
DTEK FINANCE PLC

3rd Floor
11-12 St. James's Square
London SW1Y 4LB
United Kingdom

LISTING PARTICULARS

U.S.$1,275,114,314 10.75% Senior PIK Toggle Notes
due 31 December 2024

The date of these Listing Particulars is 19 January 2017

PART A. GENERAL INFORMATION

A. Details of the Issuer

DTEK FINANCE PLC (the "**Issuer**") is a public limited company incorporated on 27 February 2013 with company number 08422508 and having its registered office at 3rd Floor, 11-12 St. James's Square, London SW1Y 4LB, United Kingdom with telephone number +44 (0)207 268 2430 and operating under the laws of England and Wales. The authorised and issued share capital of the Issuer is 50,000 ordinary shares of £1.00, fully paid up and held by DTEK ENERGY B.V. as of the date hereof. The principal legislation under which the Issuer operates is the Companies Act 2006, as amended. Since the date of its incorporation, the Issuer has not commenced operations or conducted other business activities except for the issuance of the Cancelled Notes (as defined below).

B. Details of the Parent Guarantor

DTEK ENERGY B.V., the holding company of the DTEK Group, was incorporated under the laws of The Netherlands on 16 April 2009. DTEK ENERGY B.V. was initially named "DTEK Holdings B.V." and was renamed "DTEK ENERGY B.V." on 19 September 2014 (the "**Parent Guarantor**"). References to the "**Group**" or the "**DTEK Group**" means the Parent Guarantor and its consolidated subsidiaries, including for the avoidance of doubt, the Issuer.

C. Background

The Issuer's U.S.$750 million 7.875% senior notes due 4 April 2018 (Regulation S Notes CUSIP/ISIN: G2941DAA0/USG2941DAA03 and Rule 144A Notes CUSIP/ISIN: 23339BAA7/US23339BAA70) (the "**2013 Notes**") and the U.S.$160 million 10.375% senior notes due 28 March 2018 (Regulation S Notes CUSIP/ISIN: G2941DAB8/USG2941DAB85) (the "**2015 Notes**" and, together with the 2013 Notes, the "**Cancelled Notes**") have been cancelled and replaced by the U.S.$1,275,114,314 10.75% Senior PIK Toggle Notes due 31 December 2024 (the "**Notes**"), pursuant to a scheme of arrangement (the "**Scheme of Arrangement**") which was sanctioned by the High Court of Justice of England and Wales (the "**Court**") on 21 December 2016. Further details relating to the Scheme of Arrangement can be found in the explanatory statement between the Issuer and the Scheme Creditors (as defined therein) dated 2 December 2016 (the "**Explanatory Statement**") at Annex A hereto.

D. A description of the business of the Issuer and the Group

The Issuer is part of the DTEK Group – a structure chart showing the Issuer's position in the DTEK Group is included at Annex C hereto. The Group operates the largest privately-owned energy company in Ukraine as measured by metric tons of coal produced, net output of electricity and electricity distributed. The Group's businesses form a vertically integrated production chain across three principal segments: (i) coal mining; (ii) power generation; and (iii) electricity distribution and sales. In addition, the Group's power generation subsidiaries generate and sell heat directly to end customers in Ukraine. The Group also exports coal and electricity to customers in (*inter alia*) Europe, India, Canada and Turkey. Please also see paragraph 1 (*Business Description and Financial Information*) at section 9 (*Information on the Company and additional information relating to the Scheme*) of the Explanatory Statement at Annex A hereto.

E. Directors of the Issuer

- Maksym Timchenko, a Ukrainian national, whose professional address is at 57 Lva Tolstoho Street, Kyiv, Ukraine, 01032; and

- Accomplish Corporate Services Limited, a company incorporated under the laws of England and Wales with company number 05869317 and having its registered office at 3rd Floor, 11-12 St. James's Square, London SW1Y 4LB, United Kingdom.

There are no potential conflicts of interests between any duties of the Issuer's directors to the Issuer, and their private interests and/or other duties.

F. Incorporation by Reference

The following documents have been filed with the Irish Stock Exchange and are incorporated by reference and form part of these Listing Particulars:

- the consolidated financial statements of the Parent Guarantor for the years ended 31 December 2014 and 2015 (the "**Consolidated Financial Statements**");
- the consolidated financial statements of the Parent Guarantor for the 6 months ended 30 June 2016 (the "**30 June 2016 Half-Year Financial Statements**"); and
- the consolidated financial statements of the Issuer for the years ended 31 December 2014 and 31 December 2015 (the "**Issuer Consolidated Financial Statements**").

The Consolidated Financial Statements were prepared in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the European Union (the "**EU**") and are presented in hryvnia, the national currency of Ukraine, and were audited by PricewaterhouseCoopers Accountants N.V., independent accountants, Thomas R. Malthusstraat 5, 1066JR, Postbus 90357, 1066 BJ Amsterdam, The Netherlands.

The Issuer Consolidated Financial Statements were prepared in accordance with IFRS, as adopted by the EU, and are presented in U.S. dollars, and were audited by PricewaterhouseCoopers LLP, independent auditors, 1 Embankment Place, London WC2N 6RH, United Kingdom.

The Consolidated Financial Statements include the financial results of (a) each Guarantor (as defined in the description of the notes at Annex B hereto (the "**Description of the Notes**")) and (b) each other member of the DTEK Group that is not a Guarantor.

G. Statement and Declaration

Application has been made for the Notes and any Additional Notes issued as PIK Interest (each as defined in the Description of the Notes at Annex B hereto) to be admitted to the Official List of the Irish Stock Exchange and traded on the Global Exchange Market of the Irish Stock Exchange. These Listing Particulars dated 19 January 2017 comprise the listing particulars (the "**Listing Particulars**") for the purposes of this application and have been approved by the Irish Stock Exchange. For the avoidance of doubt, these Listing Particulars do not comprise a prospectus for the purposes of Directive 2003/71/EC, as amended, and have not been reviewed or approved by the Central Bank of Ireland.

The Issuer accepts responsibility for the information contained in these Listing Particulars. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the importance of such information.

The rights of the Parent Guarantor as shareholder in the Issuer are contained in the articles of association of the Issuer and the Issuer will be managed in accordance with those articles and with the provisions of the laws of England and Wales applicable to companies generally.

H. Summary of the Notes

The Issuer will issue the Notes under an indenture (the "**Indenture**") dated 29 December 2016 among the Issuer, the Parent Guarantor, the Subsidiary Guarantors (as defined therein) (other than the Initial Ukrainian Sureties (as defined therein)) and GLAS Trust Corporation Limited, as trustee (the

"**Trustee**") and security agent for the holders of Notes, in a private transaction that is not otherwise subject to the registration requirements of the U.S. Securities Act of 1933, as amended (the "**Securities Act**"). The Indenture will not be qualified under, incorporate or include terms of, or be subject to any of the provisions of the U.S. Trust Indenture Act of 1939, as amended. The issue date of the Notes is 29 December 2016.

The Issuer's obligations under the Notes and the Indenture will be initially guaranteed jointly and severally on a senior basis, pursuant to the Notes Guarantees (as defined in the Description of the Notes at Annex B hereto). The Notes Guarantees are full and unconditional.

Please see the Description of the Notes at Annex B hereto which sets out the description of the Notes.

I. Risk Factors

There are certain risks which are inherent to the type of Notes that include, but are not limited to, the following factors below. Please also refer to Section 10 (*Risk Factors*) of the Explanatory Statement at Annex A hereto.

As the Global Note Certificate is held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfers, payments and communications with the Issuer

The Notes will initially only be issued in global certificated form (the "**Global Note Certificate**"), and held through Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**" and together with Euroclear, the "**Clearing Systems**"). Interests in the Global Note Certificate will trade in book-entry form only, and individual certificates will be issued in exchange for book-entry interests only in very limited circumstances. Owners of book-entry interests will not be considered owners or holders of Notes. The common depositary, or its nominee, for the Clearing Systems will be the sole registered holder of the Global Note Certificate. Payments of principal, interest and other amounts owing on or in respect of the Global Note Certificate will be made to the Paying Agent (as defined in the Description of the Notes at Annex B hereto), who will make payments to the Clearing Systems. Thereafter, these payments will be credited to accounts of participants who hold book-entry interests in the Global Note Certificate representing the Notes and credited by such participants to indirect participants. After payment to the common depositary for the Clearing Systems, neither the Issuer nor the Trustee will have any responsibility or liability for the payment of interest, principal or other amounts to the owners of the book-entry interests. Accordingly, if you own a book-entry interest, you must rely on the procedures of the Clearing Systems, and, if you are not a participant in the Clearing Systems, on the procedures of the participant through which you hold your interest, to exercise any rights and obligations of a holder of Notes under the Indenture.

Unlike the holders of the Notes themselves, owners of book-entry interests will not have the direct right to act upon the Issuer's solicitations for consents, requests for waivers or other actions from holders of the notes. Instead, if you own a book-entry interest, you will be permitted to act only to the extent you have received appropriate proxies to do so from the relevant Clearing System. The procedures implemented for the granting of such proxies may not be sufficient to enable you to vote on a timely basis.

Similarly, upon the occurrence of an Event of Default (as defined in the Description of the Notes at Annex B hereto) under the Indenture, unless and until individual certificates are issued in respect of all book-entry interests, if you own a book-entry interest, you will be restricted to acting through Euroclear and Clearstream, Luxembourg. The procedures to be implemented through Euroclear and Clearstream, Luxembourg may not be adequate to ensure the timely exercise of rights under the Notes.

Financial turmoil in emerging markets could cause the price of the Notes to suffer

The market price of the Notes is influenced by economic and market conditions in Ukraine and, to a varying degree, economic and market conditions in CIS, Eastern Europe and emerging markets generally. Financial turmoil in Ukraine and other emerging markets in the past has adversely affected market prices in the world's securities markets for companies that operate in those developing economies. Even if the Ukrainian economy recovers from the current economic crisis and remains relatively stable, financial turmoil in these countries could materially affect the market price of the Notes.

The Group is party to certain legal proceedings

Claims by Investment Company "Business-Invest" LLC

In relation to the proceedings initiated by "Business Invest" LLC against Dniprooblenergo (as defined below) challenging the legality and binding effect of the corporate authorisation of Dniprooblenergo authorising it to enter into a suretyship in connection with the 2013 Notes and 2015 Notes on the basis of certain amendments to the Law of Ukraine "On Joint-Stock Companies" that came into effect in May 2015, the court of first instance declined the claim on 14 December 2016. However, "Business Invest" LLC applied to the Court of Appeal, and the next hearing will take place on 2 February 2017. See also Paragraph 5 (*Material Litigation*) of Section 9 (*Information on the Company and additional information relating to the Scheme*) of the Explanatory Statement at Annex A hereto. A ruling by the Court of Appeal in favour of "Business Invest" LLC could lead to further challenges to the legality and binding effect of other suretyships entered into by Dniprooblenergo or other members of the Group.

Claims by NJSC "Naftogaz of Ukraine"

In relation to the proceedings initiated by NJSC "Naftogaz of Ukraine" against PJSC "Kyivenergo" for a claim of UAH 3,090,890,878,34 (equivalent to U.S.$120,457,855.72), the next hearing at the Court of Appeal shall take place on 17 January 2017.

There can be no assurance that the Court of Appeal will rule in our favour with respect to either of these proceedings or that the proceedings will not expose the Group to costly and time-consuming litigation. These factors could affect the Group's overall performance and have a material adverse effect on the Group's business, results of operations and financial condition.

There is no public market for the Notes

There is currently no existing market for the Notes and there will not be an existing market for the Notes at the time they are issued. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List of the Irish Stock Exchange and for trading on the Global Exchange Market which is the exchange-regulated market of the Irish Stock Exchange. However, there can be no assurance that a liquid market will develop for the Notes, that holders of the Notes will be able to sell their Notes or that such holders will be able to sell their Notes for a price that reflects their value.

We also cannot assure you that you will be able to sell your Notes at a particular time or at all, or that the prices that you receive when you sell them will be favorable. If no active trading market develops, you may not be able to resell your Notes at their fair market value, or at all. The liquidity of, and trading market for, the Notes may also be adversely affected by, among other things:

- prevailing interest rates;
- our operating performance and financial condition;

- the interest of securities dealers in making a market; and
- the market for similar securities.

The market price of the Notes may be volatile

The market price of the Notes could be subject to significant fluctuations in response to actual or anticipated variations in our operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which we operate, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Notes, as well as other factors, including the trading market for Notes issued by or on behalf of Ukraine as a sovereign borrower. In addition, in recent years, the global financial markets have experienced significant price and volume fluctuations which, if repeated in the future, could affect the market price of the Notes without regard to our results of operations or financial condition.

Characterisation of the Notes for U.S. federal income tax purposes

Although the proper characterisation of the Notes for U.S. federal income tax purposes is not entirely free from doubt, we intend to treat the Notes as debt for such purposes. However, the classification of an instrument as debt or equity is inherently factual, and our characterisation is not binding on the Internal Revenue Service (the "**IRS**") or the courts, and no ruling is being requested from the IRS with respect to the proper characterisation of the Notes for U.S. federal income tax purposes. If the IRS were successfully to treat the Notes as equity of the Issuer for U.S. federal income tax purposes, U.S. holders of Notes would likely be treated as owning an equity interest in a passive foreign investment company and, accordingly, gains realised on the sale of, and interest paid on, the Notes could be subject to deferred tax charges and other adverse consequences including additional reporting requirements.

Any negative change in Ukraine's or the Notes' credit rating could adversely affect the market price of the Notes

Ukraine's foreign currency denominated sovereign bonds are rated "B-/B stable" by Standard & Poor's, a division of The McGraw-Hill Companies, Inc., "B-/B stable" by Fitch Ratings Limited ("**Fitch**") and "Caa3/Ca stable" by Moody's Investors Service, Inc. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the assigning rating organisation. Any negative change in Ukraine's or the Notes' credit rating could materially adversely affect the market price of the Notes.

The consolidated financial information contained in these Listing Particulars may be of limited use in assessing the financial position of the Guarantors

Group companies, excluding the Guarantors and the Issuer, recorded in aggregate negative Adjusted EBITDA of UAH 4,809 million and negative net assets of UAH 13,518 million, representing (118)% and (244)%, respectively, of the Group's Adjusted EBITDA and net assets as at 31 December 2015. Consequently, the consolidated financial information contained in these Listing Particulars may be of limited use in assessing the financial position of the Guarantors.

