such Restricted Payment, when taken together with the aggregate amount of all other Restricted Payments (other than Permitted Payments) made by any member of the Group since the Issue Date would not exceed an amount that is equal to the Aggregate Consolidated Net Income (Loss), calculated in accordance with paragraph (B) below, for the period beginning on 1 January 2021 and ending at the end of the most recent semi-annual period for which financial statements have been made available under Condition 4.7 (*Financial Reporting*) prior to the date of such Restricted Payment; or
 - (iii) where the date of such Restricted Payment falls on or following an IPO Date, the amount of such Restricted Payment, when taken together with the aggregate amount of all other Restricted Payments (other than Permitted Payments) made by any member of the Group on or following the IPO Date would not exceed an amount that is equal to the Aggregate Consolidated Net Income (Loss), calculated in accordance with paragraph (B) below, for the period beginning on the first day of the annual financial period during which such IPO Date occurs and ending at the end of the most recent semi-annual period for which financial statements have been made available under Condition 4.7 (*Financial Reporting*) prior to the date of such Restricted Payment.

- (B) For the purposes of calculating the “**Aggregate Consolidated Net Income (Loss)**” in accordance with, and for the periods specified in, paragraphs (A)(ii) and (A)(iii) above:
- (i) first, the sum of the Consolidated Net Income (Loss) for:
 - (a) each full financial year; and
 - (b) where the most recent period for which financial statements have been made available under Condition 4.7 (*Financial Reporting*) is the first half of a financial year, that financial half-year, falling within the relevant period specified in paragraph (A)(ii) or (A)(iii) above shall be calculated (the “**Calculated Amount**”); and
 - (ii) second, the Calculated Amount shall be adjusted as follows:
 - (a) where the Calculated Amount is positive, the “**Aggregate Consolidated Net Income (Loss)**” shall be an amount that is equal to fifty per cent of the Calculated Amount; and
 - (b) where the Calculated Amount is negative or zero, the “**Aggregate Consolidated Net Income (Loss)**” shall be \$0.
- (C) In addition, for so long as any Bond remains outstanding, the Issuer shall not, and will procure that no other member of the Group shall, directly or indirectly, make loans or advances or other extensions of credit to any of its direct or indirect shareholders or any of its or their Affiliates or any director of any of the foregoing, other than (i) any Permitted Transaction, (ii) any loan to a member of the Group or (iii) any loan to an IPO Entity.

4.7 Financial Reporting

So long as any Bond remains outstanding, the Issuer shall:

- (A) **Audited Financial Statements:** deliver to the Trustee and the Principal Paying Agent as soon as the same become available, but in any event within 150 days after the end of its financial years, commencing with the financial year ended 31 December 2020, the Issuer’s consolidated financial statements for such financial year, consisting of an audited consolidated balance sheet of the Issuer as at the end of the most recent financial year and prior financial year and audited consolidated statements of income, comprehensive income, changes in equity and cash flow of the Issuer for the most recent financial year with a comparison against the prior financial year, with accompanying notes, audited by the Issuer’s auditors and accompanied by a report thereon of the auditors and prepared in accordance with IFRS consistently applied with the corresponding financial statements for the preceding period prepared in accordance with IFRS;
- (B) **Unaudited Interim Financial Statements:** deliver to the Trustee and the Principal Paying Agent as soon as the same become available, but in any event within 120 days after the end of the first half of each of its financial years, commencing with the six months ending 30 June 2021, the Issuer’s unaudited consolidated financial statements for such period, consisting of an unaudited consolidated balance sheet as at the end of such six months and the immediately preceding financial year-end and unaudited statements of income, comprehensive income, changes in equity and cash flow for the six months ending on the date of the unaudited reviewed balance sheet, and the comparable prior year period for the Issuer;
- (C) **Officer’s Certificate:** deliver to the Trustee, at the time of delivery of any financial statements pursuant to Condition 4.7(A) and 4.7(B) above and within 14 days of

any request by the Trustee, an Officer's Certificate (i) stating whether or not to the best of the knowledge of the signatories thereof an Event of Default or Potential Event of Default has occurred and is continuing, and, if so, specifying all such Events of Default or Potential Events of Default, the nature and status thereof of which the signatory may have knowledge and what action the Issuer is taking or proposes to take with respect thereto and, if not, certifying that none has occurred since the Issue Date or the date as of the last certification and (ii) stating whether or not to the best of the knowledge of the signatory thereto a Change of Control Event, Qualifying Equity Event or Proposed IPO has occurred. The Trustee may rely on such Officer's Certificate absolutely without liability to any Person for so doing and without further enquiry; and

- (D) **Alternative Financial Statements:** if, following an IPO or a Change of Control Event, consolidated financial statements for the Group are no longer prepared at the Issuer level, provide to the Trustee and the Principal Paying Agent (in lieu of the financial statements required to be delivered pursuant to Conditions 4.7(A) and 4.7(B) above) such alternative financial statements and/or reconciliations as the Issuer determines (acting in good faith) will provide the Bondholders with substantially equivalent financial information in respect of the Group.

A Bondholder may receive a copy of the financial statements delivered pursuant to Conditions 4.7(A), 4.7(B) or 4.7(D) upon request made to the Principal Paying Agent, provided that such Bondholder provides to the Principal Paying Agent (i) evidence, in form and substance satisfactory to the Principal Paying Agent (in its sole discretion), that such person is a Bondholder and (ii) a copy of an executed confidentiality agreement between such Bondholder and the Issuer (which may, for the avoidance of doubt, be any confidentiality agreement included in any subscription agreement between such Bondholder and the Issuer). Neither the Trustee nor the Principal Paying Agent will have any duty to monitor the delivery of any of the items in Conditions 4.7(A), 4.7(B), 4.7(C) or 4.7(D) or be responsible for reviewing the contents of the same. The Trustee and the Principal Paying Agent shall be entitled to rely on and assume the accuracy of any information, including any Officer's Certificate, provided to it by the Issuer or a Bondholder pursuant to this Condition 4 and shall not incur any liability in connection therewith.

5. Interest

5.1 Interest Rate and Interest Payment Dates

Each Bond bears interest on its outstanding principal amount from (and including) the Issue Date at the rate of 7 per cent. per annum (the "**Interest Rate**") payable semi-annually in arrear on 22 March and 22 September in each year (each an "**Interest Payment Date**"). The first such payment will be made on 22 September 2021 in respect of the period from and including the Issue Date to but excluding 22 September 2021.

5.2 Interest accrual

Each Bond will cease to bear interest from (and including) the due date for redemption or repayment thereof pursuant to Condition 6 (*Redemption, purchase and Issuer options*), Condition 7 (*Redemption at the option of Bondholders: Change of Control Event and Qualifying Equity Event*), Condition 8 (*Redemption at the option of Bondholders: Proposed IPO*) or Condition 12 (*Events of Default*), as applicable, unless, upon due surrender or presentation (where required or otherwise), payment of principal in respect of such Bond is improperly withheld or refused, or unless default is otherwise made in respect of such payment, in which event interest will continue to accrue on such Bond at the Interest Rate (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder and (ii) the Relevant Date.

5.3 Calculation of interest

Interest in respect of any Bond shall be calculated per Calculation Amount and shall equal the product of the Calculation Amount, the Interest Rate and the Day Count Fraction for the relevant period, rounding the resultant figure to the nearest cent (half a cent being rounded upwards). The amount of interest payable in respect of a Bond shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the denomination of the Bond without any further rounding.

6. Redemption, purchase and Issuer options

6.1 Final redemption

Unless previously redeemed or purchased and cancelled pursuant to these Terms and Conditions, each Bond will be finally redeemed by the Issuer on 22 March 2026 (the "**Maturity Date**") at its principal amount together with any accrued but unpaid interest thereon to (but excluding) the Maturity Date.

6.2 Redemption following a Tax event

If:

- (A) as a result of any change in, or amendment to, the laws or regulations of the British Virgin Islands or any political sub-division of, or any authority in or of, the British Virgin Islands having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective after the Issue Date, the Issuer has or will become obliged to pay Additional Amounts; and
- (B) the effect of the foregoing cannot be avoided by the Issuer taking reasonable measures available to it,

the Issuer may at its option (without any requirement for the consent or approval of the Bondholders), having given not less than thirty (30) nor more than sixty (60) days' notice (a "**Tax Redemption Notice**") to the Bondholders in accordance with Condition 16 (*Notices*) (which notice shall be irrevocable), redeem all, but not some only, of the Bonds at their principal amount outstanding together with interest (if any) accrued but unpaid to (but excluding) the date of redemption (the "**Tax Redemption Date**"), provided that no Tax Redemption Notice shall be given earlier than ninety (90) days before the earliest date on which the Issuer would be required to pay such Additional Amounts were a payment in respect of the Bonds then due.

Prior to the publication of any Tax Redemption Notice pursuant to this Condition 6.2, the Issuer shall deliver to the Trustee an Officer's Certificate stating that an amendment or change as referred to above has occurred (irrespective of whether such amendment or change is then effective), describing the facts leading thereto and stating that such obligation cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee shall, in the absence of manifest error, be entitled to accept such Officer's Certificate as sufficient evidence of the satisfaction of the conditions precedent set out in this Condition 6.2, in which event it shall be conclusive and binding on the Bondholders.

All Bonds in respect of which any such notice is given shall be redeemed on the Tax Redemption Date.

If the Issuer gives a Tax Redemption Notice, each Bondholder will have the right to elect that its Bonds shall not be redeemed pursuant to such Tax Redemption Notice and that the provisions of Condition 10 (*Taxation*) shall not apply in respect of any payment of interest to be made on such Bonds which falls due after the relevant Tax Redemption Date, whereupon no Additional Amounts shall be payable in respect thereof pursuant to Condition 10 (*Taxation*) and payment of all amounts of such interest on such Bonds shall be made subject to the deduction or withholding of any British Virgin Islands taxation required to be withheld or deducted. To exercise such right, the holder of the relevant

Bond must complete, sign and deposit at the specified office of any Paying Agent or Transfer Agent a duly completed and signed notice of election, in the form for the time being current, obtainable from the specified office of any Paying Agent or Transfer Agent, together with the relevant Bonds, on or before the day falling ten (10) days prior to the Tax Redemption Date.

