

04 December 2009

HAMMERSON PLC
as Issuer

and

THE LAW DEBENTURE TRUST CORPORATION P.L.C.
as Trustee

EIGHTH SUPPLEMENTAL TRUST DEED

in respect of a Principal Trust Deed dated
21 April 1998 constituting
£200,000,000 7.25 per cent. Bonds due 2028
(the "**Bonds**")

Herbert Smith LLP

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THIS EIGHTH SUPPLEMENTAL TRUST DEED is made by way of deed on 04 December 2009 by:

- (1) **HAMMERSON P.L.C.**, a company incorporated under the laws of England and Wales with company registration number 360632, whose registered office is at 10 Grosvenor Street, London W1K 4BJ (the "**Issuer**"); and
- (2) **THE LAW DEBENTURE TRUST CORPORATION P.L.C.**, a company incorporated under the laws of England and Wales with company registration number 01675231, whose principal office is at Fifth Floor, 100 Wood Street, London EC2V 7EX (the "**Trustee**").

WHEREAS:

- (A) The Issuer and the Trustee entered into a trust deed (the "**Principal Trust Deed**") dated 21 April 1998 relating to the creation and issue of £200,000,000 7.25 per cent. Bonds due 2028 (the "**Bonds**") as amended, restated and supplemented from time to time.
- (B) By a notice sent to bondholders via Euroclear Bank S.A./N.V. and Clearstream Banking société anonyme, Luxembourg on 5 November 2009, the Issuer convened a meeting of the holders of the Bonds (the "**Bondholders**") to be held on 4 December 2009 (the "**Meeting**") to consider a modification to the Terms and Conditions of the Bonds.
- (C) At the Meeting the resolution of the Bondholders in the form set out in the Schedule hereto was duly passed as an extraordinary resolution of the Bondholders (the "**Extraordinary Resolution**") and the draft supplemental trust deed referred to in the Extraordinary Resolution was a draft of this Eighth Supplemental Trust Deed.
- (D) This Eighth Supplemental Trust Deed further amends the Trust Deed, as authorised by the Extraordinary Resolution of the Bondholders.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

Unless otherwise defined in this Eighth Supplemental Trust Deed or the context requires otherwise, words and expressions used in this Eighth Supplemental Trust Deed have the meanings and constructions ascribed to them in the Trust Deed.

2. AMENDMENT TO THE BOND CONDITIONS

- 2.1 In accordance with the Extraordinary Resolution, with effect from the date hereof, the Issuer and the Trustee hereby agree to amend the Conditions of the Bonds as follows:

- 2.1.1 In Condition 1, by the deletion of the words from paragraph (i) of the definition of "Adjusted Capital and Reserves":

"prepared in accordance with the Base Accounting Principles,"

- 2.1.2 In Condition 1, by the amendment of paragraph (iii) of the definition of "Adjusted Capital and Reserves" such that it reads:

"(iii) by restating any amount which has been translated from a foreign currency into sterling by reference to:

(A) the middle market rate of exchange as published in the *Financial Times* (or, if such rate is not so published, the middle market rate as derived from an equivalent source) for the purchase of and sale of such currency with or for sterling in the London Foreign Exchange Market for the day in respect of which Adjusted Capital and Reserves falls to be calculated;

(B) such other rate(s) of exchange as may be required in accordance with any then current generally accepted accounting principles applicable to listed companies in the United Kingdom at that time which was applied for the purposes of preparing the Latest Consolidated Balance Sheet;"

2.1.3 In Condition 1, by the deletion of the definition of "Base Accounting Principles";

2.1.4 In Condition 1, by the amendment of paragraph (f) of the definition of "Financial Indebtedness" such that it reads:

"amounts raised under any other transaction which are treated (in accordance with any then current generally accepted accounting principles applicable to listed companies in the United Kingdom at that time) in the Latest Consolidated Balance Sheet as borrowings (or, in the case of such amounts raised after the date thereof, would have been so treated had they been raised on or prior to such date) or which otherwise have in all material respects the same commercial effect as borrowings of any member of the Group (but excluding the acquisition cost of any goods or services acquired by any member of the Group in the ordinary course of its trading where payment is due not more than 180 days after the time of acquisition, possession or performance)";

2.1.5 In Condition 1, by the amendment of paragraph (i) of the definition of "Financial Indebtedness" such that it reads:

"(i) any amount outstanding in a currency other than sterling is to be taken into account at its sterling equivalent calculated by reference to:

(A) at the middle market rate of exchange as published in the *Financial Times* (or, if such rate is not so published, the middle market rate as derived from an equivalent source) for the purchase of and sale of such currency with or for sterling in the London Foreign Exchange Market for the day in respect of which Financial Indebtedness falls to be calculated; or