Forward looking statements

These Listing Particulars may contain forward-looking statements, including (without limitation) statements identified by the use of terminology such as "anticipates", "believes", "estimates", "expects", "intends", "may", "plans", "projects", "will", "would" or similar words. These statements are based on the Issuer's current expectations and projections about future events and involve substantial uncertainties. All statements, other than statements of historical facts, contained herein regarding the Issuer's strategy, goals, plans, future financial position, projected revenues and costs or

prospects are forward-looking statements. Forward-looking statements are subject to inherent risks and uncertainties, some of which cannot be predicted or quantified. Future events or actual results could differ materially from those set forth in, contemplated by or underlying forward-looking statements. The Issuer does not undertake any obligation to publicly update or revise any forward-looking statements.

J. Transfer Restrictions

United States

The Notes have not been and will not be registered under the Securities Act and are being offered or sold within the United States pursuant to Section 3(a)(10). Notes issued to persons who are not "affiliates" (within the meaning of the Securities Act) of the Issuer ("**affiliates**") will not be "restricted securities" under the Securities Act and may be sold by such persons in ordinary secondary market transaction without restriction under the Securities Act. Notes issued to and held by persons who are affiliates may only sold or otherwise transferred under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable securities laws. The Notes may not be offered to the public within any jurisdiction.

United Kingdom

These Listing Particulars are directed solely at persons who (i) are outside the United Kingdom or (ii) are investment professionals, as such term is defined in Article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**") (iii) are persons falling within Article 49(2)(a) to (d) of the Order or (iv) are persons to whom an invitation or inducement to engage in investment activity within the meaning of Section 21 of the Financial Services and Markets Act 2000 in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**relevant persons**"). These Listing Particulars must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which these Listing Particulars relates is available only to relevant persons and will be engaged in only with relevant persons.

K. Presentation of Non-IFRS Financial Information

In these Listing Particulars, we present certain financial information and measures which are not calculated in accordance with IFRS, such as "Adjusted EBITDA". As presented herein, Adjusted EBITDA represents our profit for the year after excluding the following income statement items: foreign exchange losses less gains from borrowings, certain finance costs, income tax expense, depreciation and amortisation, recognition of loss from fair valuation of associate on transfer to subsidiary, recognition of available-for-sale reserve on transfer to associate, impairment of investment in associates, gain on a bargain purchase, impairment of property, plant and equipment, charitable donations, the effect of cash flow hedge accounting and certain foreign exchange differences.

Our Adjusted EBITDA is a supplemental measure of our performance and liquidity that is not required by or presented in accordance with IFRS. Furthermore, Adjusted EBITDA should not be considered as an alternative to income after taxes, income before taxes or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating activities as a measure of our liquidity or as a measure of cash available to us to invest in the growth of its business.

We present Adjusted EBITDA because we believe it is frequently used by securities analysts, investors and other interested parties in evaluating similar issuers, most of which present Adjusted EBITDA when reporting their results. We also present Adjusted EBITDA as a supplemental measure of our ability to service our indebtedness. Nevertheless, Adjusted EBITDA has limitations as an analytical tool and should not be considered in isolation from, or as a substitute for, analysis of our

results of operations. As a measure of performance, Adjusted EBITDA presents some limitations for the following reasons:

(a) it does not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;

(b) it does not reflect changes in, or cash requirements for, our working capital needs;

(c) it does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt;

(d) although depreciation, depletion and amortisation are non-cash charges, the assets being depreciated, depleted and amortised will often have to be replaced in the future and Adjusted EBITDA does not reflect any cash requirements for such replacements;

(e) it does not reflect certain foreign exchange gains or losses;

(f) it does not reflect the effect of cash flow hedge operations;

(g) it does not reflect charitable donations; and

(h) other companies in our industry may calculate Adjusted EBITDA differently from the way in which we do, limiting its usefulness as comparative measures.

PART B. FINANCIAL, LISTING AND OTHER INFORMATION

1. ISIN Number

XS1543030222.

2. Authorisations

The issue of the Notes was authorised by the Issuer's board of directors on 16 November 2016.

3. Material Contracts

There are no contracts, other than contracts entered into in the ordinary course of business, to which the Issuer is a party, for the two years immediately preceding the date hereof, which contain any provisions under which the Issuer has any obligation or entitlement material to it as at the date hereof.

4. Use of the proceeds

The Issuer did not receive any proceeds from the issue of the Notes, which were issued in exchange for the Cancelled Notes. Please refer to Section 8 "*Overview of the Scheme*" of the Explanatory Statement at Annex A hereto for further background.

5. Legal and Arbitration Proceedings

Save as disclosed in "*Risk Factors*" above and under Paragraph 5 (*Material Litigation*) of Section 9 (*Information on the Company and additional information relating to the Scheme*) of the Explanatory Statement at Annex A hereto, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had in the past 12 months a significant effect on the Issuer's financial position and profitability.

6. Material Adverse Change

There has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2015 (being the date of its last published audited year-end financial statements) and there has been no significant change in the financial or trading position of the Issuer since 31 December 2015 (being the date of its last published audited year-end financial statements).

7. Expenses

It is expected that the total expenses related to admission to trading will be approximately EUR 7,500.

8. Prescription

Claims against the Issuer for the payment of principal on the Notes will be prescribed ten years after the applicable due date for payment thereof. Claims against the Issuer for the payment of interest on the Notes will be prescribed five years after the applicable due date for payment of interest.

9. Listing Agent

Arthur Cox Listing Services Limited, Earlsfort Centre, Earlsfort Terrace, Dublin 2, Ireland is acting solely in its capacity as listing agent for the Issuer (and not on its own behalf) in

connection with the application for admission of the Notes to the Official List of the Irish Stock Exchange and to trading on its Global Exchange Market.

10. Documents available for inspection

For the life of these Listing Particulars the following documents will be available for inspection in physical form at the registered office of the Issuer, 3rd Floor, 11-12 St. James's Square, London SW1Y 4LB, United Kingdom, without charge:

1. the constitutional documents of the Issuer and the Parent Guarantor;

2. the financial statements incorporated by reference in these Listing Particulars;

3. the Indenture; and

4. the Explanatory Statement.

11. Addresses

The following are the registered addresses of the Trustee, the Paying Agent and legal counsel to the Issuer:

(a) in the case of the Trustee:

GLAS Trust Corporation Limited
45 Ludgate Hill
London EC4M 7JU
United Kingdom

(b) in the case of the Paying Agent:

The Bank of New York Mellon, London Branch
One Canada Square
Canary Wharf
London E14 5AL
United Kingdom

(c) in the case of legal counsel to the Issuer:

Latham & Watkins LLP
Ulitsa Gasheka, 6, Ducat III, Office 510
Moscow 125047
Russia

12. Composition of the Consolidated Financial Statements

As at 31 December 2015:

(a) the Issuer recorded negative Adjusted EBITDA of UAH 3 million and negative net assets of UAH 16,415 million, representing (0)% and (297)%, respectively, of the Group's Adjusted EBITDA and net assets;

(b) the Guarantors together recorded in aggregate Adjusted EBITDA of UAH 8,899 million and net assets of UAH 35,464 million, representing 218% and 641%, respectively, of the Group's Adjusted EBITDA and net assets; and

(c) the members of the Group, excluding the Guarantors and the Issuer, together recorded in aggregate negative Adjusted EBITDA of UAH 4,809 million and negative net assets of UAH 13,518 million, representing (118)% and (244)%, respectively, of the Group's Adjusted EBITDA and net assets.

13. Information on Certain Members of the DTEK Group

With the exception of PUBLIC JOINT STOCK COMPANY "KYIVENERGO" ("**Kyivenergo**"), PUBLIC JOINT STOCK COMPANY "DTEK ZAKHIDENERGO" ("**Zakhidenergo**"), DTEK MINE KOMSOMOLETS DONBASSA PRIVATE JOINT STOCK COMPANY ("**Komsomolets Donbassa**"), DTEK PAVLOGRADUGOL, PRIVATE JOINT STOCK COMPANY ("**Pavlogradugol**"), PUBLIC JOINT STOCK COMPANY "DTEK DNIPROENERGO" ("**Dniproenergo**"), DTEK ENERGOUGOL ENE PRIVATE JOINT-STOCK COMPANY ("**Energougol**") and PUBLIC JOINT STOCK COMPANY "DTEK DNIPROOBLENERGO" ("**Dniprooblenergo**"), each of the Guarantors are wholly-owned subsidiaries of the Parent Guarantor.

*DTEK SKHIDENERGO LIMITED LIABILITY COMPANY ("**Skhidenergo**")*

Skhidenergo is a limited liability company incorporated under the laws of Ukraine on 17 December 2001 with registration number 31831942 and registered address: 34, Enerhetykiv street, Kurakhove, Ukraine 85612. Skhidenergo operates three power plants located in the Donetsk and Lugansk regions of Ukraine. There are currently no encumbrances on Skhidenergo's assets that could materially affect its ability to meet its obligations under its Deed of Surety (as defined in the Description of the Notes at Annex B hereto). As at 31 December 2015, Skhidenergo recorded Adjusted EBITDA of UAH 6,476 million and negative net assets of UAH 320 million, representing 159% and (6)%, respectively, of the Group's Adjusted EBITDA and net assets as at 31 December 2015.

Dniproenergo

Dniproenergo is a public joint-stock company incorporated under the laws of Ukraine on 8 April 1998, with registration number 00130872 and registered address: 20, Dobrolyubova str., Zaporizhia, Ukraine 69006. Dniproenergo operates three power plants located in the Zaporizhia and Dnipropetrovsk regions of Ukraine. There are currently no encumbrances on Dniproenergo's assets that could materially affect its ability to meet its obligations under its Deed of Surety. As at 31 December 2015, Dniproenergo recorded Adjusted EBITDA of UAH 5,348 million and net assets of UAH 9,827 million, representing 131% and 178%, respectively, of the Group's Adjusted EBITDA and net assets as at 31 December 2015. The Parent Guarantor owns approximately 43.81% of the share capital of Dniproenergo, with 25% of the share capital being held by DTEK HOLDINGS LIMITED, 25% + 1 share being held by the Ukrainian state, and the remaining 6.19% being held by certain private individuals, including employees and ex-employees of Dniproenergo. We do not believe there are any material risks specific to Dniproenergo that could adversely impact on its obligations under its Deed of Surety.

Kyivenergo

Kyivenergo is a public joint-stock company incorporated under the laws of Ukraine on 26 June 1995, with registration number 00131305 and registered address: 5, Ivana Franko Square, Kyiv, Ukraine 01001. Kyivenergo operates two combined heat and power plants located in Kyiv. There are currently no encumbrances on Kyivenergo's assets that could materially affect its ability to meet its obligations under its Deed of Surety. As at 31 December 2015, Kyivenergo recorded Adjusted EBITDA of UAH 709 million and net assets of UAH 3,644 million, representing 17% and 66%, respectively, of the Group's Adjusted EBITDA and net assets as at 31 December 2015. The Parent Guarantor owns approximately

29.09% of the share capital of Kyivenergo, with 25% of the share capital being held by DTEK HOLDINGS LIMITED, 18.30% of the share capital being held by DTEK ENERGY LIMITED LIABILITY COMPANY ("**DTEK ENERGY LLC**"), 25% + 1 share being held by the Ukrainian state and the remaining 2.61% being held by certain private individuals, including employees and ex-employees of Kyivenergo. We do not believe there are any material risks specific to Kyivenergo that could adversely impact on its obligations under its Deed of Surety.

The Parent Guarantor

The Parent Guarantor is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands on 15 April 2009 with registration number 34334895 and registered address: Strawinskylaan 1531, Tower B, Level 15, grid TB-15-046/089, 1077XX, Amsterdam, The Netherlands. The Parent Guarantor is the Group's holding company and manages coal mining, thermal power generation and the distribution of assets. There are currently no encumbrances on the Parent Guarantor's assets that could materially affect its ability to meet its obligations under its Guarantee. As at 31 December 2015, the Parent Guarantor recorded negative Adjusted EBITDA of UAH 47 million and net assets of UAH 11,868 million, representing (1)% and 215%, respectively, of the Group's Adjusted EBITDA and net assets as at 31 December 2015.

*DTEK TRADING LIMITED ("**Trading Ltd**")*

Trading Ltd is a private company with limited liability incorporated under the laws of Cyprus on 27 January 2009 with registration number 245132 and registered address: Themistokli Dervi, 3 JULIA HOUSE P.C. 1066, Nicosia Cyprus. Trading Ltd undertakes coal trading operations in the Ukrainian and international markets. There are currently no encumbrances on Trading Ltd's assets that could materially affect its ability to meet its obligations under its Guarantee. As at 31 December 2015, Trading Ltd recorded negative Adjusted EBITDA of UAH 79 million and net assets of UAH 4,661 million, representing (2)% and 84%, respectively, of the Group's Adjusted EBITDA and net assets as at 31 December 2015.

*DTEK INVESTMENTS LIMITED ("**Investments Limited**")*

Investments Limited is a private company with limited liability, incorporated under the laws of England and Wales on 27 February 2013, with registration number 8422516 and registered address: 3rd Floor 11-12 St. James's Square, London, SW1Y, United Kingdom. Investments Limited is a finance vehicle. There are currently no encumbrances on Investments Limited's assets that could materially affect its ability to meet its obligations under its Guarantee. As at 31 December 2015, Investments Limited recorded negative Adjusted EBITDA of UAH 4 million and net assets of UAH 23,946 million representing (0)% and 433%, respectively, of the Group's Adjusted EBITDA and net assets as at 31 December 2015.

Pavlogradugol

Pavlogradugol is a private joint-stock company incorporated under the laws of Ukraine on 16 September 1996, with registration number 00178353 and registered address: 76, Soborna str., Pavlograd, Dnipropetrovsk Region, Ukraine, 51400. Pavlogradugol operates 10 mines and an integrated mining complex, including transportation and production infrastructure, located in the Dnipropetrovsk region of Ukraine. There are currently no encumbrances on Pavlogradugol's assets that could materially affect its ability to meet its obligations under its Deed of Surety. As at 31 December 2015, Pavlogradugol recorded negative Adjusted EBITDA of UAH 6,325 million and net assets of UAH 9,129 million, representing (155)% and 165%, respectively, of the Group's Adjusted EBITDA and net assets as at 31 December 2015. The Parent Guarantor owns approximately 60.26% of the share capital of Pavlogradugol, with 39.66% of the share capital being held by DTEK ENERGY LLC and the

remaining 0.08% of the share capital being held by certain private individuals, including employees and ex-employees of Pavlogradugol. We do not believe there are any material risks specific to Pavlogradugol that could adversely impact on its obligations under its Deed of Surety.