6.3 Clean-up redemption at the option of the Issuer

If, at any time after the Issue Date, ninety (90) per cent. or more of the aggregate principal amount of the Bonds originally issued (and, for these purposes, any further Bonds issued pursuant to Condition 19 (*Further Bonds*) and being consolidated so as to form a single series with the Bonds will be deemed to have been originally issued) has been purchased or redeemed by the Issuer or (in the case of a purchase only) any of its Subsidiaries and cancelled, then the Issuer may, at its option (without any requirement for the consent or approval of the Bondholders) and having given not less than thirty (30) nor more than sixty (60) days' notice to the Bondholders in accordance with Condition 16 (*Notices*) (which notice shall be irrevocable), redeem all (but not some only) of the Bonds at any time at their principal amount outstanding together with interest (if any) accrued but unpaid to (but excluding) the date of redemption.

All Bonds in respect of which any such notice is given shall be redeemed on the date that is fixed for redemption pursuant to this Condition 6.3.

6.4 Notices

- (A) Notices of redemption given pursuant to this Condition 6 will specify the date fixed for redemption (which must be a Business Day) and the applicable redemption price.
- (B) If more than one notice of redemption is given pursuant to this Condition 6, the first of such notices to be given shall prevail.

6.5 Purchases

The Issuer or any of its Subsidiaries may at any time purchase Bonds in any manner and at any price. If purchases are made by tender, tenders must be available to all Bondholders alike. All Bonds purchased by or on behalf of the Issuer or any of its Subsidiaries may be held, reissued, resold or, at the option of the Issuer and the relevant purchaser, surrendered for cancellation to the Principal Paying Agent. The Bonds so purchased, while held by or on behalf of the Issuer or any of its Subsidiaries, in each case as the beneficial owner, shall not entitle the holder to vote at any meetings of the Bondholders and shall be deemed not to be "outstanding" for the purposes of Condition 12 (*Events of Default*), Condition 13 (*Enforcement*) or Condition 17.1 (*Meetings of Bondholders*) or otherwise as provided in the Trust Deed.

6.6 Cancellations

All Bonds which are redeemed by the Issuer or purchased by the Issuer pursuant to Condition 7 (*Redemption at the option of Bondholders: Change of Control Event and Qualifying Equity Event*) and all Bonds purchased and surrendered for cancellation pursuant to Condition 6.5 (*Purchases*) will forthwith be cancelled. Any Bonds so surrendered for cancellation pursuant to Condition 6.5 (*Purchases*) may not be reissued or resold and the obligations of the Issuer in respect of such Bonds shall be discharged.

7. Redemption at the option of Bondholders: Change of Control Event and Qualifying Equity Event

- (A) If, at any time while any of the Bonds remains outstanding, a Change of Control Event or a Qualifying Equity Event occurs, the holder of each Bond will have the option (the "**Put Option**"), upon the giving of a Put Notice (as defined below) by the Issuer or the Trustee, to require the Issuer to redeem or, at the option of the Issuer, purchase (or procure the purchase of) that Bond on the Put Date at its principal amount outstanding together with (or, where purchased, together with

an amount equal to) the Applicable Premium and interest (if any) accrued and unpaid to (but excluding) the Put Date.

- (B) Promptly upon, and in any event within fourteen (14) days after, the Issuer becoming aware that such Change of Control Event or Qualifying Equity Event, as applicable, has occurred, the Issuer shall, and at any time, upon the Trustee becoming similarly so aware, the Trustee may and, if so requested by an Extraordinary Resolution, shall (subject to it being indemnified and/or secured and/or prefunded to its satisfaction against any liabilities it may incur), give notice of such Change of Control Event or Qualifying Equity Event (a “**Put Notice**”) to the Bondholders in accordance with Condition 16 (*Notices*). Such Put Notice shall specify:
 - (i) all information material to the Bondholders concerning the Change of Control Event or Qualifying Equity Event, as applicable;
 - (ii) the procedures for the redemption or purchase (if any) of the Bonds pursuant to this Condition 7; and
 - (iii) (where the Put Notice is given by the Issuer) such other information relating to the Change of Control Event or Qualifying Equity Event, as applicable, as the Trustee may require.
- (C) To exercise the Put Option in respect of any Bond, a Bondholder must deposit the Certificate evidencing such Bond(s) in accordance with Condition 9 (*Payments*) at the specified office of any Paying Agent or Transfer Agent on a day which is a Business Day falling within the Put Period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or Transfer Agent (a “**Put Notice**”) and in which the Bondholder may specify a bank account complying with the requirements of Condition 9 (*Payments*) to which payment is to be made under this Condition 7.
- (D) Payment in respect of any Certificate so deposited shall be made, if the Bondholder duly specifies a bank account complying with the requirements of Condition 9 (*Payments*), on the Put Date by transfer to that bank account.
- (E) The Issuer shall on the Put Date redeem or, at the option of the Issuer, purchase (or procure the purchase of) the relevant Bonds at their outstanding principal amount together with the Applicable Premium and interest (if any) accrued and unpaid to (but excluding) the Put Date.
- (F) The Trustee shall not be responsible for monitoring whether any Change of Control Event or Qualifying Equity Event has occurred and until it receives notice of the same shall be entitled to assume no such Change of Control Event or Qualifying Equity Event has occurred and shall not be responsible or liable for any failure by the Issuer to take any of the steps in relation thereto.
- (G) If, for so long as any Bond remains outstanding, there is more than one Change of Control Event and/or Qualifying Equity Event, the provisions of this Condition 7 shall apply to each such occurrence.

8. Redemption at the option of Bondholders: Proposed IPO

8.1 Proposed IPO Notice

- (A) If, at any time while any of the Bonds remains outstanding, a Proposed IPO occurs, the Issuer shall give notice of such Proposed IPO (such notice being the “**Proposed IPO Notice**”) to the Trustee and to the Bondholders in accordance with Condition 16 (*Notices*) on the same day as the first public announcement by the Issuer or the IPO Entity of the Proposed IPO.

Such Proposed IPO Notice shall contain a statement informing Bondholders of their option to exercise their conversion rights as provided in these Conditions. The Proposed IPO Notice shall also specify the following:

- (i) the Recognised Stock Exchange upon which the Shares are to be listed and/or admitted to trading;
- (ii) the expected IPO Date;
- (iii) the procedures for Bondholders to participate in the IPO, including the period during which the IPO Redemption Option may be exercised and the last day on which it may be withdrawn, as referred to in Condition 8.2 (*Procedure*);
- (iv) the currency in which the IPO Issue Price will be denominated (the “**IPO Currency**”);
- (v) details of any information that the Issuer requires a Bondholder to provide in order to identify itself and its ultimate beneficial owner(s) (or, if applicable, the equivalent information in respect of the person(s) in whose name(s) the Shares to be issued pursuant to the IPO Redemption Option are to be registered) to the Issuer (the “**KYC Information**”); and
- (vi) such other information relating to the IPO and the operation of this Condition 8 as the Issuer (acting in good faith) shall deem necessary for the exercise of the IPO Redemption Option, including details of the form of notice of exercise to be submitted by a Bondholder to exercise the IPO Redemption Option.

Once details of the IPO Option Closing Date, IPO Issue Price and (where the IPO Currency is a currency other than USD) the Prevailing Rate become available, such information will be included in one or more subsequent notices to be delivered by the Issuer to the Trustee and to the Bondholders in accordance with Condition 16 (*Notices*) as soon as practicable thereafter.

- (B) The holder of each Bond will, upon the giving of a Proposed IPO Notice by the Issuer, have the option (the “**IPO Redemption Option**”) to require the Issuer to redeem that Bond at its outstanding principal amount (such proceeds of redemption being the “**IPO Redemption Proceeds**”) on the IPO Date, subject to (i) the completion of the IPO, (ii) compliance by such Holder with the terms of Condition 8.2 (*Procedure*), (iii) the IPO Issue Price falling within any Price Range specified by such holder in the latest, unrevoked IPO Redemption Notice to be delivered by such Holder in accordance with Condition 8.2 (*Procedure*), (iv) any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Paying Agent or Transfer Agent to whom the relevant IPO Redemption Notice is delivered in accordance with Condition 8.2 (*Procedure*) is located and (v) any laws or regulations applicable to the Issuer, the Group or the IPO (including the rules of the applicable Recognised Stock Exchange).
- (C) Subject to compliance with the foregoing, any IPO Redemption Proceeds shall be mandatorily applied on behalf of the relevant Bondholders to the subscription of Shares in accordance with this Condition 8. Bondholders will have no entitlement to receive any IPO Redemption Proceeds in cash.
- (D) A Bondholder may not exercise an IPO Redemption Option: (i) following the giving of notice by the Trustee pursuant to Condition 12 (*Events of Default*) that the Bonds are immediately due and payable; or (ii) in respect of a Bond in respect of which the relevant Bondholder has exercised its right to require the Issuer to redeem that Bond pursuant to Condition 7 (*Redemption at the option of Bondholders: Change of Control Event and Qualifying Equity Event*).

- (E) A Bondholder may only exercise an IPO Redemption Option in respect of the full principal amount of a Bond, but need not exercise an IPO Redemption Option in respect of all Bonds held by it.