(B) such other rate(s) of exchange as may be required in accordance with any then current generally accepted accounting principles applicable to listed companies in the United Kingdom at that time which was applied for the purposes of preparing the Latest Consolidated Balance Sheet;"

2.1.6 In Condition 1, by the insertion of the following as a new paragraph (iv) at the end of the definition of "Financial Indebtedness":

"(iv) in determining the amount of Financial Indebtedness referred to in paragraphs (a) to (g) above for the purposes of calculating the financial covenants under Condition 5, the amount to be taken into account will be the amount which would, in accordance with any then current generally accepted accounting principles applicable to listed companies in the United Kingdom at that time used for the purposes of preparing the Latest Consolidated Balance Sheet, be treated as the principal amount outstanding."

2.1.7 In Condition 1, by the deletion from the definition of "Latest Consolidated Balance Sheet" of the words:

"prepared in accordance with the Base Accounting Principles";

2.1.8 In Condition 1, by the deletion from paragraphs (b) and (c) of the definition of "Material Subsidiary" of the words:

"prepared in accordance with the Base Accounting Principles";

2.1.9 In Condition 13, by the deletion of the words:

"Without prejudice to the generality of the foregoing, the Trust Deed provides that, in the event of a change to the accounting principles for the time being applied in the preparation of the annual consolidated audited accounts of the Company, such amended or alternative accounting principles shall be adopted as the Base Accounting Principles subject to:

(a) receipt by the Trustee of a request from the Company that such amended or alternative accounting principles be so adopted; and

(b) agreement in writing between the Company, the Trustee and the Auditors (following consultation at the cost of the Company) as to the amendments (if any) to these Terms and Conditions and the Trust Deed deemed necessary to ensure that the obligations imposed upon the Company and the protection of Bondholders' interests effected by these Terms and Conditions and the Trust Deed would not be materially affected by such amendment to the Base Accounting Principles.

Subject to receipt by the Trustee of a certificate from the Auditors (whether or not addressed to the Trustee) confirming that, in their opinion, the amendments (if any) proposed to these Terms and Conditions and the Trust Deed designed to ensure that the obligations imposed upon the Company and the protection of Bondholders' interests effected by these Terms and Conditions and the Trust Deed would not be materially affected by such amendment to the Base Accounting Principles do so ensure or that no such amendments are required so to ensure, the Trustee shall be entitled (but not obliged to agree to such amendments (if any) to these Terms and Conditions and the Trust Deed and the adoption of such amended or alternative accounting principles as the Base Accounting Principles without the consent of the Bondholders or Couponholders."

2.2 In accordance with the Extraordinary Resolution, with effect from the date hereof, the Issuer and the Trustee hereby agree to modify the provisions of the Principal Trust Deed

solely in relation to the Bonds and any Further Securities consolidated and forming a single series therewith as follows:

- 2.2.1 In Clause 1, by the deletion of the definition of "Base Accounting Principles";
- 2.2.2 In Clause 13(iii), by the deletion of the words:
"and the Base Accounting Principles for the time being";
- 2.2.3 In Clause 13(iii) by the insertion of the word "and" prior to the words "all requirements".
- 2.2.4 In Clause 18, by the deletion of section (C) entitled "Change of Base Accounting Principles"; and
- 2.2.5 In Clause 18(D), by the amendment of the words in "sub-clauses (A), (B) and (C) of this Clause" so as to read:
"sub-clauses (A) and (B) of this Clause".

3. FULL FORCE AND EFFECT

Save as expressly modified by this Eighth Supplemental Trust Deed, the Principal Trust Deed, the Terms and Conditions of the Bonds and the Bonds themselves shall remain in full force and effect. The Principal Trust Deed and this Eighth Supplemental Trust Deed shall henceforth be read and construed in conjunction as one deed.

4. FEES, COSTS AND EXPENSES

- 4.1 Without prejudice to the provisions contained in Clause 4 of the Trust Deed, the Issuer shall, from time to time on demand of the Trustee, reimburse the Trustee for all fees, costs and expenses (including but not limited to legal fees and disbursements) together with any value added tax, interest and penalties thereon incurred by it in connection with the negotiation, preparation and execution of this Eighth Supplemental Trust Deed.
- 4.2 Without prejudice to the provisions contained in Clause 4 of the Trust Deed, the Issuer shall pay all stamp, registration and other taxes to which this Eighth Supplemental Trust Deed or any judgement given in connection herewith is or at any time may be subject and shall indemnify the Trustee against any liabilities, costs, claims and expenses resulting from any failure to pay or any delay in paying any such tax.