Komsomolets Donbassa

Komsomolets Donbassa is a public joint-stock company incorporated under the laws of Ukraine on 2 October 1996, with registration number 05508186 and registered address: Kirovskoye, Donetsk region, Ukraine, 86300. Komsomolets Donbassa operates one mine and coal enrichment plant located in the Donetsk region of Ukraine. There are currently no encumbrances on Komsomolets Donbassa's assets that could materially affect its ability to meet its obligations under its Deed of Surety. As at 31 December 2015, Komsomolets Donbassa recorded negative Adjusted EBITDA of UAH 261 million and net assets of UAH 2,655 million, representing (6)% and 48%, respectively, of the Group's Adjusted EBITDA and net assets as at 31 December 2015. The Parent Guarantor owns approximately 50.22% of the share capital of Komsomolets Donbassa, with 45.08% of the share capital being held by DTEK ENERGY LLC and the remaining 4.7% being held by certain private individuals, including employees and ex-employees of Komsomolets Donbassa. We do not believe there are any material risks specific to Komsomolets Donbassa that could adversely impact on its obligations under its Deed of Surety.

*TEHREMPOSTAVKA LIMITED LIABILITY COMPANY ("**Tehrempostavka**")*

Tehrempostavka is a limited liability company incorporated under the laws of Ukraine on 14 February 2001, with registration number 31366910 and registered address: 34 Enerhetykiv street, Kurakhove, Ukraine, 85612. Tehrempostavka is a holder of thermal power plant equipment. There are currently no encumbrances on Tehrempostavka's assets that could materially affect its ability to meet its obligations under its Deed of Surety. As at 31 December 2015, Tehrempostavka recorded negative Adjusted EBITDA of UAH 68 million and net assets of UAH 7,856 million, representing (2)% and 142%, respectively, of the Group's Adjusted EBITDA and net assets as at 31 December 2015.

*DTEK POWER GRID LIMITED LIABILITY COMPANY ("**Power Grid**")*

Power Grid is a limited liability company incorporated under the laws of Ukraine on 6 June 2000, with registration number 31018149 and registered address: 8, Ostrovskogo str., Kramatorsk, Ukraine, 84302. Power Grid is an electricity distribution company with electricity lines in the Donetsk and Dnipropetrovsk regions of Ukraine. There are currently no encumbrances on Power Grid's assets that could materially affect its ability to meet its obligations under its Deed of Surety. As at 31 December 2015, Power Grid recorded negative Adjusted EBITDA of UAH 609 million and net assets of UAH 790 million, representing (15)% and 14%, respectively, of the Group's Adjusted EBITDA and net assets as at 31 December 2015.

Dniprooblenergo

Dniprooblenergo is a public joint-stock company incorporated under the laws of Ukraine on 18 September 1995, with registration number 23359034 and registered address: 22, Shose Zaporizke, Dnipro, Ukraine, 49107. Dniprooblenergo is an electricity distribution company with electricity lines in the Dnipropetrovsk region of Ukraine. There are currently no encumbrances on Dniprooblenergo's assets that could materially affect its ability to meet its obligations under its Deed of Surety. As at 31 December 2015, Dniprooblenergo recorded Adjusted EBITDA of UAH 753 million and net assets of UAH 1,978 million, representing 18% and 36%, respectively, of the Group's Adjusted EBITDA and net assets as at 31 December 2015. The Parent Guarantor owns approximately 0.10% of the share capital of

Dniprooblenergo, with 51.56% of the share capital being held by DTEK HOLDINGS LIMITED, 25% + 1 share being held by the Ukrainian state and the remaining 23.34 % being held by certain private individuals, including employees and ex-employees of Dniprooblenergo. We do not believe there are any material risks specific to Dniprooblenergo that could adversely impact on its obligations under its Deed of Surety.

Zakhidenergo

Zakhidenergo is a public joint-stock company incorporated under the laws of Ukraine on 4 September 1995, with registration number 23269555 and registered address: 15, Kozelnyts`ka Str., Lviv, Ukraine 79026. Zakhidenergo operates three power plants located in the Lvivska, Ivano-Frankivska and Vinnitska regions of Ukraine. There are currently no encumbrances on Zakhidenergo's assets that could materially affect its ability to meet its obligations under its Deed of Surety. As at 31 December 2015, Zakhidenergo recorded Adjusted EBITDA of UAH 11,526 million and net assets of UAH 3,735 million, representing 282% and 68%, respectively, of the Group's Adjusted EBITDA and net assets as at 31 December 2015. The Parent Guarantor owns approximately 27.14% of the share capital of Zakhidenergo, with 45.10% of the share capital being held by DTEK HOLDINGS LIMITED, 25% + 1 share being held by the Ukrainian state and the remaining 2.76% being held by certain private individuals, including employees and ex-employees of Zakhidenergo. We do not believe there are any material risks specific to Zakhidenergo that could adversely impact on its obligations under its Deed of Surety.

Energougol

Energougol is a public joint-stock company incorporated under the laws of Ukraine on 25 December 1995, with registration number 00169845 and registered address: 8, Ostrovskogo str., Kramatorsk, Ukraine, 84302. In addition to electricity distribution, Energougol also provides the following services to its customers: power generation equipment assembly, setup, maintenance and repairs, repairs of measurement instruments, high-voltage testing, design of engineering networks, construction and assembly operations and start-up and adjustment works. There are currently no encumbrances on Energougol's assets that could materially affect its ability to meet its obligations under its Deed of Surety. As at 31 December 2015, Energougol recorded negative Adjusted EBITDA of UAH 636 million and negative net assets of UAH 904 million, representing (16)% and (16)%, respectively, of the Group's Adjusted EBITDA and net assets as at 31 December 2015. The Parent Guarantor owns approximately 67.40% of the share capital of Energougol, with 28.31% of the share capital being held by DTEK ENERGY LLC and the remaining 4.29% being held by certain private individuals, including employees and ex-employees of Energougol. We do not believe there are any material risks specific to Energougol that could adversely impact on its obligations under its Deed of Surety.

ANNEX A EXPLANATORY STATEMENT

NOT FOR DISTRIBUTION IN OR INTO OR TO INVESTORS IN THE UNITED STATES WHO ARE NOT QUALIFIED INSTITUTIONAL BUYERS WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT").

THE TRUSTEE MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF THE EXPLANATORY STATEMENT AND EXPRESSES NO OPINIONS WHATSOEVER AS TO THE MERITS OF THE PROPOSALS AS PRESENTED TO NOTEHOLDERS IN THE EXPLANATORY STATEMENT. THIS EXPLANATORY STATEMENT IS BEING DELIVERED TO HOLDERS OF THE NOTES SOLELY AT THE INSTIGATION OF THE ISSUER WITHOUT THE PRIOR APPROVAL OR CONSENT OF THE TRUSTEE. THE TRUSTEE THEREFORE MAKES NO ASSESSMENT OF THE IMPACT OF THE PROPOSALS AS PRESENTED TO NOTEHOLDERS, EITHER AS A CLASS OR AS INDIVIDUALS.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT 2006 (the "**Explanatory Statement**"). It is being sent to persons who are believed to be Scheme Creditors at the date of this Explanatory Statement in relation to the US$ 750 million 7.875% senior notes due 4 April 2018 (Regulation S Notes CUSIP/ISIN: G2941DAA0/USG2941DAA03 and Rule 144A Notes CUSIP/ISIN: 23339BAA7/US23339BAA70) issued by the Company pursuant to an indenture dated 4 April 2013 and supplemental indenture dated 30 April 2013, and the US$ 160 million 10.375% senior notes due 28 March 2018 (Regulation S Notes CUSIP/ISIN: G2941DAB8/USG2941DAB85) issued by the Company pursuant to an indenture dated 28 April 2015. If you have assigned, sold, or otherwise transferred, or assign, sell or otherwise transfer, your interests as a Scheme Creditor before the Record Date, you must forward this Explanatory Statement and the accompanying documents at once to the person or persons to whom you have assigned, sold or otherwise transferred, or assign, sell or otherwise transfer, your interests as a Scheme Creditor.

If you are in any doubt as to the contents of this Explanatory Statement or the documents that accompany it or what action you should take, you are recommended to seek your own independent financial, legal and tax advice immediately from your financial, legal and/or tax advisor who, if you are taking advice in the United Kingdom, is authorised pursuant to the Financial Services and Markets Act 2000 ("**FSMA**") or by an appropriate regulatory body, or from another appropriately authorised independent advisor if you are in a territory outside the United Kingdom.

This Explanatory Statement is accompanied by an Account Holder Letter. It is important that you read the Account Holder Letter carefully for information about the Scheme and that you complete and return it in accordance with the instructions contained in it.

Further copies of this Explanatory Statement can be obtained by accessing the Scheme Website at: www.lucid-is.com/dtek or by accessing the Group website which is publicly available at: http://www.dtek.com/ru/investor-relations/debt-instruments/eurobonds-scheme-of-arrangement or by contacting the Tabulation and Information Agent via email at dtek@lucid-is.com or by telephone on + 44 20 7704 0880

EXPLANATORY STATEMENT IN RELATION TO A SCHEME OF ARRANGEMENT

under Part 26 of the Companies Act 2006

between

DTEK Finance Plc

and the

Scheme Creditors

(as defined in this Explanatory Statement)

DATE: 2 December 2016

The Record Date for the Scheme will be 5 p.m. (New York time) on 15 December 2016. The Scheme Meeting to be held pursuant to a court order for the Scheme Creditors to consider and vote on the Scheme will be held at the offices of Latham & Watkins (London) LLP, 99 Bishopsgate, London, EC2M 3XF at 10 a.m. (London time) on 19 December 2016. The notice convening the Scheme Meeting is set out in Appendix 4 (*Notice of Scheme Meeting*) of this Explanatory Statement. Instructions about actions to be taken by Scheme Creditors preceding the Scheme Meeting are set out in Appendix 2 (*Instructions and Guidance for Scheme Creditors and any Person with an Interest in the Notes*) and summarised on pages 15 to 17 (*Summary of actions to be taken by Scheme Creditors and any person with an interest in the Notes*) of this Explanatory Statement.

Whether or not you intend to attend the Scheme Meeting, you are requested to ensure that your Account Holder completes, executes and returns the Account Holder Letter which accompanies this Explanatory Statement in accordance with the instructions printed thereon as soon as possible.

The Scheme is made in respect of securities of a non-U.S. company. The offer is subject to disclosure requirements of a country other than the United States that are different from those of the United States. Financial statements prepared by the Company have been prepared in accordance with foreign accounting standards (International Financial Reporting Standards) that may not be comparable to the financial statements of United States companies. It may be difficult for you to enforce your rights and any claim you may have arising under U.S. federal securities laws, since the Company is located in a foreign country and all of its officers and directors are residents of a foreign country. You may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgment.

Further important information is set out under the sections entitled *Important Notice* and *Important Securities Law Notice* on pages 8 to 9 (inclusive) of this Explanatory Statement.

Unless the context otherwise requires, all capitalised terms used in this Explanatory Statement shall have the meanings set out in Appendix 1 (*Definitions and Interpretation*) of this Explanatory Statement, or if not set out in Appendix 1 (*Definitions and Interpretation*) of this Explanatory Statement, shall have the meanings set out in the Indentures.

INDEX

1. IMPORTANT NOTICE

Unless the context otherwise requires, all capitalised terms used in this Explanatory Statement shall have the meanings set out in Appendix 1 (*Definitions and Interpretation*) of this Explanatory Statement. The appendices to this Explanatory Statement form an integral part of it and, unless expressly stated otherwise, references to this Explanatory Statement shall be construed as references to the Explanatory Statement including the appendices to it.

1.1 Information

This Explanatory Statement has been prepared in connection with a scheme of arrangement under Part 26 of the Companies Act 2006, namely a scheme between the Company and the Scheme Creditors, and has been prepared solely for the purpose of providing information to Scheme Creditors in relation to the Scheme.

Nothing in this Explanatory Statement or any other document issued with or appended to it should be relied on for any purpose other than for Scheme Creditors to make a decision on the Scheme, and Scheme Creditors may not reproduce or distribute this Explanatory Statement, in whole or in part, and may not disclose any of the contents of this Explanatory Statement or use any information herein for any purpose other than considering and/or making a decision in respect of the Scheme. In particular and without limitation, nothing in this Explanatory Statement should be relied on in connection with the purchase or acquisition of any Notes or any other financial instruments or assets of the Company or any other member of the Group.

Nothing contained in this Explanatory Statement shall constitute a warranty, undertaking or guarantee of any kind, express or implied, and nothing contained in this Explanatory Statement shall constitute any admission of any fact or liability on the part of the Company or any other member of the Group with respect to any asset to which it or they may be entitled or any claim against it or them. Without prejudice to the generality of the foregoing, nothing in this Explanatory Statement or the distribution thereof evidences to any person, or constitutes any admission by the Company or any other member of the Group, that a liability is owed to any person in respect of any claim (including without limitation any Scheme Claim) or that any person is or may be a Scheme Creditor. The failure to distribute this Explanatory Statement to any Scheme Creditor shall not constitute an admission by the Company that such person is not a Scheme Creditor.

No person has been authorised by the Company, the Trustee or Lucid Issuer Services Limited, as Tabulation and Information Agent, to give any information or make any representations concerning the Scheme (including concerning the Company or any other member of the Group or the Scheme Consideration) which is inconsistent with this Explanatory Statement and, if made, such representations may not be relied upon as having been so authorised.

The information contained in this Explanatory Statement has been prepared based upon information available to the Company prior to the date of this Explanatory Statement. The delivery of this Explanatory Statement does not imply that, unless expressly stated otherwise, the information herein is correct as at any time subsequent to the date hereof. Save as otherwise agreed, or as required by law, the Company has no obligation whatsoever to update or revise any of the information, forward-looking statements or the conclusions contained herein or to reflect new events or circumstances or to correct any inaccuracies which may become apparent subsequent to the date hereof. To the best of the Company's knowledge, information and belief, the information relating to the Company contained in this Explanatory Statement is in accordance with the facts and does not omit anything likely to affect the import of such information. The Company has taken all reasonable steps to ensure that this Explanatory Statement contains the information reasonably necessary to enable Scheme Creditors to make an informed decision about the effect of the Scheme on them.