8.2 Procedure

- (A) To exercise the IPO Redemption Option in respect of any Bond, any Bondholder wishing to exercise such IPO Redemption Option must, on a day which is a Business Day falling after the date of the Proposed IPO Notice and on or before the IPO Option Closing Date, deposit at the specified office of any Paying Agent or Transfer Agent:
 - (i) the Certificate evidencing such Bond(s); and
 - (ii) a duly completed and signed notice of exercise in the form specified in the Proposed IPO Notice (an “**IPO Redemption Notice**”) and in which the Bondholder:
 - (a) shall include the KYC Information;
 - (b) shall specify:
 - (1) the lowest IPO Issue Price (denominated in the IPO Currency) at which it wishes to exercise the IPO Redemption Option (the “**Floor**” and if no such price is specified, the Floor shall be deemed to be \$0 (or its equivalent in the IPO Currency)); and
 - (2) the highest IPO Issue Price (denominated in the IPO Currency) at which it wishes to exercise the IPO Redemption Option (the “**Ceiling**” and if no such price is specified, the Ceiling shall be deemed to be an uncapped amount). The range from and including the Floor up to and including the Ceiling, shall be the “**Price Range**” applicable to such Bondholder’s exercise of the IPO Redemption Option; and
 - (3) the securities account, or equivalent, into which it shall receive the Shares; and
 - (c) shall specify a bank account complying with the requirements of Condition 9 (*Payments*) to which payment of any accrued interest is to be made under this Condition 8.

Where the Issuer (acting in good faith) requires a Bondholder to make certain representations to the Issuer in the form of IPO Redemption Notice and for the purposes of any applicable laws, rules (including, without limitation, the rules of the applicable Recognised Stock Exchange) or regulations, an IPO Redemption Notice shall be invalid where the Bondholder does not make or amends those representations.

- (B) An IPO Redemption Notice, once given, may be revoked at any time before 5.00pm (local time in the place in which the office of the relevant Paying Agent or Transfer Agent is located) on the IPO Option Closing Date. Following such time, an IPO Redemption Notice shall be irrevocable.
- (C) To revoke an IPO Redemption Notice, the Bondholder shall deliver to the Paying Agent or Transfer Agent to which it delivered the information required by paragraph (A) above, a signed notice of termination in which the Bondholder states that it wishes to terminate its IPO Redemption Notice together with a copy of the IPO Redemption Notice being terminated. The Paying Agent or Transfer Agent shall return to a Bondholder any Certificate deposited by such Bondholder and interest will be treated as having accrued as though the Bondholder had

never given an IPO Redemption Notice, and no redemption of such Bonds shall be deemed to have occurred pursuant to this Condition 8.

- (D) Once given pursuant to paragraph (A), an IPO Redemption Notice may not be amended. If a Bondholder wishes to amend the Price Range applicable to its exercise of the IPO Redemption Option, it shall revoke any existing IPO Redemption Notice in accordance with paragraph (C) and deliver a new IPO Redemption Notice in accordance with paragraph (A).
- (E) Notwithstanding paragraph (B) above, if, after a Bondholder has given an IPO Redemption Notice, either:
 - (i) the IPO Issue Price does not fall within the Price Range applicable to such Bondholder's exercise of the IPO Redemption Option;
 - (ii) the Issuer determines that it is not required to issue Shares to or to the order of any Bondholder by reason of any circumstance(s) specified in Condition 8.9(C) (*General*);
 - (iii) the Issuer makes a public announcement that the Proposed IPO is being withdrawn and shall not proceed; or
 - (iv) for any reason, the IPO does not occur within 120 days from the date on which the Proposed IPO Notice is given by the Issuer,

the Paying Agent or Transfer Agent shall return to a Bondholder any Certificate deposited by such Bondholder and interest will be treated as having accrued as though the Bondholder had never given an IPO Redemption Notice, and no redemption of such Bonds shall be deemed to have occurred pursuant to this Condition 8.

8.3 Number of Shares to be issued

The number of Shares to be issued to a Bondholder in respect of a Bond which is delivered for redemption in accordance with Condition 8.2 (*Procedure*) shall be determined by dividing the then outstanding principal amount of such Bond by an amount that is equal to the Applicable Percentage of the IPO Issue Price, rounding down to the nearest whole number. If a conversion right in respect of more than one Bond is exercised at any one time such that Shares to be issued and delivered in respect of such exercise are to be registered in the same name, the number of Shares to be issued and delivered in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of Shares.

For the avoidance of doubt, the number of Shares to be issued to a Bondholder as provided in this Condition 8 shall not be subject to any scaling in the event of excess demand for Shares in the IPO, and the Issuer shall procure that (if scaling is required for any reason) such scaling shall be applied to orders received from proposed purchasers of Shares in the IPO other than Bondholders.

8.4 Fractions of Shares

Fractions of Shares will not be issued or transferred and delivered upon a redemption pursuant to this Condition 8 and no cash payment or other adjustment will be made in lieu thereof.

8.5 Interest

Any interest accrued and unpaid on a Bond which is delivered for redemption in accordance with Condition 8.2 (*Procedure*) to (but excluding) the IPO Date shall be payable in accordance with Condition 9 (*Payments*) on the IPO Date in accordance with the requirements of Condition 9 (*Payments*) and in accordance with instructions given by the relevant Bondholder in the relevant IPO Redemption Notice.

8.6 Delivery of Shares

Upon a redemption pursuant to this Condition 8, the Issuer will on or with effect from the IPO Date, enter the relevant holder or his/their nominee in the register of members of the IPO Entity and take all necessary action to enable the Shares to be delivered to the relevant holder or his/her nominee in dematerialised form, in accordance with the rules and regulations of the relevant Recognised Stock Exchange.

8.7 Taxes and other effects of redemption

The Issuer shall pay all capital, stamp, issue and registration and transfer taxes and duties payable in the British Virgin Islands, or in any other jurisdiction in which the IPO Entity may be domiciled or resident or to whose taxing jurisdiction it may be generally subject, in respect of the issue or transfer and delivery of any Shares in respect of the exercise of an IPO Redemption Option ("**Specified Taxes**"). If the Issuer shall fail to pay any Specified Taxes, the relevant holder shall be entitled to tender and pay the same and the Issuer, as a separate and independent stipulation, covenants to reimburse and indemnify each Bondholder in respect of any payment thereof and any penalties payable in respect thereof.

A Bondholder exercising the IPO Redemption Option must pay directly to the relevant authorities any capital, stamp, issue, registration and transfer taxes and duties arising on the exercise of the IPO Redemption Option (other than any Specified Taxes). A Bondholder must also pay all, if any, taxes imposed on it and arising by reference to any disposal or deemed disposal by it of a Bond or interest therein in connection with the exercise of the IPO Redemption Option by it (other than any Specified Taxes). Any such capital, stamp, issue, registration, transfer taxes or duties or other taxes payable by a Bondholder are referred to as "**Bondholder Taxes**".

Neither the Trustee nor any Paying Agent shall be responsible for determining whether any Specified Taxes or Bondholder Taxes are payable or the amount thereof and shall not be responsible or liable for any failure by the Issuer to pay such Specified Taxes or by a Bondholder to pay such Bondholder Taxes.

8.8 Ranking

The Shares issued on exercise of an IPO Redemption Option shall in all respects rank *pari passu* with all the Shares in issue on the IPO Date, other than in respect of any dividend or other distribution to shareholders that has been declared by the IPO Entity prior to the IPO Date where the relevant record date falls prior to the IPO Date but the relevant payment date falls on or after the IPO Date.

8.9 General

- (A) Nothing in this Condition 8 shall require the Issuer to give any notice if it shall determine that to do so at any particular time would be in breach of any applicable law or regulation in relation to "inside information" or "price sensitive information" or equivalent, and in such case such notice shall be given as soon as may be practicable upon the Issuer determining that to do so would not be in breach of any such applicable laws or regulations and such amendments shall, to the extent reasonably necessary, be made to the provisions of this Condition 8 relating to the giving and receipt of notices and other relevant provisions of these Terms and Conditions to preserve the purpose and intent of the provisions of this Condition 8.
- (B) The Trustee shall not be responsible for determining whether a Proposed IPO has occurred or may be about to occur and shall, in the absence of express written notice to the contrary, be entitled to assume that no such event has occurred or may be about to occur and shall not be responsible or liable for any failure by the Issuer to take any of the steps in relation thereto.

- (C) Nothing in this Condition 8 shall require the Issuer to issue Shares to or to the order of any Bondholder if it shall determine (acting in good faith) that to do so would be in breach of any applicable securities laws, anti-money laundering laws, rules or regulations (including applicable “know your customer” rules) or any economic or financial sanctions or trade embargoes administered, enacted or enforced by any applicable sanctions authority (which shall include any agency, authority, institution or regulatory body of the United States of America, the United Nations Security Council, the European Union (or any of its member states), the UK and any other applicable jurisdiction).

9. Payments

9.1 Payments in respect of Bonds

Payments of principal, premium (if any) and interest in respect of the Bonds will be to the person (or the first named person in the case of joint holders) in whose name the Bonds are registered in the Register at the opening of business in the place of the Registrar’s specified office on the fifteenth (15th) day before the due date for such payment (the “**Record Date**”). Payments will be made by wire transfer of immediately available funds, if the registered holder of the Bond has provided wiring instructions no later than the Record Date, or otherwise by cheque mailed to the address of the registered holder of the Bond as it appears in the Register at the opening of business on the Record Date.

Payments of principal and premium (if any) and payments of interest due at the time of redemption of the Bonds, will only be made against surrender of the relevant Certificate at the specified office of any of the Paying Agents.

9.2 Payments subject to applicable laws

Payments will be subject in all cases to:

- (A) any applicable fiscal or other laws and regulations in the place of payment, or other laws and regulations to which the Issuer or its respective Paying Agents agree to be subject, and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements (but without prejudice to the provisions of Condition 10 (*Taxation*)); and
- (B) any withholding or deduction imposed or required pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (the “**Code**”), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (or any law implementing such an intergovernmental agreement) (a “**FATCA Withholding Tax**”), and the Issuer will not be required to pay Additional Amounts on account of any FATCA Withholding Tax.

9.3 No commissions

No commissions or expenses shall be charged to the Bondholders in respect of any payments made in accordance with this Condition 9 (*Payments*).

9.4 Payment on Business Days

- (A) Where payment is to be made by transfer to a registered account, payment instructions (for value the due date or, if that is not a Business Day, for value the first following day which is a Business Day) will be initiated on the Business Day preceding the due date for payment or, in the case of a payment of principal, or of a payment of interest due at the time of redemption of the Bonds, if later, on the Business Day on which the relevant Certificate is surrendered at the specified office of a Paying Agent.