5. COUNTERPARTS

This Eighth Supplemental Trust Deed may be executed by facsimile and in any number of counterparts, each of which shall be deemed an original.

6. GOVERNING LAW AND JURISDICTION

This Eighth Supplemental Trust Deed, and all non-contractual matters arising from or connected with it, are governed by, and shall be construed in accordance with, English law.

7. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to this Eighth Supplemental Trust Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Eighth Supplemental Trust Deed, but this shall not affect any right or remedy of a third party which exists or is available apart from that Act.

8. NOTICES

Any communication relating to this Eighth Supplemental Trust Deed shall be made by post, facsimile, email or telephone and any such notice shall be sent to the party at its address or number and for the attention of the individual set out below:

<u>Party</u>	<u>Address</u>	<u>Telephone number</u>	<u>Facsimile number</u>	<u>Email address</u>
Hammerson Plc Attn: Duncan Beardsley	10 Grosvenor Street, London W1K 4BJ	020 7887 1013	020 7887 1008	dbeardsley@hammerson.co.uk
The Law Debenture Trust Corporation p.l.c. Attn: Trust Manager, Commercial Trusts	Fifth Floor, 100 Wood Street, London EC2V 7EX	020 7696 5200	020 7606 0643	Trust.management@lawdeb.co.uk

Any such communication will take effect, in the case of delivery, at the time of delivery, in the case of facsimile or email, at the time of despatch or, in the case of telephone, when made.

Any such communication not made by letter shall be confirmed by letter but failure to send or receive the letter of confirmation shall not invalidate the original communication.

IN WITNESS whereof this **DEED** has been executed by the parties hereto and is intended to be and is hereby delivered on the date first above written.

**EXECUTED AS A DEED by
HAMMERSON PLC**

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**SIMON MELLISS
Director**

**STUART HAYDON
Secretary
09/3169**

**acting by
an authorised signatory
in the presence of:**

)
)
)
)

Signature of witness

DUNCAN BEARDSLEY

**Name of witness
(in BLOCK CAPITALS)**

DUNCAN BEARDSLEY

Address of witness

107 Court Lane
London
SE21 7EE

The common seal of

**THE LAW DEBENTURE TRUST CORPORATION
P.L.C.**

was affixed in the presence of:

[Company seal]

41604

RICHARD RANCE (Director)

ABIGAIL HOLLADAY (Authorised Signatory)

SCHEDULE

EXTRAORDINARY RESOLUTION

"THAT this meeting (the "**Meeting**") of the holders of the £200,000,000 7.25 per cent. Bonds due 2028 of Hammerson plc (the "**Bonds**" and the "**Issuer**" respectively) constituted by the Principal Trust Deed dated 21 April 1998 and as amended, restated and supplemented from time to time made between the Issuer and The Law Debenture Trust Corporation p.l.c. (the "**Trustee**") as trustee for the holders of the Bonds (the "**Trust Deed**"), hereby:

- (1) authorises, directs, requests and empowers the Trustee to assent to the amendments to the Conditions of the Bonds and the provisions of the Trust Deed such that the Issuer's compliance with the financial covenants set out in the Bonds is calculated by reference to the accounting principles used in the preparation of the then latest consolidated balance sheet, all as set out in the Eighth Supplemental Trust Deed (as defined below);
- (2) authorises, directs, requests and empowers the Trustee (i) to concur in and execute a supplemental trust deed (supplemental to the Trust Deed) to effect the amendments and modifications referred to in paragraph (1) of this extraordinary resolution, in the form or substantially in the form of the draft produced to the Meeting and for the purpose of identification signed by the chairman thereof, with such amendments (if any) thereto as the Trustee shall require or agree to and to concur in (the "**Eighth Supplemental Trust Deed**"), and (ii) to execute and do all such other deeds, instruments, acts and things as may be necessary or desirable or expedient in its sole opinion to carry out and give effect to this extraordinary resolution and the implementation of the modifications referred to in paragraph (1) of this extraordinary resolution;
- (3) discharges and exonerates the Trustee from all liability for which it may have become or may become responsible under the Trust Deed or the Bonds in respect of any act or omission in connection with this extraordinary resolution or its implementation, the amendments and modifications referred to in paragraphs (1) and (2) of this extraordinary resolution or the implementation of those amendments and modifications; and
- (4) sanctions and assents to every abrogation, amendment, modification, variation, compromise or arrangement in respect of the rights of the holders of the Bonds and the holders of the interest coupons appertaining to the Bonds against the Issuer or against any of its property, whether such rights shall arise under the Trust Deed or otherwise be involved in or result from the amendments and modifications referred to in paragraphs (1) and (2) of this extraordinary resolution and the implementation of this extraordinary resolution."