None of the Scheme Creditors or their advisors have authorised the content of this Explanatory Statement or any part of it, nor do they accept any responsibility for the accuracy, completeness or reasonableness of the statements contained within it.

The Trustee and Paying Agent make no representations or warranties with respect to the accuracy or completeness of this Explanatory Statement and express no opinions whatsoever as to the merits of the proposals as presented to Noteholders in this Explanatory Statement. This Explanatory Statement is being delivered to Noteholders solely at the instigation of the Company without the prior approval or consent of the Trustee or Paying Agent. The Trustee and Paying Agent therefore make no assessment of the impact of the proposals as presented to Noteholders, either as a class or as individuals.

In making a decision in respect of the Scheme, each Scheme Creditor must rely on its own examination, analysis and enquiry of the Company and the terms of the Scheme including the merits and risks involved. None of the Company's advisors has verified that the information contained in this Explanatory Statement is in accordance with facts and does not omit anything likely to affect the import of such information and each of those persons expressly disclaims responsibility for such information. Each Scheme Creditor, by its receipt of any Scheme Consideration pursuant to the Scheme, acknowledges that:

(a) it has not relied on Lucid Issuer Services Limited as Tabulation and Information Agent or any person affiliated with the Tabulation and Information Agent, the Trustee or any of the Company's advisors in connection with any investigation of the accuracy of any information contained in this Explanatory Statement or their investment decision (including any decision in connection with the Scheme); and

(b) it has relied only on the information contained or incorporated in this Explanatory Statement.

This Explanatory Statement has not been reviewed, verified or approved by any rating agency or any regulatory authority. Without prejudice to the representations and warranties given by the Company or any other member of the Group or any directors or officers of any member of the Group elsewhere, to the fullest extent permitted by law, neither the Company nor any other member of the Group nor any directors or officers of the Company or any other member of the Group will have any tortious, contractual or any other liability to any person in connection with the use of this Explanatory Statement and the Company and all other members of the Group do not accept any liability whatsoever to any person, regardless of the form of action, for any lost profits or lost opportunity, or for any indirect, special, consequential, incidental or punitive damages arising from any use of this Explanatory Statement, its contents or preparation or otherwise in connection with it, even if the Company or any other member of the Group (as applicable) has been advised of the possibility of such damages.

1.2 Tax

In view of the number of different jurisdictions where tax laws may apply to Scheme Creditors, this Explanatory Statement does not discuss the tax consequences for Scheme Creditors arising from the implementation of the Scheme. Scheme Creditors are liable for their own taxes and have no recourse to the Company, the Tabulation and Information Agent, the Trustee or any other entity or person named in this Explanatory Statement with respect to taxes arising in connection with the Scheme. Scheme Creditors who are in any doubt as to the effect of the implementation of the Scheme are urged to consult their own professional advisors regarding the possible tax consequences under the laws of the jurisdictions that apply to them.

1.3 Electronic Form

If this Explanatory Statement has been sent to you in an electronic form, you are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and, consequently, none of the Company, the Tabulation and Information Agent, the Trustee, the Paying Agent or any person who controls, or is a director, officer, employee, agent or any affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Explanatory Statement distributed to you in electronic format and the hard copy version available to you on request from the Tabulation and Information Agent.

You are reminded that the Explanatory Statement has been delivered to you on the basis that you are a person into whose possession it may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver the Explanatory Statement or any part of it to any other person other than to a person or persons to whom you have assigned, sold or otherwise transferred your interests as a Scheme Creditor before the Record Date. If you are not the named addressee to whom the Explanatory Statement has been delivered, please notify the sender immediately and destroy the Explanatory Statement.

1.4 Restrictions

The distribution of this Explanatory Statement may be restricted by law in certain jurisdictions. The Company does not represent that this Explanatory Statement may be lawfully distributed in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating such distribution.

The distribution of this Explanatory Statement to or in certain jurisdictions may be restricted by law or regulation in certain jurisdictions and persons into whose possession this Explanatory Statement comes are requested to inform themselves about, and to observe, any such restrictions. Failure to comply with any such restrictions could result in a violation of the laws of such jurisdictions.

1.5 Summary Only

The summary of the principal provisions of the Scheme contained in this Explanatory Statement is qualified in its entirety by reference to the Scheme itself, the full text of which is set out in Part 11 (*The Scheme*) of this Explanatory Statement. Each Scheme Creditor is advised to read and consider carefully the text of the Scheme. This Explanatory Statement has been prepared solely to assist Scheme Creditors in respect of voting on the Scheme.

IN THE EVENT OF A CONFLICT BETWEEN THE INFORMATION AND TERMS DESCRIBED IN THIS EXPLANATORY STATEMENT AND THE SCHEME, THE TERMS OF THE SCHEME SHALL PREVAIL.

1.6 Prospectus

This Explanatory Statement is not a prospectus within the meaning of Article 5.4 of the Prospectus Directive, or a prospectus equivalent document.

1.7 Forward-looking statements

Nothing in this Explanatory Statement shall be deemed to be a forecast, projection or estimate of the future financial performance of the Company and/or any member of the Group except where otherwise specifically stated.

This Explanatory Statement contains statements, estimates, opinions and projections with respect to the Company and certain of its subsidiaries, and certain plans and objectives of the Company and certain of its subsidiaries. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "will", "may",

"should", "would", "could" or other words of similar import. These statements are based on numerous assumptions and assessments made by the Company and/or any other member of the Group as appropriate in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors which they believe appropriate. Although the Company and/or any other member of the Group, as appropriate, believe that the expectations reflected in such statements are reasonable, no assurance can be given that such expectations will prove to be correct. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. Such forward-looking statements only speak as at the date of this Explanatory Statement. A number of factors could cause actual results to necessarily differ materially from the results discussed in the forward-looking statements, including, but not limited to, future performance being lower than expected, deterioration in general economic conditions, changes in the regulatory environment, fluctuations in interest and exchange rates, the outcome of litigation, government actions and the other factors set out or referred to in Section 10 (*Risk Factors*) of this Explanatory Statement. It is up to the recipient of this Explanatory Statement to make its own assessment of the validity of such forward-looking statements and assumptions and no liability is accepted by the Company or any other member of the Group in respect of the achievement of such forward-looking statements and assumptions. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this Explanatory Statement.

1.8 Risk factors

SCHEME CREDITORS' ATTENTION IS DRAWN TO CERTAIN RISKS ASSOCIATED WITH THE SCHEME THAT ARE SET OUT OR REFERRED TO IN SECTION 10 (*RISK FACTORS*) OF THIS EXPLANATORY STATEMENT.

1.9 Legal, tax and financial advice

Scheme Creditors should not construe the contents of this Explanatory Statement as legal, tax or financial advice.

This Explanatory Statement has been prepared without taking into account the objectives, financial situation or needs of any particular recipient of it, and consequently, the information contained in this Explanatory Statement may not be sufficient or appropriate for the purpose for which a recipient might use it. Any such recipients should conduct their own due diligence and consider the appropriateness of the information in this Explanatory Statement having regard to their own objectives, financial situations and needs. Scheme Creditors are recommended to consult their own professional advisors as to legal, tax, financial or other matters relevant to the action Scheme Creditors should take in relation to the Scheme, or the implications/consequences of those actions.

1.10 Other jurisdictions

The implications of the Scheme for Scheme Creditors who are residents or citizens of jurisdictions other than the United Kingdom may be affected by the laws of the relevant jurisdictions. Such overseas Scheme Creditors should inform themselves about and observe any applicable legal requirements. Any person outside the United Kingdom who is resident in, or who has a registered address in, or is a citizen of, an overseas jurisdiction should consult independent professional advisors and satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the Scheme, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such jurisdiction.

Scheme Creditors should consult their own professional advisors with respect to the matters described in this document, including the legal, financial and tax consequences of the Scheme in their particular circumstances.

2. IMPORTANT SECURITIES LAW NOTICE

THIS EXPLANATORY STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITY. NONE OF THE SECURITIES REFERRED TO IN THIS EXPLANATORY STATEMENT SHALL BE SOLD, ISSUED OR TRANSFERRED IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW.

2.1 Information for United States and other overseas Scheme Creditors

Neither this Explanatory Statement nor any part hereof constitutes an offer to issue or sell, or a solicitation of an offer to subscribe for or purchase the Notes or any other securities and neither this Explanatory Statement nor any part hereof may be used for or in connection with an offer to, or the solicitation by, any person in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. Accordingly, neither the Notes nor any other securities may be offered or sold, directly or indirectly, and neither this Explanatory Statement nor any part hereof nor any prospectus, offering circular, form of application, advertisement, other offering materials nor other information may be issued, distributed or published in any country or jurisdiction except in circumstances that will result in compliance with all applicable laws, orders, rules and regulations.

To the extent that, for purposes of U.S. securities laws, any securities are issued pursuant to the Scheme, such securities will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act"**), or under any relevant securities laws of any state or other jurisdiction of the United States. Such securities will be issued in reliance upon the exemption from the registration requirements of the Securities Act provided by section 3(a)(10) thereof. No public offering of such securities will be made in the United States. For the purpose of qualifying for the exemption from the registration requirements of the Securities Act provided by section 3(a)(10) thereof with respect to such securities that may be issued pursuant to the Scheme, the Court has been advised that its sanctioning of the Scheme will be relied upon as an approval of the Scheme following a hearing on its fairness to security holders at which hearing all such security holders are entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all such security holders. Such transaction will not be approved or disapproved by the U.S. Securities and Exchange Commission (the "**SEC"**), nor will the SEC or any U.S. state securities commission pass upon the merits or fairness of the transaction nor upon the adequacy or accuracy of the information contained in this Explanatory Statement. Any representation to the contrary is a criminal offence in the United States. The information disclosed in this Explanatory Statement is not the same as that which would have been disclosed if this Explanatory Statement had been prepared for the purpose of complying with the registration requirements of the Securities Act or in accordance with the laws and regulations of any state or other jurisdiction of the United States.

Financial statements prepared by the Company have been prepared in accordance with foreign accounting standards (International Financial Reporting Standards) that may not be comparable to the financial statements of United States companies. It may be difficult for you to enforce your rights and any claim you may have arising under U.S. federal securities laws, since the Company is located in a foreign country and all of its officers and directors are residents of a foreign country. You may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgment.

This Explanatory Statement does not constitute an offer of securities for sale in the United States. Holders of Notes in the United States should note that the Scheme will relate to the securities of an English public limited company that is a "foreign private issuer" as defined under Rule 3b-4 of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act"**). Neither the proxy

solicitation nor the tender offer rules under the Exchange Act will apply to the Scheme. Moreover, the Scheme will be subject to the disclosure requirements and practices applicable in the United Kingdom to schemes of arrangement, which differ from the requirements of the U.S. proxy solicitation rules and tender offer rules.

The Notes may not be offered, sold or publicly promoted or advertised in the European Union other than in compliance with the Directive 2003/71/EC (the "**Prospectus Directive"**) as amended, and relevant implementing measures in relevant member states (including FSMA and related regulations in the United Kingdom). No prospectus within the meaning of the Prospectus Directive has been or will be registered or published in any member state of the European Union in relation to the proposal contained herein.

3. INTRODUCTION

3.1 Introduction

The Company has proposed the terms of its Notes Restructuring to the Noteholders and the Group has proposed the terms of its Bank Facilities Restructuring to the Bank Lenders. Agreeing and implementing the Notes Restructuring with the Noteholders is a crucial first step for the Group in realising its objective of finalising the long-term restructuring of its capital structure. In order for the Notes Restructuring to be implemented successfully, the proposal must be binding on all Noteholders and it is proposed, for the reasons set out in this Explanatory Statement, that implementation of the Notes Restructuring is to be effected through the Scheme.

3.2 What is a Scheme of Arrangement?

A scheme of arrangement is a formal procedure under Part 26 of the Companies Act 2006 proposed by a company which enables the company to agree with its creditors or a class of its creditors a composition or arrangement in respect to its debts or obligations owed to those creditors. A scheme of arrangement requires the following to occur in order to become legally binding:

(a) the approval of a majority in number representing at least 75% in value of the relevant creditors of the company present in person or by proxy and voting at the meeting convened by the permission of the Court;

(b) the approval of the Court by the making of an order sanctioning the scheme of arrangement; and

(c) the delivery of the order sanctioning the scheme of arrangement to the Registrar of Companies.

If the scheme of arrangement is approved by the relevant creditors and sanctioned by the Court and the order sanctioning the scheme of arrangement is delivered as above, the scheme will bind all the creditors subject to it, both those creditors who voted in favour of it and those creditors who voted against it or did not vote at all and their successors and assigns.

A scheme of arrangement cannot be sanctioned by the Court unless the Court is satisfied, among other things, that the scheme of arrangement is in all circumstances fair and reasonable and the class of creditors voting in respect of the scheme of arrangement has been properly constituted.

3.3 Meeting of Scheme Creditors

The Court has granted the Company permission to convene a single meeting of the Noteholders, in their capacity as Scheme Creditors, to consider and if thought fit approve the Scheme. The meeting will be held at the offices of Latham & Watkins (London) LLP, 99 Bishopsgate, London EC2M 3XF on 19 December 2016 commencing at 10 a.m. (London time). Scheme Creditors may vote at the meeting in person (or in the case of a corporation by a duly authorised representative) or by proxy. In order to vote on the Scheme and attend the Scheme Meeting, Scheme Creditors must ensure that an Account Holder Letter is completed and lodged with the Tabulation and Information Agent by the Voting Instruction Deadline. Details of the actions Noteholders need to take in order to vote are set out in the section entitled *Are you a Scheme Creditor or a person with an interest in the Notes?* at pages 13 to 15 of this Explanatory Statement and the section entitled *Summary of actions to be taken by Scheme Creditors and any person with an interest in the Notes* at pages 15 to 17 of this Explanatory Statement.

We would encourage all Noteholders to start the process for submitting their votes for the Scheme Meeting as soon as possible. As set out in more detail in the Explanatory Statement, Noteholders should be aware that failure to submit a valid Account Holder Letter will mean that the voting

instructions contained in that Account Holder Letter will be disregarded for the purposes of voting at the Scheme Meeting and the relevant Noteholder will not be entitled to vote at the Scheme Meeting. Noteholders may also be bound by the Scheme even if they do not vote or if they vote against the Scheme.