- (B) Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a Business Day or if the Bondholder is late in surrendering its Certificate (in circumstances in which it is required to do so).

9.5 Partial payments

If the amount of principal, premium (if any) or interest due on the Bonds is not paid in full, the Registrar will annotate the Register with a record of the amount of principal, premium or interest in fact paid.

9.6 Agents

The names of the initial Paying Agents and their initial specified offices are set out at the end of these Terms and Conditions. The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents provided that it will at all times maintain:

- (A) a Principal Paying Agent;
- (B) a Paying Agent (which may be the Principal Paying Agent) having a specified office in continental Europe; and
- (C) a Registrar.

Notice of any termination or appointment and of any changes in specified offices of any of the Agents will be given to the Bondholders promptly by the Issuer in accordance with Condition 16 (*Notices*).

10. Taxation

Save as set out in this Condition 10, all payments in respect of the Bonds (including payments made on exercise of a Put Option or the IPO Redemption Option) shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed or levied by or on behalf of the British Virgin Islands, or any political sub-division of, or any authority in or of, the British Virgin Islands having power to tax, unless the withholding or deduction of such Taxes is required by law. In the event that such withholding or deduction of such Taxes is required by law, the Issuer will pay such additional amounts ("**Additional Amounts**") as may be necessary in order that the net amounts received by the Bondholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Bonds in the absence of the withholding or deduction, except that no Additional Amounts shall be payable in relation to any payment in respect of any Bond:

- (A) the holder of which is liable to such Taxes in respect of the Bond by reason of his having some connection with the British Virgin Islands other than the mere holding of the Bond; or
- (B) surrendered or presented for payment (where surrender or presentation is required) more than thirty (30) days after the Relevant Date except to the extent that a holder would have been entitled to Additional Amounts on surrendering or presenting the same for payment on the last day of such period of thirty (30) days, assuming, whether or not such is in fact the case, such last day to be a Business Day; or
- (C) in circumstances where such withholding or deduction would not be required if the holder or any person acting on his behalf had obtained and/or presented any form or certificate or had made a declaration of non-residence or similar claim for exemption to the relevant tax authority upon the making of which the holder would have been able to avoid such withholding or deduction.

The provisions of this Condition 10 requiring the Issuer to pay Additional Amounts shall not apply in respect of any payments of interest which fall due after the relevant Tax

Redemption Date in respect of any Bonds which are the subject of a Bondholder election pursuant to Condition 6.2 (*Redemption following a Tax Event*).

Any reference in these Terms and Conditions to any amounts payable in respect of the Bonds shall be deemed also to refer to any Additional Amounts which may be payable under this Condition 10 or under any undertakings given in addition to, or in substitution for, this Condition 10 pursuant to the Trust Deed.

11. Prescription

Claims against the Issuer in respect of principal, premium (if any) and interest shall be prescribed and become void unless made within ten (10) years (in the case of principal) and five (5) years (in the case of premium (if any) or interest) from the Relevant Date in respect thereof.

12. Events of Default

The Trustee:

- (i) in the case of any of the events mentioned in paragraphs (A), (B) and in relation to clause 10 (*Remuneration and indemnification of the Trustee*) of the Trust Deed only, (C), may; and
- (ii) in the case of any of the events mentioned in this Condition 12, shall, if so directed by an Extraordinary Resolution,

subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction, give notice to the Issuer that the Bonds are, and they shall accordingly thereby forthwith become, immediately due and repayable at their principal amount together with any accrued and unpaid interest thereon, if any of the following events (each an “**Event of Default**”) shall have occurred (unless such event has been remedied to the satisfaction of the Trustee):

- (A) **Non-payment:** if default is made by the Issuer in the payment of any principal of or interest or other amount on the Bonds when due, and such default continues for a period of fifteen (15) days in the case of interest and seven days in the case of principal or any other amount; or
- (B) **Failure to deliver Shares:** either the Issuer fails to issue, transfer and deliver, or the Issuer fails to procure the issue, transfer and delivery by the IPO Entity of, Shares following the exercise of conversion rights by a Bondholder in respect of any Bond pursuant to Condition 8 and such failure continues for seven (7) days; or
- (C) **Breach of other specified obligations:** if the Issuer does not perform, observe or comply with any one or more of its obligations under Conditions 4.1 (*Negative Pledge*), 4.2(A) (*Telegram Platform*), 4.3 (*Indebtedness*), 4.4 (*Asset Sales*), 4.5 (*Affiliate Transactions*) or 4.6 (*Restricted Payments; restrictions on loans*) or clause 10 (*Remuneration and indemnification of the Trustee*) of the Trust Deed and (i) such default is, in the opinion of the Trustee, incapable of remedy or (ii) such default is, in the opinion of the Trustee, capable of remedy and remains unremedied for the period of thirty (30) days (or such longer period as the Trustee may in its absolute discretion permit) after written notice has been given by the Trustee to the Issuer specifying such failure and requiring the same to be remedied; or
- (D) **Cross Default:** if:
 - (i) any Relevant Indebtedness of the Issuer or any Subsidiary of the Issuer is not paid on its due date (or, in the case of Relevant Indebtedness of any such person payable on demand, is not paid within five (5) Business

Days of such demand) (or, in any case, if later and if applicable, by the expiry of any originally applicable grace period) or is declared to be, or automatically becomes, due and payable, or becomes capable of being declared due and payable, prior to its stated maturity by reason of any event of default (howsoever described); or

- (ii) any guarantee or indemnity given by a member of the Group in respect of any Relevant Indebtedness of any other member of the Group is not honoured when due or called on (or, in the case of any guarantee or indemnity payable on demand, is not paid within five (5) Business Days of such demand) (or, in any case, if later and if applicable, by the expiry of any originally applicable grace period); or
- (iii) any guarantee or indemnity in respect of Relevant Indebtedness of any third party given by the Issuer or any Subsidiary of the Issuer is not honoured when due and called upon,

provided that, (i) the aggregate principal amount of the Relevant Indebtedness and (ii) the aggregate principal amount of the Relevant Indebtedness in respect of which such guarantee or indemnity is granted in respect of which one or more of the events mentioned in this Condition 12(D) has occurred equals or exceeds USD 100,000,000 (or its equivalent in any other currency or currencies); or

- (E) **Winding up:** if an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution of, or an administration order is made in relation to, the Issuer or any Subsidiary of the Issuer, save for (i) the purposes of amalgamation, merger, migration, consolidation, reorganisation, reconstruction or other similar arrangement on terms previously approved in writing by the Trustee or by an Extraordinary Resolution or (ii) the solvent winding-up, liquidation, striking-off or dissolution of any dormant Subsidiary of the Issuer, including TON Issuer Inc.; or
- (F) **Cessation of Business:** if either:
 - (i) the Telegram Platform ceases to operate for a continuous period of sixty (60) days (other than for the purposes of scheduled maintenance and/or technical upgrading which had been announced prior to such cessation and where such maintenance and/or technical upgrading is concluded within sixty (60) days); or
 - (ii) the Group (taken as a whole) ceases to carry on the whole or substantially the whole of its business, except for the purposes of or in connection with a solvent reconstruction, reorganisation, consolidation, merger or amalgamation:
 - (a) whereby the undertaking and assets of the Issuer or its Subsidiaries are transferred, directly or indirectly, to or otherwise vested in (provided that it has become a Substitute Obligor under Condition 14 (*Substitution*)) any Parent Entity of the Issuer; or
 - (b) the terms of which have previously been approved in writing by the Trustee or by an Extraordinary Resolution; or
- (G) **Insolvency:**
 - (i) the Issuer or any Subsidiary of the Issuer is unable to pay its debts as they fall due and proceedings are initiated against the Issuer or any Subsidiary of the Issuer under any applicable liquidation, insolvency, bankruptcy, composition, reorganisation, moratorium, suspension of payment or other similar laws (other than any solvent liquidation in respect of a Subsidiary of the Issuer or in respect of any proceedings

which are frivolous or vexatious and discharged, stayed or dismissed within thirty (30) days of commencement);

- (ii) a receiver, trustee, administrator, custodian, conservator, liquidator or other similar official is appointed in relation to the Issuer or any Subsidiary of the Issuer or in relation to the whole or any material part of the undertaking or assets of the Issuer or any Subsidiary of the Issuer, other than in connection with any solvent liquidation of a Subsidiary; or
 - (iii) the Issuer or any Subsidiary of the Issuer makes a general assignment or an arrangement or composition with or for the benefit of all or any class of its creditors or declares a moratorium in respect of any of its Indebtedness; or
- (H) **Proceedings:** if a distress, execution or other process shall be levied or enforced upon or sued out against, or any encumbrancer shall take possession of, the whole or a substantial part of the property, assets or revenues of the Issuer or any Subsidiary of the Issuer and in any of the foregoing cases it shall not be paid out or discharged within sixty (60) days (or such longer period as the Trustee may in its absolute discretion permit); or
- (I) **Unsatisfied judgment:** one or more judgment(s) or order(s) for the payment of an aggregate amount in excess of USD 100,000,000 (or its equivalent in any other currency or currencies) is rendered enforceable against the Issuer or any Subsidiary of the Issuer and that is finally judicially determined or finally determined by a validly constituted arbitral tribunal and continue(s) unsatisfied and unstayed for a period of ninety (90) days after (i) the date(s) thereof or, if later, (ii) the date therein specified for payment; or
- (J) **Security enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any Subsidiary of the Issuer becomes enforceable and any step is duly taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator, manager or other similar person) provided that the amount of the indebtedness giving rise to such enforcement equals or exceeds USD 100,000,000 (or its equivalent in any other currency or currencies); or
- (K) **Validity; Illegality:** at any time it is or becomes unlawful for the Issuer to perform or comply with any or all of its obligations under the Bonds or the Trust Deed, as the case may be, or any of such obligations are not, or cease to be, legal, valid, binding and enforceable or the Issuer contests the validity thereof or repudiates (or purports to repudiate) them; or
- (L) **Analogous Events:** any event occurs which, under the laws of the jurisdictions of incorporation of the Issuer and/or any Subsidiary of the Issuer, has an analogous effect to any of the events referred to in paragraphs (E) or (G) of this Condition 12.

13. Enforcement

The Trustee may at any time, at its discretion and without notice, engage and rely on advice from an independent financial adviser and/or take any other steps or actions or such proceedings (including lodging an appeal in any proceedings) against the Issuer as it may think fit to enforce the provisions of the Trust Deed and/or the Bonds. The Trustee shall not be bound to take any proceedings or any other action under or in relation to the Trust Deed or the Bonds unless:

- (A) it shall have been directed or requested to do so by an Extraordinary Resolution; and
- (B) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction against all liabilities to which it may render itself liable or which it may incur.

No Bondholder shall be entitled to proceed directly against the Issuer or to institute proceedings for the winding-up of the Issuer (including lodging an appeal in any proceedings) unless the Trustee, having become bound so to proceed, fails or is unable to do so within 120 days from the date on which the Trustee is so bound and such failure or inability shall be continuing, in which case the Bondholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise as set out in this Condition 13.

14. Substitution

If requested by the Issuer, the Trustee may, without the consent of the Bondholders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute or substitutes under this Condition 14) as the principal debtor under the Bonds and the Trust Deed of: (i) any Subsidiary of the Issuer or any Parent Entity; or (ii) a successor in business to the Issuer (each, a “**Substitute Obligor**”), in each case provided that:

- (A) the Trustee is satisfied that the interests of the Bondholders will not be materially prejudiced by the substitution;
- (B) (unless a successor in business of the Issuer is the Substitute Obligor) either:
 - (i) if the Bonds have been rated by one or more Rating Agencies at the request of the Issuer and one or more of such ratings continue to be maintained immediately prior to such substitution, each relevant Rating Agency confirms to the Issuer or announces that such substitution will not result in a withdrawal or downgrade of the credit rating it has assigned to the Bonds immediately prior to such substitution or the placing of any such rating on creditwatch or review with a negative outlook; or
 - (ii) where (x) the Bonds have not been rated by one or more Rating Agencies or (y) the Bonds have been rated by one or more Rating Agencies, but the terms of paragraph (i) above are not satisfied, the obligations of the Substitute Obligor under the Trust Deed and the Bonds are guaranteed by the Issuer (or, if applicable, a successor in business of the Issuer) on an unsubordinated basis and in a form and manner satisfactory to the Trustee, and such guarantor shall not exercise rights of subrogation or contribution against the Substitute Obligor without the consent of the Trustee;
- (C) a supplemental trust deed is executed or some other form of undertaking is given by the Substitute Obligor in form and manner satisfactory to the Trustee, agreeing to be bound by the terms of the Trust Deed and the Bonds, with any consequential amendments which the Trustee may determine to be appropriate, as fully as if the relevant Substitute Obligor had been named in the Trust Deed and on the Bonds as the principal debtor in place of the Issuer (or of any previous Substitute Obligor, as the case may be);
- (D) if a director of the Substitute Obligor or other officers acceptable to the Trustee shall certify that the Substitute Obligor is solvent at the time at which the said substitution is proposed to be effected (upon which certification the Trustee may rely absolutely and without investigation), the Trustee shall not be bound to have regard to the financial condition, profits or prospects of the Substitute Obligor or to compare the same with those of the Issuer; and
- (E) if the Substitute Obligor is, or becomes, subject generally to the taxing jurisdiction of a territory or any authority of or in that territory with power to tax other than the territory of the taxing jurisdiction of which (or to any such authority of or in which) the Issuer is subject generally the Substitute Obligor will (unless the Trustee otherwise agrees) give to the Trustee an undertaking satisfactory to the Trustee in terms corresponding to Condition 10 (*Taxation*) in respect of its own taxing jurisdiction.

15. Replacement of Certificates

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Registrar upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

16. Notices

All notices required to be delivered to the Bondholders pursuant to these Terms and Conditions will be valid if mailed to them at their respective addresses in the Register maintained by the Registrar. Any notice shall be deemed to have been given on the second (2nd) day after being so mailed.

17. Meetings of Bondholders, modification, waiver and authorisation

17.1 Meetings of Bondholders

- (A) The Trust Deed contains provisions for convening meetings (including by way of conference call using a videoconference platform) of the Bondholders to consider any matter affecting their interests, including the modification or abrogation by Extraordinary Resolution of any of these Terms and Conditions or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer, the Trustee or the Bondholders holding not less than one quarter in principal amount of the Bonds for the time being outstanding. The quorum at any meeting (and including at any adjourned such meeting) for passing an Extraordinary Resolution will be two (2) or more persons present holding or representing not less than two thirds in principal amount of the Bonds for the time being outstanding. For a resolution to pass as an Extraordinary Resolution at any meeting of the Bondholders (and including at any adjourned such meeting) a majority of at least seventy-five per cent. (75%) of the votes cast must vote in favour of such resolution.
- (B) The Trust Deed further provides that (i) a resolution in writing signed by or on behalf of the holders of not less than seventy-five per cent. (75%) of the aggregate principal amount of the Bonds outstanding for the time being outstanding (a “**Written Resolution**”), or (ii) where the Bonds are held by or on behalf of a clearing system, approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the clearing system(s) in accordance with its operating rules and procedures by or on behalf of the holders of not less than seventy-five per cent. (75%) of the aggregate principal amount of the Bonds for the time being outstanding (an “**Electronic Consent**”), shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held. Such Written Resolution may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.
- (C) An Extraordinary Resolution passed at any meeting of the Bondholders and any Written Resolution or Electronic Consent will be binding on all Bondholders, whether or not they are present at the meeting or participated in such Written Resolution or Electronic Consent (as applicable).

17.2 Modification, waiver, authorisation or determination

The Trustee may, without the consent of the Bondholders: (i) agree to any modification of any of these Terms and Conditions or any of the provisions of the Trust Deed, provided that in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders and such modification would not be a Basic Terms Modification; (ii) agree to the waiver or authorisation of any breach or proposed breach or determine that any Event of Default or Potential Event of Default shall not be treated

as such, provided any such waiver, authorisation or determination, is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders; (iii) agree to any modification of these Terms and Conditions or any of the provisions of the Trust Deed which is of a formal, minor or technical nature or to correct a manifest error; or (iv) agree to any modification of these Terms and Conditions or any of the provisions of the Trust Deed in order to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated.

17.3 Trustee to have regard to interests of Bondholders as a class

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Bondholders as a class but shall not have regard to any interests arising from circumstances particular to individual Bondholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Bondholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer, the Trustee or any other person, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders except to the extent already provided for in Condition 10 (*Taxation*) and/or any undertaking given in addition to, or in substitution for, Condition 10 (*Taxation*) pursuant to the Trust Deed.

17.4 Notification to Bondholders

Any modification, abrogation, waiver, authorisation or determination referred to in Condition 17.2 (*Modification, waiver, authorisation or determination*) and any substitution under Condition 14 (*Substitution*) shall be binding on the Bondholders and, unless the Trustee agrees otherwise, shall be notified by the Issuer to the Bondholders as soon as practicable thereafter in accordance with Condition 16 (*Notices*).

18. Indemnification of the Trustee and Trustee actions

18.1 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility and liability including (i) provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction and (ii) provisions limiting or excluding its liability in certain circumstances.

The Trustee may rely without liability to Bondholders on any Officer's Certificate or a report, opinion, confirmation, or certificate of any expert or other person, whether or not addressed to it and whether or not such expert or other person, has any liability to it in respect of the same, notwithstanding that such certificate, opinion, confirmation or report and/or any engagement letter or other document entered into by the Trustee in connection therewith contains a monetary or other limit on the liability of the expert or such other person in respect thereof and notwithstanding that the scope and/or basis of such certificate, opinion, confirmation or report may be limited by any engagement or similar letter or by the terms of the certificate or report itself.

18.2 Limitation on Trustee actions

The Trustee may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion (based upon legal advice in the relevant jurisdiction), be contrary to any law of that jurisdiction. Furthermore, the Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or if, in its opinion (based upon such legal advice), it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power.

18.3 Trustee contracting with Issuer

The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

19. Further issues

The Issuer may from time to time, without the consent of the Bondholders, create and issue further bonds, having terms and conditions the same as those of the Bonds, or the same except for the amount and date of the first payment of interest, which may be consolidated and form a single series with the outstanding Bonds. Any further bonds which are to form a single series with the outstanding bonds of any series (including the Bonds) shall be constituted by the Trust Deed or any deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Bondholders and the holders of bonds of other series in certain circumstances where the Trustee so decides.

References in these Terms and Conditions to the Bonds include (unless the context requires otherwise) any other bonds issued pursuant to this Condition 19 and forming a single series with the Bonds.

20. Governing law and arbitration

- (A) The Trust Deed and the Bonds, and any non-contractual obligations arising out of or in connection with the Trust Deed and the Bonds, are governed by, and shall be construed in accordance with, English law.
- (B) Any dispute arising out of or in connection with the Trust Deed or the Bonds, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed or the Bonds shall be referred to and finally resolved by binding arbitration under the Rules of Arbitration (the “**Rules**”) of the London Court of International Arbitration (the “**LCIA**”), which Rules are deemed to be incorporated by reference into this Condition 20(B).
- (C) There shall be three arbitrators. One arbitrator shall be nominated by the Issuer and one arbitrator shall be nominated by the Trustee, in each case for appointment by the LCIA in accordance with the Rules. The third arbitrator, who shall act as the chairman of the tribunal, shall be nominated by agreement of the two party-appointed arbitrators within fourteen (14) days of the confirmation of the appointment of the second arbitrator, or in default of such agreement, appointed by the LCIA.
- (D) The Issuer and the Trustee (on behalf of itself and on behalf of each Bondholder) consent to the consolidation of arbitrations commenced under these Terms and Conditions and the Trust Deed as follows:
 - (i) if two or more arbitrations are commenced under these Terms and Conditions and/or the Trust Deed, the arbitral tribunal shall have the power, upon the application of the Issuer or the Trustee, to order that the arbitrations be consolidated into a single arbitration before that arbitral tribunal (a “**Consolidation Order**”);
 - (ii) the person making the request shall provide copies of any request for consolidation to all other applicable persons and to any appointed arbitrators;
 - (iii) in determining whether to make such a Consolidation Order, the arbitral tribunal shall take into account the circumstances of the case, including whether the arbitrations raise common issues of law and fact, and whether a Consolidation Order would serve the interests of justice and efficiency;

- (iv) if, before a Consolidation Order is made by an arbitral tribunal with respect to another arbitration, arbitrators have already been appointed by the LCIA in that other arbitration, their appointment shall be terminated upon the making of such Consolidation Order. Such termination is without prejudice to the validity of any act done or order made by an arbitrator prior to his or her termination; his or her entitlement to fees and disbursements, or any party's entitlement to legal and other costs incurred before termination; and the date when any claim or defence was raised for the purpose of applying any limitation bar or any like rule or provision; and
- (v) in the event of two or more conflicting Consolidation Orders, the Consolidation Order that was made first in time shall prevail, unless the Trustee and the Issuer agree otherwise.