3.4 Contact details/helplines

The Tabulation and Information Agent has been appointed by the Company to facilitate communications with Scheme Creditors. All relevant documentation can be found on the Scheme Website (see details below), including the Account Holder Letter.

If you have any questions in relation to this Explanatory Statement or the Scheme, please contact the Tabulation and Information Agent using the contact details below:

Lucid Issuer Services Limited
Tankerton Works
12 Argyle Walk
London WC1H 8HA
United Kingdom

Email:	dtek@lucid-is.com
Phone:	020 7704 0880
Fax:	020 3004 1590
Attention:	Yves Theis
Website:	www.lucid-is.com/dtek

3.5 Anticipated Timetable

The anticipated timetable leading to the occurrence of the Scheme Settlement Date is set out at page 12 of this Explanatory Statement.

3.6 Action to be taken

Please read carefully the section entitled *Are you a Scheme Creditor or a person with an interest in the Notes?* at pages 13 to 15 of this Explanatory Statement and the section entitled *Summary of actions to be taken by Scheme Creditors and any person with an interest in the Notes* at pages 15 to 17 of this Explanatory Statement. Please take the necessary action in order to vote at the Scheme Meeting.

3.7 Interests of the Company and the Noteholders

Based on discussions with the Steering Committee, the level of support from Noteholders for the Scheme (as evidenced by the amount of Noteholders which have signed or acceded to the Lock-up Agreement which currently stands at approximately 83% of the outstanding principal amount of the Notes) and its own assessments of the Scheme, the Company has concluded that it is in the best interests of the Company and the Scheme Creditors for the Scheme to be implemented. The Steering Committee supports the terms of the Scheme.

4. EXPECTED TIMETABLE OF PRINCIPAL EVENTS[12]

Noteholders should observe any deadlines set by any institution or settlement system through which they hold interests in the Notes to ensure that any voting instructions given by them are taken into account at the Scheme Meeting for the purposes of the Scheme. We would strongly urge each Noteholder to contact its relevant Account Holder or Intermediary as soon as possible to ensure they are aware of this Explanatory Statement and the process and timetable.

Event	Expected Time and Date
Custody Instruction Deadline - latest time for blocking of Notes held through Euroclear or Clearstream, Luxembourg in the relevant Clearing System	5 p.m. (New York time) on 15 December 2016
Record Date[3] **-** date when all Scheme Claims are determined	5 p.m. (New York time) on 15 December 2016
Voting Instruction Deadline – latest time and date by which the Tabulation and Information Agent must receive an Account Holder Letter in order for Noteholders' voting instructions to be taken into account for the purposes of the Scheme Meeting[4]	5 p.m. (New York time) on 16 December 2016
Scheme Meeting- the meeting of the Scheme Creditors to vote on the Scheme[5]	10 a.m. (London time) on 19 December 2016
Sanction Hearing - Court hearing to sanction the Scheme	21 December 2016[6]
Anticipated Scheme Effective Date	21 December 2016
Anticipated Scheme Settlement Date	On or about 27 January 2017 or, if extended, no later than 28 February 2017

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1 Unless otherwise stated, all references to time in this Explanatory Statement are to London time.

2 The dates in this timetable and mentioned throughout this Explanatory Statement assume that the Scheme Meeting is not adjourned. It is also possible that the drawing up of the order of the Court sanctioning the Scheme may be delayed if any person appeals the order.

3 The Company will be entitled to exercise discretion as to whether it recognises any assignment or transfer of Scheme Claims after the Record Date.

4 Account Holders are encouraged to obtain whatever information or instructions they may require from Noteholders in sufficient time to enable them to deliver to the Tabulation and Information Agent a completed Account Holder Letter as soon as possible, having considered this Explanatory Statement carefully. **Elections and voting instructions will not be taken into account in respect of Account Holder Letters received after the Voting Instruction Deadline, being 5 p.m. (London time) on 16 December 2016**. Account Holders requiring any assistance in delivering Account Holder Letters should contact the Tabulation and Information Agent at dtek@lucid-is.com or on +44 (0) 207 704 0880. All relevant documentation can be accessed on the Scheme Website at www.lucid-is.com/dtek and on the Group website which is publicly available at: http://www.dtek.com/ru/investor-relations/debt-instruments/eurobonds-scheme-of-arrangement.

5 The Scheme Meeting will be held at the offices of Latham & Watkins (London) LLP at 99 Bishopsgate, London EC2M 3XF, United Kingdom.

6 The Court will be requested to sanction the Scheme. The date for that hearing is expected to be on or about 21 December 2016. However, if this date changes, the dates of all subsequent steps, including the Scheme Effective Date and the Scheme Settlement Date, may be affected. In this event, the date of the hearing will be announced at the Scheme Meeting to the extent then known or otherwise notified to the Noteholders. A notice regarding the date and time of the hearing will be circulated once the hearing has been scheduled.

5. ARE YOU A SCHEME CREDITOR OR A PERSON WITH AN INTEREST IN THE NOTES?

The following persons have interests in the Notes:

- Account Holders: You are an Account Holder if you are an ICSD Participant or a DTC Participant.

- ICSD Participants: You are an ICSD Participant if you are recorded directly in the records of Euroclear or Clearstream, Luxembourg as holding an interest in any Notes in an account with that Clearing System.

- DTC Participants: You are a DTC Participant if you are recorded directly in the records of Cede & Co./DTC as holding an interest in any Notes in an account with DTC.

- Intermediaries: You are an Intermediary if you hold an interest at the Record Date in any Notes on behalf of another person or other persons and you do not hold that interest as an Account Holder.

- Noteholders: You are a Noteholder if you are the beneficial owner of and/or the owner of the ultimate economic interest in any of the Notes, whose interest in the relevant Notes is held through and shown on records maintained in book-entry form by the Clearing System at the Record Date. For the avoidance of doubt, an Account Holder may also be a Noteholder.

- The DTC Custodian and the Trustee.

Scheme Creditors are entitled to take, or direct the taking of, certain actions in respect of the Scheme.

For the purposes of the Scheme, the following persons are Scheme Creditors:

1. the Trustee (solely in its capacity as the beneficiary of the covenants to repay principal and interest on the Notes pursuant to the Indentures);

2. the DTC Custodian, as holder of the Global Notes; and

3. the Noteholders, as contingent creditors.

GLAS Trust Corporation Limited, in its capacity as the Trustee of the Notes, has confirmed to the Company that it will not exercise any voting rights in respect of the Notes at the Scheme Meeting.

Account Holders are **not** Scheme Creditors unless and to the extent that they are Noteholders. However, as described in the section of this Explanatory Statement entitled *Summary of actions to be taken by Scheme Creditors and any person with an interest in the Notes* at pages 15 to 17 of this Explanatory Statement and Appendix 2 (*Instructions and Guidance for Scheme Creditors and any Person with an Interest in the Notes*), the assistance of Account Holders will be required, in accordance with their custodial duties, to deliver facsimile or e-mail versions of the completed Account Holder Letters in accordance with the instructions provided to them by the Noteholders.

Account Holder Letters are required for the purposes of voting on the Scheme. Account Holders and Noteholders are referred to Appendix 2 **(*Instructions and Guidance for Scheme Creditors and any Person with an Interest in the Notes*) for more information.**

In determining whether a particular person is the ultimate beneficial owner and therefore a Noteholder, entitled to a particular principal amount of Notes as aforesaid, each of the Company, the Trustee and the Tabulation and Information Agent may rely on such evidence and/or information

and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

If you are a Noteholder you should read this Explanatory Statement carefully. If you are a Noteholder that is not an Account Holder you should contact your Account Holder (through any Intermediaries, if applicable) to ensure that your Account Holder takes the appropriate action described in the section of this Explanatory Statement entitled *Summary of actions to be taken by Scheme Creditors and any person with an interest in the Notes* at pages 15 to 17 of this Explanatory Statement and Appendix 2 (*Instructions and Guidance for Scheme Creditors and any Person with an Interest in the Notes*).

The number of Noteholders voting and the votes cast by them will be taken into account for value and numerosity purposes in relation to the Scheme.

For further information on the action to be taken by Scheme Creditors and persons with an interest in the Notes, see the section of this Explanatory Statement entitled *Summary of actions to be taken by Scheme Creditors and any person with an interest in the Notes* at pages 15 to 17 of this Explanatory Statement and Appendix 2 (*Instructions and Guidance for Scheme Creditors and any Person with an Interest in the Notes*).

6. SUMMARY OF ACTIONS TO BE TAKEN BY SCHEME CREDITORS AND ANY PERSON WITH AN INTEREST IN THE NOTES

Actions common to Notes held within Euroclear or Clearstream, Luxembourg and Notes held within DTC

Noteholders are invited to vote at the Scheme Meeting by directing their Account Holder to complete and deliver to the Tabulation and Information Agent the Account Holder Letter set out in Appendix 3 (*Form of Account Holder Letter*).

Detailed instructions on the actions which Noteholders, Intermediaries and Account Holders should take are set out in this Explanatory Statement and are summarised below.

Scheme Creditors and any persons with an interest in the Notes should read the full instructions set out in Appendix 2 (*Instructions and Guidance for Scheme Creditors and any Person with an Interest in the Notes*).

1. You should read this Explanatory Statement as a whole, in conjunction with the documents that accompany it (including the Account Holder Letter, which contains, amongst other things, the voting form relating to the Scheme Meeting).

2. A valid Account Holder Letter for the purposes of voting in respect of the Scheme must be delivered prior to the Voting Instruction Deadline.

Actions to be taken in relation to the Scheme for the purposes of voting at the Scheme Meeting

3. If you are a *Noteholder* that is not *an Account Holder* and wish to vote at the Scheme Meeting, you should direct your Account Holder to complete the appropriate parts of the Account Holder Letter set out in Appendix 3 (*Form of Account Holder Letter*) (as described in more detail in Appendix 2 (*Instructions and Guidance for Scheme Creditors and any Person with an Interest in the Notes*)) and deliver the completed Account Holder Letter as soon as possible to the Tabulation and Information Agent and, in any event, so as to be received before the Voting Instruction Deadline, being 5 p.m. (New York time) on 16 December 2016.

4. If you are a *Noteholder that is an Account Holder* and wish to vote at the Scheme Meeting in accordance with the terms of the Scheme, you should complete the appropriate parts of the Account Holder Letter set out in Appendix 3 (*Form of Account Holder Letter*) (as described in more detail Appendix 2 (*Instructions and Guidance for Scheme Creditors and any Person with an Interest in the Notes*)) and deliver the completed Account Holder Letters soon as possible to the Tabulation and Information Agent and, in any event, so as to be received before the Voting Instruction Deadline, being 5 p.m. (New York time) on 16 December 2016.

5. **Failure to deliver a valid Account Holder Letter on behalf of a Noteholder by the Voting Instruction Deadline will mean that the voting instructions contained in that Account Holder Letter will be disregarded for the purposes of voting at the Scheme Meeting and the Noteholder will not be entitled to vote at the Scheme Meeting.**

6. The Scheme requires the approval of a majority in number representing at least 75% in value of the Noteholders present and voting (in person, by a duly authorised representative if a corporation, or by proxy) at the Scheme Meeting to be held at 10 a.m. (London time) on 19 December 2016.

7. It is important that as many votes as possible are cast at the Scheme Meeting so that the Court may be satisfied that there is a fair and reasonable representation of opinion of Noteholders.

You are therefore strongly urged to complete and sign or direct your Account Holder to complete and sign the relevant parts of your Account Holder Letter.

8. The amount of the Scheme Claims of each Noteholder which submits a valid Account Holder Letter in respect of the Notes will be calculated as at the Record Date based on information provided confidentially to the Company by the Tabulation and Information Agent. This information will be used by the Chairman to determine whether the Scheme is approved at the Scheme Meeting. Accordingly, Noteholders do not need to take any action in respect of confirming the amount of their Scheme Claims other than providing the details requested in the Account Holder Letter.

9. Completed Account Holder Letters for the purposes of voting at the Scheme Meeting should be delivered to the Tabulation and Information Agent. Account Holder Letters should not in any circumstances be delivered to the DTC Custodian, the Trustee, the Company, the Paying Agent or any other person. None of the DTC Custodian, the Trustee, the Company, the Paying Agent and any of their respective affiliates, officers, directors or employees or any other person will be under any duty to give notification of any defects, irregularities or delays in any Account Holder Letter, nor will any of such entities or persons incur any liability for failure to give such notification.

10. A Noteholder on whose behalf a valid Account Holder Letter is delivered prior to the Scheme Meeting may still attend and vote for or against the Scheme at the Scheme Meeting.

11. **Completed Account Holder Letters for the purposes of voting should be delivered to the Tabulation and Information Agent so as to be received by the Tabulation and Information Agent online, via email or facsimile as soon as possible and in any event before the Voting Instruction Deadline being 5 p.m. (New York time) on 16 December 2016. Original copies are not required.**

12. **If you are in any doubt as to what action you should take in connection with this Explanatory Statement, the proposals contained in it or the documents that accompany it, you are recommended to seek your own independent advice immediately from your legal, financial, tax or other independent advisor authorised under FSMA if you are resident in, have a registered address in, or are a citizen of the United Kingdom, or, if not, from another appropriately authorised independent financial advisor.**

Additional requirements for Notes held within Euroclear or Clearstream

13. **A valid Account Holder Letter must be delivered to the Tabulation and Information Agent prior to the Voting Instruction Deadline.**

14. In connection with the Account Holder Letter, each Noteholder that wishes to vote at the Scheme Meeting will be required to ensure that its Account Holder within Euroclear or Clearstream, Luxembourg instructs the relevant Clearing System through which those Notes are held to block those Notes. This can be effected by giving custody instructions to that effect to the relevant Clearing System prior to the Custody Instruction Deadline. As the procedure for blocking such Notes may take a considerable period of time, Noteholders should ensure that Custody Instructions are given as early as possible so that the relevant Notes may be blocked prior to the Custody Instruction Deadline. The procedure for doing this is described in more detail in Appendix 2 (*Instructions and Guidance for Scheme Creditors and any Person with an Interest in the Notes*).

Requirements for Notes held within DTC

15. **The New Notes will not be eligible for settlement in the Depositary Trust Company. In order to receive New Notes, it is recommended that all Noteholders who hold positions in**

DTC move their positions into Euroclear or Clearstream. Any New Notes which cannot be issued to Noteholders shall be issued to and held by Lucid Issuer Services Limited on bare trust for the relevant Noteholder for a period of one year from the date that the Scheme becomes effective.