- (E) The seat, or legal place, of arbitration shall be London, England.
- (F) The language to be used in the arbitral proceedings shall be English.
- (G) The award shall be final and binding and may be entered and enforced in any court having jurisdiction.

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

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Bonds but this does not affect any right or remedy of any person which exists or is available apart from that Act.

22. **Definitions**

For the purposes of these Terms and Conditions:

“Additional Amounts” has the meaning given to such term in Condition 10 (*Taxation*).

“Affiliate” means, with respect to any Person, any other Person (1) directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person; (2) who is a director or officer of such Person or any subsidiary of such Person or of any Person referred to at (1) of this definition; or (3) who is a spouse or any Person cohabiting as a spouse, child or step-child, parent or step-parent, brother, sister, step-brother or step-sister of a Person described at (1) or (2) of this definition. For purposes of this definition, **“control”** (including, with correlative meanings, the terms **“controlling”**, **“controlled by”** and **“under common control with”**), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

“Affiliate Transaction” has the meaning given to such term in Condition 4.5 (*Affiliate Transactions*).

“Agency Agreement” has the meaning given to such term in the preamble to these Terms and Conditions.

“Agents” means the Registrar, the Principal Paying Agent, the Transfer Agent and the other Paying Agents appointed from time to time under the Agency Agreement.

“Applicable Percentage” means:

- (A) in respect of any IPO Date occurring on or before 22 March 2024, ninety per cent. (90%);
- (B) in respect of any IPO Date occurring after 22 March 2024 but on or before 22 March 2025, eighty-five per cent. (85%); and
- (C) in respect of any IPO Date occurring after 22 March 2025, but on or before the Maturity Date, eighty per cent. (80%).

“Applicable Premium” means, with respect to any Bond on the applicable Put Date, the excess, if any, of:

- (A) the present value on the Put Date of (i) the principal amount of the Bond plus (ii) all required interest payments due on the Bond through the Maturity Date (excluding any accrued but unpaid interest) computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points; over
- (B) the principal amount of the Bond.

Calculation of the Applicable Premium will be made by the Issuer or on behalf of the Issuer by such person as the Issuer shall designate, provided that such calculation or the correctness thereof shall not be a duty or obligation of the Trustee and the Trustee shall be entitled to conclusively rely on such calculation provided to it by the Issuer or an authorised representative of the Issuer’s designee.

“Asset Sale” means a lease, sale (other than a sale and lease-back), transfer or other disposition either in one transaction or in a series of related transactions, by any member of the Group to a Person that is not a member of the Group, provided that **“Asset Sale”** shall not include:

- (A) leases, sales, transfers or other dispositions made in the ordinary course of business of the disposing entity, including carrying out the Core Business and undertaking the New Business;
- (B) dispositions of cash, cash equivalents or long term deposits;
- (C) leases, sales, transfers or other dispositions of assets (other than shares or businesses) in exchange for other assets which are, in the reasonable opinion of the senior management of the relevant member of the Group, materially comparable or superior as to type, value or quality;
- (D) any Restricted Payment which is permitted under Condition 4.6 (*Restricted payments; restrictions on loans*);
- (E) any such lease, sale, transfer or other disposition arising under a licence or sub-licence of software, intellectual property rights or other intangibles in the ordinary course of business, including in carrying out the Core Business and undertaking the New Business and in connection with making any of the Group’s intellectual property “open source”;
- (F) the sale, lease, transfer or other disposition of assets which are being replaced or upgraded or which are obsolete or no longer required for the purposes of the Group’s operations;
- (G) the surrender or waiver of contract rights or the settlement, release, or surrender of contract, tort or other claims in the ordinary course of business, including carrying out the Core Business and undertaking the New Business;
- (H) the creation or granting of any Permitted Security Interest or any disposition arising as a result of any Security Interest that is not prohibited by these Terms and Conditions; and
- (I) where the aggregate value of any assets which are the subject of any such lease, sale (other than a sale and lease-back), transfer or other disposition does not exceed USD 100,000,000 (or its equivalent in any other currency or currencies) in any continuous period of 12 months.

“Basic Terms Modification” has the meaning given to such term in the Trust Deed.

“Bondholder” has the meaning given to such term in Condition 1.2 (*Title*).

“Bonds” has the meaning given to such term in the preamble to these Terms and Conditions.

“Business Day” means:

- (A) except for the purposes of Condition 7 (*Redemption at the option of Bondholders: Change of Control Event and Qualifying Equity Event*) and Condition 8 (*Redemption at the option of Bondholders: Proposed IPO*), a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and New York; and
- (B) for the purposes of Condition 7 (*Redemption at the option of Bondholders: Change of Control Event and Qualifying Equity Event*) and Condition 8 (*Redemption at the option of Bondholders: Proposed IPO*), a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London, New York and the place of the specified office of the Paying Agent or Transfer Agent at which the relevant Certificate is deposited (if required).

“Calculation Amount” means USD 1,000.

“Capital Stock” means, with respect to any Person, any and all shares, interests (including partnership interests), rights to purchase, warrants, options, participations or other equivalents (however designated, whether voting or non-voting) of such Person’s equity, including any Preferred Stock of such Person, whether now outstanding or issued after the Issue Date, including without limitation, all series and classes of such Capital Stock but excluding any debt securities convertible into or exchangeable for such Capital Stock.

“Ceiling” has the meaning given to such term in Condition 8.2 (*Procedure*).

“Certificate” has the meaning given to such term in Condition 1.1 (*Form and denomination*).

a **“Change of Control Event”** occurs when any of the following occurs:

- (A) the Permitted Holders cease to Control the Issuer, save where this is by reason of an IPO; or
- (B) any Person or Persons (other than the Permitted Holders) directly or indirectly, acting alone or together, acquires Control, directly or indirectly, of the Issuer, whether by reason of an IPO or otherwise; or
- (C) the Issuer, or any direct or indirect holding company of the Issuer, is the subject of an acquisition or business combination involving a special purpose acquisition company.

“Connected Person” means, in relation to an individual:

- (A) a Family Member;
- (B) any charitable organisation nominated by such individual, provided that such individual and/or his Family Members remain beneficially interested;
- (C) any Person or Persons acting in the capacity of trustee or trustees of a trust created by such individual, provided that there are no Persons beneficially interested under the trust other than the individual and/or his Family Members; or
- (D) personal representatives of such individual upon or after the death of such individual.

“Consolidated Net Income (Loss)” means, for any annual or semi-annual financial period, the net income (or loss) of the Group for such period, on a consolidated basis, determined in accordance with IFRS and as shown in or derived from the financial statements delivered in accordance with Condition 4.7 (*Financial Reporting*).

“Control” means, in relation to the Issuer, being:

- (A) entitled to exercise, or control the exercise of, (directly or indirectly) more than fifty per cent. (50%) of the voting power at any general meeting of the shareholders of the Issuer in respect of all or substantially all matters falling to be decided by resolution or meeting of such shareholders; or
- (B) entitled to (directly or indirectly) appoint or remove directors on the Issuer's board of directors who are able (in the aggregate) to exercise more than fifty per cent. (50%) of the voting power at meetings of that board in respect of all or substantially all matters.

"Core Business" means the provision of cloud-based social media and messaging services and any and all ancillary and/or support activities in connection therewith in each case conducted by or on behalf of the Group as at the Issue Date.

"Currency Agreement" means any foreign exchange contract, currency swap agreement or other similar agreement with respect to currency values.

"Day Count Fraction" means, in respect of any period, the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Issue Date) to (but excluding) the relevant payment date divided by 360, where the number of days is calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

"Disqualified Stock" means, with respect to any Person, any Capital Stock which by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder) or upon the happening of any event:

- (A) matures or is mandatorily redeemable (other than redeemable only for Capital Stock of such Person which is not itself Disqualified Stock) pursuant to a sinking fund obligation or otherwise;
- (B) is convertible or exchangeable at the option of the holder for Indebtedness or Disqualified Stock; or
- (C) is mandatorily redeemable and must be purchased upon the occurrence of certain events or otherwise, in whole or in part;

in each case on or prior to the date that is six months after the Maturity Date; provided, however, that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof the right to require such Person to purchase or redeem such Capital Stock upon the occurrence of an "asset sale" or "change of control" occurring prior to the six-month anniversary of the Maturity Date shall not constitute Disqualified Stock if the terms of such Capital Stock provide that the issuer thereof may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Condition 4.6 (*Restricted Payments; restrictions on loans*).

"Electronic Consent" has the meaning given to such term in Condition 17.1(B) (*Meetings of Bondholders*).

"Event of Default" has the meaning given to such term in Condition 12 (*Events of Default*).

"Extraordinary Resolution" means a resolution passed (a) at a meeting duly convened and held in accordance with the Trust Deed by a majority of at least 75% of the votes cast, (b) by a Written Resolution or (c) by an Electronic Consent.

"Fair Market Value" means, with respect to any asset or property, the price that would be paid in an arms' length, free market transaction between an informed, willing and able seller and an informed, willing and able buyer, neither of whom is under undue pressure or compulsion to complete the transaction. Fair Market Value will (without prejudice to the additional requirements of Condition 4.4 (*Asset Sales*)) be determined in good faith

by a director of the Issuer whose determination (in the absence of fraud or manifest error) will be conclusive.

“Family Member” means, in relation to an individual, the spouse, civil partner, parent, widow, widower, sibling, child or grandchild (including such child or grandchild by adoption or step-child) of such individual.

“Finance Lease” means any lease or hire purchase contract, a liability under which would, in accordance with IFRS, be treated as a balance sheet liability.

“Floor” has the meaning given to such term in Condition 8.2 (*Procedure*).

“Group” means the Issuer and its Subsidiaries from time to time and **“member of the Group”** shall be construed accordingly.

“Hedging Obligations” of any Person means the obligations of such Person pursuant to any Interest Rate Agreement or Currency Agreement or any other derivative transaction entered into in connection with protection against or benefit from fluctuation in any interest or foreign exchange rate or price, with the amount of obligations in respect of any such derivative transaction determined with reference to the marked to market value thereof (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount).

“holder” has the meaning given to such term in Condition 1.2 (*Title*).

“IFRS” means international financial reporting standards to the extent applicable to the relevant financial statements.

“Indebtedness” means, at any date of determination (without duplication), any indebtedness of members of the Group for or in respect of:

- (A) moneys borrowed and debit balances at banks or other financial institutions;
- (B) any acceptances under any acceptance credit facility or bill discounting facility (or dematerialised equivalent);
- (C) any note purchase facility or issue of bonds (but not Trade Instruments), notes, debentures, loan stock or other similar instruments;
- (D) the amount of any liability in respect of Finance Leases;
- (E) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (F) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument (but not, in any case, Trade Instruments) issued by a bank or financial institution in respect of an underlying liability of an entity which is not a member of the Group which liability would fall within one of the other paragraphs of this definition (other than obligations with respect to documentary facilities, including without limitation, letters of credit, performance guarantees, documentary credits and advance payment bonds, provided by or at the request of such Person, in the ordinary course of business of such Person to the extent such documentary facilities, letters of credit, performance guarantees, documentary credits and advance payment bonds are not drawn upon or, if and to the extent drawn upon, such drawing is reimbursed no later than the 30 days following receipt by such Person of a demand for reimbursement following payment on such documentary facilities, letters of credit, performance guarantees, documentary credits and advance payment bonds);
- (G) any amounts raised pursuant to any issue of shares which are expressed to be redeemable (other than at the option of the issuer) before the Maturity Date or are otherwise classified as borrowings under IFRS (but, for the avoidance of doubt, excluding any issue of Preferred Stock of the Issuer);

- (H) the amount of any liability in respect of any advance or deferred purchase agreement if the primary reason for entering into such agreement is to raise finance or to finance the acquisition or construction of the asset or service in question;
- (I) any amount raised under any other transaction (including any forward sale or purchase or sale and leaseback agreement) having the commercial effect of a borrowing;
- (J) any Hedging Obligations; and
- (K) the amount of any liability in respect of any guarantee, suretyship or indemnity for any of the items referred to in paragraphs (A) to (J) above.

Any liability of any member of the Group under any Subordinated Shareholder Funding shall not constitute “**Indebtedness**” for the purpose of these Conditions.

“**Independent Adviser**” means an independent accounting, appraisal or investment banking firm of recognised international standing.

“**Interest Payment Date**” has the meaning given to such term in Condition 5.1 (Interest Rate and Interest Payment Dates).

“**Interest Rate**” has the meaning given to such term in Condition 5.1 (Interest Rate and Interest Payment Dates).

“**Interest Rate Agreement**” means any interest rate swap agreement, interest rate cap agreement or other financial agreement with respect to exposure to interest rates.

“**IPO**” means the admission to trading on a Recognised Stock Exchange of all of the Shares of the IPO Entity.

“**IPO Date**” means the date on which the IPO shall be deemed to have occurred for the purpose of these Terms and Conditions and shall be the date on which the Shares are admitted to unconditional trading on a Recognised Stock Exchange and all other required and customary approvals in respect of such admission are granted by the Recognised Stock Exchange, in each case pursuant to an IPO.

“**IPO Entity**” means the Issuer or any successor thereof, any Parent Entity or any Subsidiary of the Issuer notified to the Trustee by the Issuer in writing as the Person to be treated as the IPO Entity in relation to the relevant Proposed IPO or IPO, as the context requires, and as must be specified in the Proposed IPO Notice as such; provided that the IPO Entity shall be an entity which will issue Shares or whose Shares are to be sold, pursuant to that IPO.

“**IPO Issue Price**” means the price at which a Share is sold in connection with the IPO, save that where such IPO Issue Price is in any currency other than USD, the IPO Issue Price shall be translated into USD at the Prevailing Rate on the Business Day immediately prior to the date upon which the IPO Issue Price is fixed.

“**IPO Option Closing Date**” means the date falling two (2) Business Days prior to the date that is fixed for pricing the IPO.

“**IPO Redemption Option**” has the meaning given to such term in Condition 8.1(B) (*Proposed IPO Notice*).

“**IPO Redemption Proceeds**” has the meaning given to such term in Condition 8.1(B) (*Proposed IPO Notice*).

“**Issue Date**” means 22 March 2021.

“**Issuer**” has the meaning given to such term in the preamble to these Terms and Conditions.

“**Maturity Date**” has the meaning given to such term in Condition 6.1 (*Final redemption*).

“**New Business**” means the development of an advertising platform, the sale of advertising on the Telegram Platform and the generation of revenue on the Telegram Platform, including without limitation through the development of premium paid features, in each case as may be conducted by or on behalf of the Group after the Issue Date.

“**Officer’s Certificate**” has the meaning give to such term in the Trust Deed.

“**Parent Entity**” means any direct or indirect parent company of the Issuer.

“**Paying Agent**” has the meaning given to such term in the preamble to these Terms and Conditions.

“**Permitted Holders**” means Pavel Durov and any Connected Person of Pavel Durov.

“**Permitted Indebtedness**” means Indebtedness:

- (A) arising under the Bonds (excluding for these purposes any further bonds issued pursuant to Condition 19 (*Further issues*) and forming a single series with the Bonds);
- (B) arising under each loan agreement entered into by the Issuer prior to the Issue Date in respect of a loan which is repayable on 30 April 2021;
- (C) arising under a foreign exchange transaction for spot or forward delivery entered into by the Issuer or another member of the Group in connection with protection against fluctuation in currency or interest rates, but not a foreign exchange or interest rate transaction for investment or speculative purposes;
- (D) arising between members of the Group or between any member of the Group and an IPO Entity;
- (E) of any person acquired by a member of the Group after the Issue Date which is incurred or arises under arrangements in existence at the date of acquisition, **provided that** (i) the principal amount of such Indebtedness is not incurred or increased and (ii) the maturity date of such Indebtedness is not extended, in each case, in contemplation of, or since, that acquisition;
- (F) arising under Finance Leases entered into by members of the Group **provided that** the aggregate capital value of all such items so leased under outstanding leases by members of the Group does not exceed USD 50,000,000 (or its equivalent in any other currency or currencies) at any time;
- (G) arising under debit balances at bank accounts of members of the Group **provided that** the aggregate principal amount of all outstanding debit balances of members of the Group does not exceed USD 50,000,000 (or its equivalent in any other currency or currencies) at any time;
- (H) arising under arrangements entered into by members of the Group (other than the Issuer) and which is not permitted by the preceding paragraphs and the outstanding principal amount of which does not exceed an amount equal to ten per cent. (10%) of the total Indebtedness of the Group (including the principal amount of Indebtedness to be incurred by a member of the Group in reliance on this paragraph (H)) outstanding on the date on which such Indebtedness was incurred or committed; and
- (I) arising under arrangements entered into by the Issuer and which is not permitted by the preceding paragraphs and the outstanding principal amount of which, together with the outstanding principal amount of the Bonds (excluding for these purposes any further bonds issued pursuant to Condition 19 (*Further issues*) and forming a single series with the Bonds) and the outstanding principal amount of Indebtedness incurred by members of the Group pursuant to paragraph (H) above, does not exceed USD 4,500,000,000 (or its equivalent in any other currency or currencies) from time to time.

For the avoidance of doubt, any “Permitted Indebtedness” shall also comply with the terms of Condition 4.1 (*Negative Pledge*).

“**Permitted Payment**” means any Restricted Payment that is made:

- (A) to redeem any Subordinated Shareholder Funding on or following any IPO Date using all or part of the proceeds payable to the IPO Entity in an IPO;
- (B) to make any payments of costs and/or expenses to any IPO Entity to facilitate, as a consequence of or otherwise in connection with, a Proposed IPO or an IPO; or
- (C) to a member of the Group.

“**Permitted Security Interest**” means:

- (A) any lien arising by operation of law and in the ordinary course of business (including carrying out the Core Business and undertaking the New Business) and not as a result of any default or omission by any member of the Group;
- (B) any netting or set-off arrangement entered into by any member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of members of the Group;
- (C) any payment or close out netting or set-off arrangement pursuant to any Hedging Obligation entered into by a member of the Group;
- (D) any Security Interest over or affecting any undertaking or asset acquired by a member of the Group after the Issue Date if:
 - (i) the Security Interest existed at the date of such acquisition and was not created in contemplation of the acquisition of that undertaking or asset by a member of the Group; and
 - (ii) the principal amount secured by such Security Interest has not been increased in contemplation of or since the date of the acquisition of that undertaking or asset by a member of the Group,

and any Security Interest over or affecting the same undertaking or asset which is given for the purpose of, and to the extent of, the refinancing of the principal amount secured by such Security Interest (provided that the principal amount secured by such Security Interest has not been increased pursuant to the refinancing);

- (E) any Security Interest over or affecting any asset of any company which becomes a member of the Group after the Issue Date, where the Security Interest is created prior to the date on which that company becomes a member of the Group if:
 - (i) the Security Interest existed at the date on which such company becomes a member of the Group and was not created in contemplation of the acquisition of that company; and
 - (ii) the principal amount secured by such Security Interest has not been increased in contemplation of or since the date of the acquisition of that company,

and any Security Interest over or affecting the same asset of such company which is given for the purpose of, and to the extent of, the refinancing of the principal amount secured by such Security Interest (provided that the principal amount secured by such Security Interest has not been increased pursuant to the refinancing);

- (F) any Security Interest arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of

goods supplied to a member of the Group in the ordinary course of business (including carrying out the Core Business and undertaking the New Business) and on the supplier's standard or usual terms and not arising as a result of any default or omission by any member of the Group;

- (G) any Security Interest arising as a consequence of any Finance Lease; or
- (H) any Security Interest securing Indebtedness which is of a maximum aggregate amount outstanding at any time not exceeding USD 20,000,000 (or its equivalent in any other currency or currencies).