Noteholders who hold positions in DTC and who fail to move their positions into Euroclear or Clearstream will still be entitled to vote in the Scheme by following the procedure described in Appendix 2 (*Instructions and Guidance for Scheme Creditors and any Person with an Interest in the Notes*), however they may not be eligible to receive the Scheme Consideration on the Scheme Settlement Date. These Noteholders will need to provide details of a securities account held in either Euroclear or Clearstream and set up matching delivery instructions within this account to receive their entitlements.

7. SCHEME BACKGROUND AND RATIONALE

1. Scheme Background

1.1 The Company is part of the Group and is a wholly-owned Subsidiary of the Parent.

The Group and its liquidity position

1.2 The Group operates the largest privately-owned energy company in Ukraine as measured by metric tons of coal produced, net output of electricity and electricity distributed. Its businesses form a vertically integrated production chain across three principal segments: (i) coal mining; (ii) power generation; and (iii) electricity distribution and sales. The Group's power generation subsidiaries generate and sell electricity to end-customers in Ukraine mainly via the wholesale market, and the Group exports coal and electricity, to customers (*inter alia*) in Europe, India, Canada, Turkey and Algeria.

1.3 The deteriorating geopolitical and economic situation in Ukraine since 2014 has led to: (i) the disruption and/or suspension of operations at some of the Group's production assets; (ii) a decline in market conditions and energy consumption in Ukraine; (iii) a substantial contraction of credit supply and extremely limited access to financial markets; (iv) an increase in the share of the delinquent retail customers for the supplied electricity and heat, where the highest concentration of delinquent accounts was located in certain parts of the Donetsk and Luhansk regions of Ukraine that are temporarily occupied (the "ATO Zone"); and (v) insufficient level of the average power tariffs set by the state controlled regulator (NERC) for the Group's power generation subsidiaries in 2014 – 15 and H1 2016 which fell short of the level needed to cover finance costs and costs associated with the expected import of coal.

1.4 As a result of hostilities in the ATO Zone, operations at certain of the Group's production facilities located in or near the ATO Zone have been temporarily suspended since mid-2014 and production at other coal mining assets located in that region has been reduced. The transportation networks the Group uses to transport coal and equipment within and from the ATO Zone have been severely disrupted as a result of the ongoing military activity and arbitrary stoppages and seizures. In January 2015, the Crimea State Council voted to expropriate the Crimean assets of the Group's subsidiary, DTEK Krymenergo PJSC. Immediately prior to its expropriation, DTEK Krymenergo PJSC distributed approximately 8.1% of the Group's total electricity distribution volume in 2014. The Group's businesses which were affected by the ATO Zone accounted for 8.5% of power generation, 32% of power distribution and 22% of coal mining volumes during the six-month period ending on 30 June 2016.

1.5 Since 2014, coal production decreased substantially, by 22.7% during the twelve-month period ending on 31 December 2015 (compared with the twelve-month period ending on 31 December 2014) and by a further 0.8% during the six-month period ending on 30 June 2016 (compared to the six-month period ending on 30 June 2015). Continuous shortages of liquidity have had a negative impact on the coal segment and prevented the Group from acquiring and repairing its mine equipment, which has had a negative impact on productivity and operations.

1.6 The Group's electricity generation has also decreased substantially since 2014, decreasing by 20.1% during the twelve-month period ending on 31 December 2015 (compared to the twelve-month period ending on 31 December 2014) and a further decrease of 7% during the six-month period ending on 30 June 2016 (compared to the six-month period ending on 30 June 2015). This decrease in electricity generation was due to a decline in electricity consumption in Ukraine, export restrictions and military activity, resulting in the destruction of power and transport infrastructure. Electricity transmission has also declined significantly since 2014, namely by 16.2% during the twelve-month period ending on 31 December 2015

(compared to the twelve-month period ending on 31 December 2014) and by a further 0.9% during the six-month period ending on 30 June 2016 (compared to the six-month period ending on 30 June 2015).

1.7 The deteriorating geopolitical environment in the Group's core geographic region has led to a sharp decline in overall trading activity, market demand and macroeconomic outlook. As at 30 June 2016 and 31 December 2015, approximately 98% and 95% respectively of the Group's borrowings were denominated in U.S. dollars, Euros and Russian Rubles, whereas approximately 94% and 93% respectively of its revenues in 2015 and during the six-month period ending 30 June 2016 respectively were generated in Hryvnia. Therefore, based on the prevailing exchange rates of the National Bank of Ukraine, the 52%, 36% and 9% devaluation of the Hryvnia against the U.S. dollar, the Euro and the Russian Ruble, respectively, in 2015 and further devaluation of approximately 4%, 5% and 17% of the Hryvnia against the U.S. dollar, the Euro and the Russian Ruble, respectively, for the six-month period ending on 30 June 2016 has adversely impacted the Group's ability to service its indebtedness.

1.8 As at 30 June 2016, the Group had significant balances receivable from the Ukrainian Government and entities dependant on the government financing, including net VAT recoverable of UAH 1,260 million, heat tariff compensation of UAH 485 million and receivables from Energorynok, and various water and heat supply companies of UAH 6,222 million and UAH 1,652 million, respectively. It is not clear when these payments will be made as they are dependent upon the availability of state funds.

1.9 The electricity tariff for the Group's TPPs reached an average of approximately UAH 994per MWh in the six month period ending 30 June 2016. Payment discipline of the WEM operator (which passes payments to the Group from end-consumers) has failed to ensure full and timely payment during the period: actual payments were approximately 5% below the contracted level, making the effective TPP tariff (adjusted for non-payments from Energorynok SE) as low as approximately UAH 944 per MWh. The power generation tariffs for the six-month period ending 30 June 2016 did not cover the Group's finance costs which resulted in significant net operating losses for the power generation subsidiaries despite the approximately 5% increase for the six-month period ending 30 June 2016 in US$ terms.

1.10 As a result of the factors described in paragraphs 1.3 to 1.9 above, the Group has been operating with a severely constrained liquidity position since the second half of 2015 with weekly average available cash balances during the period from January 2016 to June 2016 fluctuating mostly between US$ 13.4 million and US$ 75.8 million year to date. Shortfalls in the operating cash inflows of the Group effectively have been financed by a reduction of payments associated with capital investments and the use of previously accumulated capital stock that negatively influenced the capital base of the Group and its EBITDA. The deferral of tax payments and non-payment or late payments to the Group's suppliers have also taken place. None of these are sustainable even for a short period of time and the Group companies clearly have tested the limits of funding working capital by stretching operating expenses.

1.11 Accordingly, given the Group's deteriorating liquidity position and cash-flow projections, since 2015 it has been in active discussions with its creditors in relation to the Restructuring.

1.12 As part of the Notes Restructuring, the Company will, among other things, reschedule the maturities of the Notes in anticipation that in due course the domestic and international capital and debt markets will reopen for Ukraine-based borrower groups and the Group's operations and financial performance will be restored to a level that will allow it to again access such markets.

The Company

1.13 The Company was incorporated under the laws of England and Wales as a public limited company for the purpose of facilitating capital raising on behalf of the Group. The Company has never been, and is not currently, an operating company.

1.14 DTEK Finance B.V. issued the 2010 Notes pursuant to an indenture in 2010 in order to repay certain existing bank and other secured debt. Remaining net proceeds from the issuance of the 2010 Notes were used for general corporate purposes including ongoing capital expenditure. On 28 April 2015, the 2010 Notes were exchanged for the 2015 Notes with a maturity date of 28 March 2018 pursuant to the 2015 Scheme, which had the support of an overwhelming majority of the 2015 Noteholders. Pursuant to the 2015 Scheme, the Company issued the 2015 Notes.

1.15 The Notes are unsecured obligations of the Company ranking pari passu between themselves. The Notes are guaranteed on a joint and several basis by the Sureties and the Guarantors.

Standstill Scheme of the Notes

1.16 The 2015 Notes fall due on 28 March 2018. The 2013 Notes fall due on 4 April 2018. On 28 March 2016, the March Coupon fell due under the 2015 Notes and on 4 April 2016, the April Coupon fell due under the 2013 Notes. Due to the Group's poor financial position and based on the Company's available cash, it was expected that the Company would be unable to pay the March Coupon in full by 26 April 2016 (being the expiry date of the grace period in respect of the March Coupon). Accordingly, the Company put in place a standstill of the Notes which became binding on all Noteholders by reason of a scheme of arrangement which was sanctioned by the Court on 26 April 2016, in order to prevent a payment Event of Default in respect of the 2015 Notes, whereupon the Trustee of the 2015 Notes could have, at its discretion and would have had to, if so requested by holders of at least 25% in principal amount of the 2015 Notes then outstanding, give notice to the Company that the 2015 Notes are, and they shall immediately become, due and payable together with accrued interest. Upon any such acceleration, a cross-default event of default would also have been triggered under the 2013 Notes.

1.17 The March Coupon was not paid on 26 April 2016 (being the expiry date of the grace period in respect of the March Coupon) and neither was the April Coupon on 3 May 2016 (being the expiry date of the grace period in respect of the April Coupon).

1.18 The Standstill Scheme provided a moratorium on enforcement action by Noteholders in respect of any Event of Default under the Notes (unless certain early termination events under the Standstill Scheme occur. The Standstill Scheme maintained the stability of the Group while the Group negotiated with, among other creditors, the Steering Committee, on the terms of the Restructuring.

1.19 On 28 October 2016, the moratorium provided for under the Standstill Scheme terminated. Consequently, the Payment Defaults arising from the non-payment of the March Coupon and April Coupon are now outstanding, certain capitalised interest under the Standstill Scheme is due and payable and if not paid, will trigger additional payment defaults, and further payment defaults have occurred arising from the non-payment of interest on the 2015 Notes and the 2013 Notes on 28 September 2016 and 4 October 2016 respectively. As a result, the Trustee could, at its discretion and would have to, if so requested by holders of at least 25% in principal amount of the 2013 Notes or the 2015 Notes then outstanding, give notice to the Company that the 2013 Notes or 2015 Notes (as applicable) are, and they shall immediately become, due and payable together with accrued interest. If such default(s) are not remedied, the Trustee could accelerate and take enforcement action.

1.20 On 18 November 2016, the Noteholder Term Sheet was agreed with the Steering Committee and the Company has proposed this Scheme in order that the Notes Restructuring is effected as soon after 28 October 2016 as is possible.

Bank Facilities

1.21 As at 30 September 2016, the Group has outstanding Bank Facilities (which includes the crystalised early termination amount under hedging transactions) in an aggregate amount of approximately US$ 1,238 million, with Bank Lenders. This amount excludes any amounts owing by the Group in relation to the transfer of US$ 436 million of debts to the Obukhovskaya Mine Office, where such transaction completed on 22 September 2016 and also does not include the Essential Credit Lines in the amount of approximately US$ 34.6 million.

1.22 As a result of severe cash-flow shortfalls, the Group has failed to make certain principal and interest payments in full under its Bank Facilities, which fell due between July 2015 and today's date. As a consequence, interest payment defaults under the Bank Facilities totalling approximately US$ 151.3 million and interim instalment payment defaults together with principal payment defaults at maturity under the Bank Facilities totalling approximately US$ 597.1 million have occurred as at 30 September 2016.

1.23 The Group would normally expect to manage its financial indebtedness through a combination of earnings and refinancing through the domestic and international capital and debt markets. However, the Group is currently unable to raise finance in the domestic and international capital and debt markets due to the current situation in Ukraine, as well as an over-levered capital structure. Therefore, in accordance with the Restructuring, the Company intends to reschedule the maturities of the Notes and the Group intends to reschedule the maturities of the Bank Facilities on an equitable basis in anticipation that in due course the domestic and international capital and debt markets will reopen for Ukraine-based borrower groups and that the Group will have restored its operations and financial performance to a level that will allow it to again access such markets.

1.24 On 21 September 2016 the Parent entered into the Bank Standstill Agreement with more than 75% of the Bank Lenders as at that date with various other Bank Lenders acceding to the same since then. The Bank Standstill Agreement provides for a forbearance on the taking of any enforcement action or initiation of insolvency proceedings by those Bank Lenders and the terms of the Bank Standstill Agreement are materially the same as those provided under the Standstill Scheme. Under the Bank Standstill Agreement, the relevant Bank Lenders are stood still until 28 January 2017, provided that the Bank Standstill Agreement is not terminated early upon the occurrence of particular events. Each Bank Lender has a unilateral right to terminate their obligations under the Bank Standstill Agreement. As at the date of this Explanatory Statement, the Bank Standstill Agreement has not been terminated early.

1.25 All other Bank Lenders who have not signed the Bank Standstill Agreement have been operating and continue to operate broadly in accordance with the general terms of the Bank Standstill Agreement and to the best knowledge of the Company have not to date taken any enforcement action which they may be otherwise entitled to take pursuant to the terms of the Bank Facilities.

1.26 Following the Bank Standstill Agreement becoming effective, the Group has been progressing negotiations on the terms of the Restructuring with respect to the Bank Facilities. Most recently, on 30 November 2016 as part of the continuing discussions with the Bank Lenders, the Group met with the Bank Committee and their legal and financial advisors to discuss the terms of the Bank Facilities Restructuring.

1.27 As at the date of this Explanatory Statement, negotiations between the Group and Bank Lenders are still ongoing. The Group strongly anticipates that these terms will be finalised prior to the expiration of moratorium under the Bank Standstill Agreement.

1.28 The Company and the Group are conscious of their duties to act in the best interests of all creditors and accordingly are in continuous communication with the Bank Committee and Steering Committee in order to take all steps necessary to effect the Restructuring, which is satisfactory to all its stakeholders, including the Noteholders and the Bank Lenders.

2. Scheme Rationale

2.1 Given the expiry of the Standstill Scheme on 28 October 2016, the Group's continued constrained liquidity position and the outstanding Payment Defaults, it is crucial for the Notes Restructuring to be implemented as soon as possible.

2.2 Accordingly, the Company has been negotiating and has agreed the Noteholder Term Sheet with the Steering Committee which holds approximately 33% of the outstanding principal amount of the Notes.

2.3 Accordingly, the Company intends to propose a scheme of arrangement pursuant to Part 26 of the Companies Act 2006 as further described in this Explanatory Statement to implement the Notes Restructuring.

3. The Scheme

3.1 The purpose of the Scheme is to effect a compromise and arrangement between the Company and the Scheme Creditors which will apply to all Scheme Claims. Details of the Scheme can be found in Part 8 (*Overview of the Scheme*) and in Part 11 (*The Scheme*).

4. Impact of the successful implementation of the Scheme

4.1 If the Scheme is successfully implemented, all Scheme Creditors (including those who do not vote in favour of the Scheme or those who do not vote at all in the Scheme) will be bound by the terms of the Scheme, along with the Company and the Scheme will apply to all Scheme Claims. As set out in detail in Part 8 (*Overview of the Scheme*) and in Part 11 (*The Scheme*) of this Explanatory Statement, the terms of the Notes Restructuring will be binding on all Noteholders by reason of the Scheme. Among other things, if the Notes Restructuring (and Bank Facilities Restructuring) are implemented, the Company considers that the Group will have sufficient assets to enable the Scheme Creditors to be repaid the principal amount outstanding to the Scheme Creditors in full.

5. Consequences of a failure to implement the Scheme

5.1 If the Scheme is not implemented, one or more of its creditors may commence enforcement action and/or liquidation proceedings against the Company due to the Payment Defaults under the Notes. In these circumstances the Company will likely need to seek formal protective action from its creditors through the commencement of administration in England and Wales. Likewise, in these circumstances, some or all of the Sureties and Guarantors, and other members of the Group will likely enter into voluntary or involuntary insolvency and other protective procedures in their relevant jurisdictions, which is likely to interrupt all of the Group's operations. In these circumstances, the directors believe that there will be significant destruction of value to those companies. In arriving at this conclusion, the Company referred primarily to the entity priority analysis report prepared by Grant Thornton UK LLP on its behalf (see section 6 below). **In carrying out this analysis, Grant Thornton UK LLP owed its duty of care to the Company and does not owe any duty to the Scheme Creditors.**

5.2 In any formal insolvency proceedings of the Group, the claims of the Scheme Creditors would have to compete with other creditors of the Group (including the Bank Lenders and the Group members as well) with respect to any recoveries from an insolvency process against the Company and/or the Guarantors (including the Parent) and the Sureties. Furthermore, in Ukrainian bankruptcy proceedings, there are likely to be substantial claims (including employee claims, the cost of insolvency proceedings, tax claims and secured creditor claims) that rank senior to all unsecured creditor claims with the likely consequence that loan recoveries to unsecured creditors could be even lower.

5.3 There are also a number of practical and economic barriers which would prevent the Scheme Creditors from realising any meaningful value of the assets of the Sureties in a Ukrainian insolvency procedure, which would severely impact creditor recoveries in such a scenario. In particular, the Ukrainian government may introduce a moratorium on institution of insolvency proceedings against all or some of the Sureties. No such moratorium on insolvency proceedings against any Surety currently applies. However, such a moratorium was previously in place and was re-introduced on repeated occasions in the past in relation to certain fuel and energy companies (including some of the Sureties). Accordingly, no assurance can be given that such a moratorium will not be re-introduced in the future. In addition, a temporary moratorium on the enforcement of claims against the fixed assets may apply to some of the Sureties to the extent there is a 25%+1 state-owned share in their authorised share capitals.

5.4 Furthermore, any such insolvency process would be lengthy and expensive with an uncertain outcome, and there can be no guarantee that Scheme Creditors would recover any substantial part of the value of the Notes. Bankruptcy proceedings in Ukraine (which is relevant to the 15 Sureties) are drawn-out and not creditor-friendly. This could lead to either the Ukrainian government intervening or distressed sales of Group assets, potentially at forced sales values, rather than at book value. In addition, given that certain Sureties are located in the ATO Zone, it is highly likely that compliance with bankruptcy proceedings would not be achievable in respect of these entities, thereby making it infinitely more difficult for Scheme Creditors to successfully pursue claims against these Sureties.

5.5 Even on the assumption that some sort of market process is possible to sell the Group assets, there is likely to be a very limited number of interested parties and, from the perspective of the Ukrainian government, qualified buyers for such assets at the current time. A successful sale of assets even at distressed prices would have difficulty in completing given the limited (if any) buy-out financing available either in the international or domestic market. Due to the dire state of the economy, the political instability and the civil disturbances in the Donbass region, Ukraine is now rated well below investment grade by the major international rating agencies. Given the likely scarcity of potential buyers and the near-absence of funding sources, in an insolvency procedure the Group assets are likely to be sold at only a fraction of their fair value.

5.6 Given the social and political significance of the majority of the Group's operating businesses, a liquidation sale of a single asset or limited numbers of assets at any one time will likely cause the Ukrainian government to intervene in order to secure a stable and reliable supply of energy. It is doubtful that the Ukrainian government would be willing or able to pay compensation resembling fair value.

5.7 As evidenced by the EPA Report (a summary of the key conclusions of which is included below), if the Company enters insolvency proceedings, the Company will not be able to repay its creditors (including the Scheme Creditors) in full and the amounts and timing of distributions to its creditors would be very uncertain. However under the Restructuring, the Group anticipates that it will be able to repay the full principal amount outstanding to its

creditors in accordance with the terms of the Noteholder Term Sheet and the Banks' Proposal and ultimately restore the Group's financial position and continued operations.

6. Insolvency Analysis

6.1 On or about 30 August 2016, the Company engaged Grant Thornton UK LLP to analyse and prepare a report presenting the estimated financial outcomes for creditors in the event of an insolvency of the Group. This analysis enabled a comparison to be made of the outcome anticipated under the proposed Scheme against various insolvency scenarios.

6.2 The entity priority analysis involved the analysis of the distribution waterfall of the Group's assets to its creditors and shareholders entity by entity in the event of an insolvency. The analysis focused on 42 entities in the Group. The analysis assumed an upper scenario (which assumes an insolvency scenario where assets are realised in an orderly and extended process over 12 months) and lower scenario (which assumes an insolvency scenario where assets are realised in an accelerated "fire sale" process over 3-6 months).

6.3 The percentages of realisations of the different classifications of assets under the upper and lower scenarios took into account the following principal factors:

(a) significant anticipated differences between the carrying value in use and the break-up value of certain assets;

(b) the market for certain specialised assets not being active in Ukraine, some of which include aged former state-owned infrastructure assets;

(c) the geopolitical crisis in Ukraine;

(d) a number of entities and assets are in the ATO Zone where it would be extremely difficult to find a buyer given the current uncertainties. In addition, there is the possibility that these ATO Zone assets may be expropriated by the authorities in those territories;

(e) as an insolvency of the Group would be a multi-jurisdictional insolvency, obtaining dividends from foreign jurisdiction is likely to be difficult; and

(f) the general impact of the onset of insolvency and the assumption that a going concern sale for any of the Group companies would not be possible due to both the geopolitical crisis in Ukraine and that an insolvency practitioner would be unable to trade and sell the Group's business in an insolvency.

6.4 The key conclusions from the EPA Report insofar as it affects the Noteholders were that the estimated realisable value for the Noteholders on an insolvency of the Group in an upper scenario (which assumes that assets are realised in an orderly and extended process over 12 months) **is 20% of their original claims**, and in a lower scenario (which assumes an insolvency scenario where assets are realised in an accelerated 'fire sale' process over 3-6 months) **is 8.7% of their original claims**.

6.5 Further, given the importance of the Group in relation to employment and energy supply in Ukraine, it is unclear what the Government might do if the Group were to enter into insolvency. There is a strong possibility that the Government may take certain steps that could effectively lead to a transfer of control over the key assets of the Group to the Ukrainian Government. In this case Scheme Creditors may receive a significantly lower distribution than those outlined in paragraph 6.4 above.

6.6 Grant Thornton LLP notes the following regarding the approach it took to its analysis:

(a) it performed its analysis using the Group's management accounts as at 30 June 2016 and did not carry out formal valuations of the Group's assets; and

(b) the analysis assumes a theoretical insolvency of the 42 main Group entities.

8. OVERVIEW OF THE SCHEME

This section contains a brief overview of the Scheme. The summary information contained herein does not purport to be complete and should be read in conjunction with, and is qualified in its entirety by references to, the more detailed information presented elsewhere in this Explanatory Statement and to the Scheme.

1. Scheme Of Arrangement Overview

1.1 The compromises and arrangements in respect of the Notes are proposed to be effected by way of a scheme of arrangement of the Company under the laws of England and Wales.

1.2 A scheme of arrangement is a formal procedure under Part 26 of the Companies Act 2006 which enables a company to agree a compromise or arrangement with its creditors or any class of its creditors in respect of its debts or obligations owed to those creditors. A scheme of arrangement requires the following to occur in order to become legally binding:

(a) the approval of a majority in number representing at least 75% in value of the creditors or class of creditors present in person or by proxy and voting at the meeting convened to approve the scheme of arrangement;

(b) the approval of the Court by the making of an order sanctioning the scheme of arrangement; and

(c) the delivery of the order sanctioning the scheme of arrangement to the Registrar of Companies.

1.3 If the scheme of arrangement is approved by the requisite majorities and sanctioned by the Court and the order sanctioning the scheme of arrangement is delivered to the Registrar of Companies, the scheme of arrangement will become effective in accordance with its terms and bind all the creditors subject to it, both those creditors who voted in favour of it and those creditors who voted against it or did not vote at all and their successors and assigns.

1.4 A scheme of arrangement cannot be sanctioned by the Court unless the Court is satisfied, among other things, that the relevant provisions of Part 26 of the Companies Act 2006 have been complied with and an intelligent and honest person, a member of the class concerned and acting in respect of his own interest, might reasonably approve the scheme of arrangement.

1.5 The role of the Scheme Creditors in the implementation of the Scheme is set out in detail in Appendix 2 (*Instructions and Guidance for Scheme Creditors and any Person with an Interest in the Notes*) of this Explanatory Statement, to which Scheme Creditors should refer.

1.6 A summary of: (i) the identity of Scheme Creditors; (ii) the process for and voting at the Scheme Meeting; and (iii) when the Scheme will become effective, is set out below.

Identity of Scheme Creditors

1.7 The Scheme is being proposed by the Company in respect of the Scheme Claims of the Scheme Creditors. The Scheme Creditors consist of:

(a) the direct creditors in respect of the Scheme Claims - the DTC Custodian as holder of the Global Notes and the Trustee (solely in its capacity as the beneficiary of the covenants to repay principal and pay interest on the Notes pursuant to the Indentures); and

(b) the contingent creditors in respect of the Scheme Claims - the Noteholders as the beneficial owners of and/or the persons with the ultimate economic interest in the Notes.

1.8 The Noteholders, as the beneficial owners of and/or the persons with the ultimate economic interest in the Notes, are the persons with the "real" interest in the Scheme Claims as they are entitled to exchange the Notes into definitive notes in accordance with the Indentures and accordingly they will be entitled to vote in respect of the Scheme. To avoid double counting in respect of the Scheme Claims, the Trustee has confirmed to the Company that it will not exercise any voting rights in respect of the Notes at the Scheme Meeting.

Scheme Meeting - process and voting

General

1.9 The Company has considered the rights of the Scheme Creditors against the Company in the absence of the Scheme and the rights of the Scheme Creditors under the proposed Scheme. Having considered these rights, the Company has concluded that it is appropriate that the Scheme Creditors vote in a single meeting of creditors.

1.10 The Company considers that the existing rights of the Scheme Creditors against the Company are not so dissimilar as to make it impossible for them to consult together with a view to a common interest, in that:

(a) As at the date of this Explanatory Statement, the moratorium provided for under the Standstill Scheme has expired and there is no moratorium with the Scheme Creditors in relation to the Payment Defaults. Thus, the Trustee is entitled to take steps to enforce each of the Notes at its discretion or if instructed by the Noteholders of at least 25% in principal amount of each of the respective Notes outstanding.

(b) If either of the Notes are accelerated as a result of the Payment Defaults, a cross-default Event of Default will occur under the terms of the other Notes. Upon the occurrence of any event of default under one of the Notes that is continuing, the Trustee of those Notes may, at its discretion and shall, if so instructed by the holders of at least 25% in principal amount of those Notes outstanding, accelerate those Notes, whereupon those Notes will be immediately due and payable, and the Trustee will become entitled to take steps to enforce those Notes at its discretion or if instructed by the Noteholders of at least 25% in principal amount of those Notes outstanding.

(c) If the circumstances outlined in the preceding subparagraphs occur, it is likely that the Company will enter administration in England and Wales or will be placed into liquidation proceedings by its creditors. In the event of the formal insolvency of the Company, the rights of the Scheme Creditors will be the same as unsecured creditors of the Company ranking pari passu between themselves.

1.11 In addition, the rights to be conferred on Scheme Creditors under the Scheme are the same. There is no differential treatment of the 2013 and 2015 Noteholders under the Scheme. Rather, the 2013 and 2015 Noteholders will be treated in the same way under the Scheme. In particular, if the Scheme becomes effective, the Noteholders will each benefit from the same economic terms in the form of the New Notes save for the Lock-up Fee which is described below.

1.12 Since 1 February 2016, the Company has been paying a transaction work fee to the Steering Committee in an aggregate amount of US$ 100,000 per month, which will continue until the earlier of the date on which: (i) the Bank Facilities Restructuring is implemented and any

consequential modification is made to the New Notes Documents as a result of the Bank Facilities Restructuring in accordance with paragraph 25 of the Scheme, and (ii) the Steering Committee is dissolved, in addition to the payment of the costs incurred by the Steering Committee's legal and financial advisors. This fee has been fixed by reference to the amount of work that has been and is likely to be involved by the members of the Steering Committee in working on the Restructuring as compensation for time spent and, in any case the Company considers that this fee is not sufficiently material to require Scheme Creditors who are entitled to receive this fee to be placed into a separate class from those who do not receive such a fee. For the avoidance of doubt, this fee is not conditional on the success of the Scheme.

1.13 Further, the Company has agreed to pay the Lock-up Fee (which equates to a maximum total amount of approximately 0.76% of the outstanding principal of a Noteholders' holding of Notes) to Noteholders which: (i) held Locked-up Notes (as defined in the Lock-up Agreement) as at 15 December 2016; (ii) complete and submit to either Euroclear or Clearstream a valid voting instruction in favour of the Scheme; (iii) submit an Account Holder Letter in favour of the Scheme to the Tabulation and Information Agent by 16 December 2016; and (iv) have not breached any provision of the Lock-up Agreement. This was made available to all Noteholders in the Practice Statement Letter distributed by the Company on 18 November 2016 and the fee is of a relatively small quantum when compared against a Noteholders' holding of Notes.