"Permitted Transactions" means:

- (A) the payment of reasonable and customary fees and expenses (whether on a regular or one-off basis) and other reasonable and customary compensation to directors of any member of the Group which are consistent with past practices of the Issuer;
- (B) transactions between or among members of the Group;
- (C) transactions between any member of the Group and any IPO Entity;
- (D) any Permitted Payment or any Restricted Payment that is not prohibited by Condition 4.6 (*Restricted Payments; restrictions on loans*);
- (E) the incurrence of any Permitted Indebtedness or any Subordinated Shareholder Funding;
- (F) any sale of Shares in the IPO Entity pursuant to an IPO where the purchaser thereof is an Affiliate of the Issuer;
- (G) the issue of shares or options over shares to employees, officers and directors of any member of the Group pursuant to an employee stock or share option or other incentive scheme which are in the ordinary course of business and where the grants thereunder do not exceed in aggregate more than ten per cent. (10%) of the issued share capital of the Issuer or the relevant IPO Entity;
- (H) any employment, consulting, service or termination agreement, or reasonable and customary indemnification arrangements, including discretionary or other bonus payments consistent with past practices, entered into by any member of the Group with directors, officers, employees and consultants in the ordinary course of business (including carrying out the Core Business and undertaking the New Business) and the payment of compensation pursuant thereto; and
- (I) transactions not permitted by paragraphs (A) to (H) above, where the aggregate value of any such transactions does not exceed USD 10,000,000 (or its equivalent in any other currency or currencies) in any continuous period of 12 months.

"Person" means any individual, corporation, partnership, joint venture, bank, financial institution, trust, unincorporated organisation or government or any agency or political subdivision thereof or other entity.

"Preferred Stock", as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends or distributions, or as the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"Prevailing Rate" means, on any date, the spot mid-rate of exchange between USD and the currency in which the IPO Issue Price is denominated, prevailing as at 12 noon (London time) on that date as appearing on or derived from Bloomberg page BFIX (or any successor page) in respect of such pair of currencies, or, if such a rate cannot be so

determined, the rate prevailing as at 12 noon (London time) on the immediately preceding day on which such rate can be so determined.

“**Price Range**” has the meaning given to such term in Condition 8.2 (*Procedure*).

“**Principal Paying Agent**” has the meaning given to such term in the preamble to these Terms and Conditions.

“**Proposed IPO**” means a decision is made by the Issuer and its shareholders to undertake an IPO.

“**Proposed IPO Notice**” has the meaning given to such term in Condition 8.1(A) (*Proposed IPO Notice*).

“**Put Date**” means the date falling 10 Business Days after (but excluding) the last day of the Put Period.

“**Put Notice**” has the meaning given to such term in Condition 7(B) (*Redemption at the option of Bondholders: Change of Control Event and Qualifying Equity Event*).

“**Put Option**” has the meaning given to such term in Condition 7(A) (*Redemption at the option of Bondholders: Change of Control Event and Qualifying Equity Event*).

“**Put Period**” means the period from and including the date of the Put Notice to and including the date falling 45 days after the date of such Put Notice.

“**Qualifying Equity Event**” means the date of issuance of any shares in the Issuer to any investor(s) (other than any Permitted Holder) in connection with a bona fide equity financing round occurring after the Issue Date in which the Issuer raises newly committed capital from one or a series of related transactions and where the aggregate amount of shares issued to investor(s) in such equity financing round, when aggregated with any shares issued to investor(s) in any previously occurring bona fide equity financing round occurring after the Issue Date, equals or exceeds an amount that is greater than or equal to ten per cent. (10%) of the Issuer’s total share capital. For the avoidance of doubt, any shares issued (i) on the exercise of any option granted to an employee, officer or consultant of the Issuer by way of incentive or (ii) in connection with an IPO Event shall not be treated as a bona fide equity financing round for the purposes of the definition of “Qualifying Equity Event”.

“**Rating Agency**” means each of S&P Global Ratings Europe Limited, Moody’s Investors Service Limited and Fitch Ratings Limited (or, in each case, any successor thereto or such other entity within its group which has assigned a credit rating to the Bonds at the Issuer’s request).

“**Recognised Stock Exchange**” means any regulated market, multilateral trading facility, other recognised investment exchange or recognised overseas investment exchange on which shares (or securities representing shares) can be traded, including any market operated by any of the London Stock Exchange, Euronext, the New York Stock Exchange, Nasdaq, the Deutsche Börse, the Paris Stock Exchange Group, the Toronto Stock Exchange, the Amsterdam Stock Exchange, the Hong Kong Stock Exchange, the Singapore Exchange and the Abu Dhabi Securities Exchange.

“**Record Date**” has the meaning given to such term in Condition 9.1 (*Payments in respect of Bonds*).

“**Register**” has the meaning given to such term in Condition 1.1 (*Form and denomination*).

“**Registrar**” has the meaning given to such term in the preamble to these Terms and Conditions.

“**Relevant Date**” means the date on which a payment first becomes due and payable but if the full amount of the money payable has not been received by an Agent or the Trustee on or before the due date, it means the date on which, the full amount of the money having

been so received, notice to that effect has been duly given to the Bondholders in accordance with Condition 16 (*Notices*).

“Relevant Indebtedness” means debt for borrowed money and any amounts of premium or interest accruing thereon.

“Restricted Payment” means, with respect to any member of the Group:

- (A) the declaration, making or payment of any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital) to any Person other than a member of the Group; and
- (B) the purchase, repurchase, redemption, defeasance or other acquisition or retirement for value of any of its share capital that is held by any Person other than a member of the Group; and
- (C) any payment by any member of the Group in respect of Subordinated Shareholder Funding (including conversion or replacement of Capital Stock of the Issuer into Subordinated Shareholder Funding) or any amendment thereto or any payment of interest or principal thereunder.

“Security Interest” has the meaning given to such term in Condition 4.1 (*Negative pledge*).

“Share” means any ordinary share or other equivalent instrument (or, as applicable, any security representing an ordinary share or equivalent instrument) of an IPO Entity.

“Source Code” means the source code of the relevant software in human-readable form and in such form that it can be compiled or interpreted into equivalent object code together with all technical information and documentation (including all specifications, input and output formats, algorithms and file structures) that are necessary for the use, reproduction, modification and enhancement of such software or have been used for such purposes.

“Subsidiary” means, with respect to any person:

- (A) any corporation, association, or other business entity (other than a partnership, joint venture, limited liability company or similar entity) of which more than 50% of the total voting power of shares entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time of determination owned or controlled, directly or indirectly, by such person or one or more of the other Subsidiaries of that person or a combination thereof; or
- (B) any partnership, joint venture, limited liability company or similar entity of which:
 - (i) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such person or one or more of the other Subsidiaries of that person or a combination thereof whether in the form of membership, general, special or limited partnership interests or otherwise; and
 - (ii) such person or any Subsidiary of such person is a controlling general partner or otherwise controls such entity.

“Subordinated Shareholder Funding” means, collectively, any funds provided to the Issuer or any member of the Group by any direct or indirect parent of the Issuer in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, in each case, issued to and held by any of the foregoing Persons, provided that such Subordinated Shareholder Funding:

- (A) does not mature or require any amortisation, redemption or other repayment of principal or any sinking fund payment prior to the first anniversary of the Maturity Date (other than through conversion or exchange of such funding into Capital Stock (other than Disqualified Stock) of the Issuer or any funding meeting the requirements of this definition);
- (B) does not require, prior to the first anniversary of the Maturity Date, payment of cash interest, cash withholding amounts or other cash gross-ups, or any similar cash amounts;
- (C) contains no change of control or similar provisions and does not accelerate and has no right to declare a default or event of default or take any enforcement action or otherwise require any cash payment, in each case, prior to the first anniversary of the Maturity Date;
- (D) does not provide for any security interest or encumbrance over any property or asset of the Issuer or any member of the Group; and
- (E) is made to the Issuer or any member of the Group and pursuant to its terms is fully subordinated and junior in right of payment to the Bonds.

“**successor in business**” means any company which, as a result of any transfer, amalgamation, merger or reconstruction:

- (A) owns beneficially the whole or substantially the whole of the undertaking, property and assets owned by the Issuer immediately prior thereto; and
- (B) carries on, as a successor to the Issuer, the whole or substantially the whole of the business carried on by the Issuer immediately prior thereto.

“**Taxes**” has the meaning given to such term in Condition 10 (*Taxation*).

“**Telegram Platform**” means all technology and assets, including intellectual property rights, Source Code, licences and commercial contracts, necessary for the operation and development of the Core Business and the New Business.

“**Trade Instruments**” means any performance bonds, advance payment bonds or documentary letters of credit issued in respect of the obligations of any member of the Group arising in the ordinary course of operations of that member of the Group.

“**Transfer Agent**” has the meaning given to such term in the preamble to these Terms and Conditions.

“**Treasury Rate**” means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 that has become publicly available at least two Business Days prior to the applicable redemption date (or, if such statistical release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the Maturity Date; *provided, however*, that if the period from the redemption date to the Maturity Date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

“**Trust Deed**” has the meaning given to such term in the preamble to these Terms and Conditions.

“**Trustee**” has the meaning given to such term in the preamble to these Terms and Conditions.

PRINCIPAL PAYING AGENT

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