1.14 The Company has also agreed to pay the Restructuring Fee provided that the Restructuring completes. This Restructuring Fee, if payable, will be paid to all Noteholders regardless of whether or not they voted in favour of the Scheme.

1.15 For these reasons, the Company considers that the rights of the Scheme Creditors are the same, or alternatively are not so dissimilar as to make it impossible for them to consult together with a view to a common interest.

1.16 Accordingly, it is proposed that a single meeting of the Scheme Creditors is convened for the purposes of considering and, if the Scheme Creditors think fit, approving the Scheme.

1.17 Under the provisions of Part 26 of the Companies Act 2006, for the Scheme to become effective:

(a) it must be approved by a majority in number, representing at least 75% in value, of each class of Scheme Creditors present and voting (either in person or by proxy) at the relevant meeting ordered to be summoned by the Court;

(b) it must be sanctioned by the Court at a subsequent Court hearing; and

(c) an office copy of the order sanctioning the Scheme must be delivered to the Registrar of Companies for England and Wales.

1.18 A notice of the Scheme Meeting to be held at 10 am (London time) on 19 December 2016 is set out in Appendix 4 (*Notice of Scheme Meeting*). For the avoidance of doubt and as the Scheme is subject to an order of the Court, the procedure for the Scheme Meeting is as set out in Appendix 2 (*Instructions and Guidance for Scheme Creditors and any Person with an Interest in the Notes*) and not the procedures for convening Noteholder meetings as set out in any of the Indentures.

Voting

1.19 Noteholders should refer to the detailed instructions in relation to voting at the Scheme Meeting in the section entitled *Summary of actions to be taken by Scheme Creditors and any person with an interest in the Notes* at pages 15 to 17 and Appendix 2 (*Instructions and*

Guidance for Scheme Creditors and any Person with an Interest in the Notes) of this Explanatory Statement. Each Noteholder must ensure that its Account Holder has completed and submitted to the Tabulation and Information Agent a valid Account Holder Letter so that it is received by the Tabulation and Information Agent before the Voting Instruction Deadline (being 5 p.m. (New York time) on 16 December 2016) in order to vote at the Scheme Meeting. Noteholders may vote at the Scheme Meeting either in person or by proxy.

1.20 **If a valid Account Holder Letter has not been submitted on behalf of a Noteholder for the purposes of voting to the Tabulation and Information Agent before the Voting Instruction Deadline, that Noteholder will not be entitled to vote at the Scheme Meeting.**

When will the Scheme be effective?

Scheme Sanction Hearing

1.21 Under Part 26 of the Companies Act 2006, a scheme of arrangement becomes effective in accordance with its terms and is binding on the company and creditors subject to it when the order of the Court sanctioning the scheme of arrangement is delivered to the Registrar of Companies. The Company expects that the Scheme Sanction Hearing will take place on or about 21 December 2016. Once the date of the Scheme Sanction Hearing is confirmed by the Court, the Company will give notice to the Scheme Creditors through the Clearing System on the Scheme Website at http://www.lucid-is.com/dtek, and on the Group website at: http://www.dtek.com/ru/investor-relations/debt-instruments/eurobonds-scheme-of-arrangement.

1.22 At the Scheme Sanction Hearing the Company may consent on behalf of all Scheme Creditors to any modification of the Scheme or any term or condition which the Court may think fit to approve or impose and which would not directly or indirectly have a material adverse effect on the interests of any Scheme Creditor under the Scheme.

Occurrence of the Scheme Effective Date

1.23 Pursuant to the Scheme, following:

(a) approval by a majority in number representing at least 75% in value of the Scheme Claims of the Scheme Creditors present and voting either in person or by proxy at the Scheme Meeting;

(b) the granting by the Court of an order sanctioning the Scheme; and

(c) the delivery of the order sanctioning the Scheme to the Registrar of Companies,

the Scheme Effective Date will occur.

The Scheme Settlement Date

1.24 Following the occurrence of the Scheme Effective Date, certain authorisations, instructions and obligations take effect under the Scheme.

1.25 Following the steps set out in the Scheme including the execution by all relevant parties of the New Notes Documents, the Scheme Settlement Date will occur and the New Notes Documents will come into effect. The Scheme Settlement Date should occur no later than the Scheme Longstop Date.

1.26 Insofar as the Scheme Consideration consists of the Lock-up Fee and the Restructuring Fee, the Company shall pay the Scheme Consideration within 3 Business Days following the occurrence of the Scheme Settlement Date. The Company shall pay the remainder of the Scheme Consideration, being the issuance of the New Notes, on the Scheme Settlement Date.

2. What Will The Scheme Do?

2.1 The Notes Restructuring involves: (i) a compromise and arrangement between the Company and the Scheme Creditors to be effected by way of the Scheme; and (ii) certain other compromises and arrangements to be entered into by various other parties to the New Notes Documents. As the Scheme can only bind the Company and the Scheme Creditors, these third parties have entered, or will enter prior to the date of the Sanction Hearing and/or the Scheme Settlement Date (as applicable), into a Deed of Undertaking and in the case of the Parent, the DEBV Deed of Undertaking, to undertake to execute the New Notes Documents to which they are a party and be bound by the terms of the Scheme. These undertakings are discussed at paragraph 5 below.

New Notes Documents

2.2 The New Notes Documents will be executed by or on behalf of the parties to them on or as soon as possible following the Scheme Effective Date.

2.3 The New Notes Documents will be on the terms as set out in the Noteholder Term Sheet and the Description of the Notes.

2.4 As set out above, certain persons other than the Company and the Scheme Creditors are party to one or more of the New Notes Documents.

Authority to execute documents on behalf of the Scheme Creditors

2.5 Pursuant to the Scheme, on and from the Scheme Effective Date each of the Noteholders irrevocably and unconditionally authorises the Company to enter into, execute and (where applicable) deliver as a deed or otherwise those documents to which the Noteholders are party on behalf of each Noteholder (including any person to whom a Noteholder has transferred its rights in respect of its Scheme Claim after the Record Date). Accordingly, although the Noteholders are party to certain documents including:

(a) the Deed of Release; and

(b) any and all such other documents that the Company reasonably considers necessary to give effect to the terms of the Scheme,

the execution and delivery of the documents will be undertaken by the Company on the Noteholders' behalf. Accordingly, no action is required by the Scheme Creditors in respect of the execution or delivery of the documents.

2.6 The terms of the Deed of Release are summarised below. The Description of the Notes is included in full below.

Key Elements of the Notes Restructuring

2.7 The key elements of the Notes Restructuring are as follows:

(a) Following the making by the Court of an order sanctioning the Scheme, a copy of the order will be delivered to the Registrar of Companies. The date of delivery of the order to the Registrar of Companies is the Scheme Effective Date.

(b) On the Scheme Effective Date:

(i) the Noteholders will instruct, authorise and direct (as applicable):

(A) the Trustee to execute all such documents (including, without limitation, the New Notes Documents), and do all such acts or things as may be necessary or desirable to be executed or done by it for the purposes of giving effect to the terms of the Scheme;

(B) the Trustee and each other Transaction Party to, and to instruct any other Transaction Party which it is entitled to instruct to, irrevocably and unconditionally waive each and every Event of Default and to release each and every right and obligation of any Scheme Creditor and any Transaction Party to take any action in respect of any Event of Default; and

(C) the Trustee and each other Transaction Party to, and to instruct any other Transaction Party which it is entitled to instruct to, waive each and every Event of Default and to release each and every right and obligation of any Scheme Creditor and any Transaction Party to take any action in respect of any Event of Default provided that such waiver shall terminate upon the acceleration prior to its expressed maturity or other demand for payment of any Indebtedness (as such term is defined in the New Notes Indenture) for money borrowed by (or guaranteed or covered by a suretyship of) the Company or its Restricted Subsidiaries (as such term is defined in the New Notes Indenture);

(ii) the Noteholders will request and, to the extent they are entitled to do so, instruct the Company and each other Transaction Party to perform each of its obligations arising under the Scheme and the New Notes Documents;

(iii) the Noteholders will acknowledge and agree that any action taken by the Company or any other Transaction Party in accordance with the Scheme or the New Notes Documents will not constitute a breach of the Notes or the New Notes Documents;

(iv) the Noteholders will instruct and direct the Trustee and the Company to execute, or otherwise procure to be executed, all such documents, and do or otherwise procure to be done all such acts or things as may be necessary or desirable to be executed or done to cause the Sureties to execute and enter into the New Notes Suretyships;

(v) the Scheme Creditors will irrevocably authorise the Company to enter into, execute and deliver the documents as described in paragraph 2.5 above; and

(vi) the Company on behalf of itself and on behalf of the Scheme Creditors will execute and deliver the Deed of Release.

(c) As soon as possible after the Scheme Effective Date and prior to the Scheme Longstop Date, the following steps shall happen and those steps shall take effect in the order set out below:

(i) the Company will:

(A) execute the New Notes Documents to which it is a party, the Trustee Instruction Letter and the Paying Agent Instruction Letter;

(B) deliver the Trustee Instruction Letter and the Paying Agent Instruction Letter; and

(C) execute any and all such other documents that the Company reasonably considers necessary to give effect to the terms of the Scheme.

(ii) the Trustee and the Paying Agent will execute the New Notes Documents to which they are a party in accordance with the Trustee Instruction Letter and the Paying Agent Instruction Letter (as applicable);

(iii) the Undertaking Transaction Parties will:

(A) execute the New Notes Documents to which they are a party (to the extent not executed pursuant to (i) and (ii) above);

(B) where applicable, procure the execution of the New Notes Documents, to which other Transaction Parties (which are not Undertaking Transaction Parties) are party, by such other Transaction Parties; and

(C) execute any and all such other documents that are reasonably necessary to give effect to the terms of the Scheme,

in each case in accordance with their respective undertakings;

(iv) the Company will deliver the Notes to the Trustee to be cancelled and the Trustee will cancel the Notes, at which time, the Guarantees and Suretyships will automatically be cancelled and all Scheme Claims will be automatically and irrevocably released; and

(v) as soon as reasonably practicable after the satisfaction of all conditions precedent to the New Notes Documents (if any) have been satisfied or waived (with the exception of the occurrence of the Scheme Settlement Date), the Issuer will give the Scheme Creditors and the other Transaction Parties the Scheme Settlement Date Notice (by way of an announcement through the Irish Stock Exchange and publication of the same on the Scheme Website) that:

(A) the conditions precedent to the New Notes Documents (if any) have been satisfied or waived; and

(B) the Scheme Settlement Date has occurred.

The date of such notice will be the Scheme Settlement Date for the purpose of the Scheme. It is anticipated that the Scheme Settlement Date will occur on or prior to 27 January 2017 unless extended to no later than 28 February 2017.

(d) Further, at all times from the Scheme Effective Date the Company and the Scheme Creditors will take all necessary steps to comply with the terms set out in the Noteholder Term Sheet (provided that such steps have not already been completed) and to ensure that the terms of the New Notes Documents reflect the Description of the Notes, including that the obligation to pay interest on the New Notes in cash in the amount of 5.5% p.a. and the compounding of PIK interest in the amount 5.25%, each on a quarterly basis, shall apply from the date on which the Scheme is sanctioned until 31 December 2018.

(e) In the event that a step described in paragraph 2.7(c) above does not occur, all other steps described in paragraph 2.7(c) will be deemed not to have occurred and any actions taken in relation to such steps shall have no valid or binding legal effect.

(f) The Scheme requires the Company to use all reasonable endeavours and take all steps to ensure that all of the steps described in paragraph 2.7(c) occur and all conditions precedent to the New Notes Documents are satisfied and/or waived as soon as reasonably practicable after the Scheme Effective Date. The Scheme also requires that Scheme Creditors will (acting by the Company in accordance with the authority granted under Clause 6 of the Scheme) execute all documents as the Company may reasonably consider necessary to give effect to the terms of the Scheme.

(g) On and from the Scheme Settlement Date (but subject to the other provisions of the Scheme), the terms of the New Notes Documents will become effective and each Scheme Creditor shall be entitled to the rights and benefits accruing to that Scheme Creditor under the Scheme and the New Notes Documents (to the extent they are a party) and all of the existing rights and benefits of the Scheme Creditors in respect of the Company shall be subject and limited to the compromises and arrangements provided by the Scheme and the New Notes Documents.

(h) If the Scheme Settlement Date has not occurred before the Scheme Longstop Date, the terms of, and the obligations on the parties under or pursuant to the Scheme will lapse.

3. Summary of the Key Commercial Terms of the Restructuring as set out in the Noteholder Term Sheet

Restructuring Fee

3.1 If the Scheme is sanctioned, all Noteholders (whether or not they qualified for the Lock-Up Fee) will be entitled to receive the Restructuring Fee which will be paid within 3 Business Days following the Scheme Settlement Date.

Lock-up Fee

3.2 If the Scheme is sanctioned, all Noteholders who: (i) hold Locked-up Notes (as defined in the Lock-up Agreement) on 15 December 2016; (ii) complete and submit to either Euroclear or Clearstream a valid voting instruction in favour of the Scheme; and (iii) submit an Account Holder Letter in favour of the Scheme to the Tabulation and Information Agent by 16 December 2016, shall be paid the Lock-up Fee in addition to the Restructuring Fee, within 3 Business Days following the Scheme Settlement Date.

3.3 The Lock-up Fee amounts to approximately 0.76% of a Noteholder's outstanding principal amount and consists of the following:

(a) 0.50% of the original principal amount of the Notes; plus

(b) 10% of the total accrued and unpaid interest under the Notes, which has accrued from (and including) 28 October 2016 up to (and including) the date of the Scheme Sanction Hearing; plus

(c) an additional amount equal to 5% of the total accrued and unpaid interest under the Notes (which does not take into account the 10% interest payment in (b) above), which has accrued from (and including) 28 October 2016 up to (and including) the date of the Scheme Sanction Hearing; plus

(d) a further additional amount equal to 5% of the total accrued and unpaid interest under the Notes (which does not take into account the 10% interest payment in (b) above nor 5% interest payment in (c) above), which has accrued from (and including) 28 October 2016 up to (and including) up to (and including) the date of the Scheme Sanction Hearing, if the weighted average tariff for power generation in the controlled Ukrainian territories for November 2016 (excluding the proportion of the tariff that must be used solely to finance capital expenditure required for investment purposes approved by the Minister of Energy of Ukraine or the National Electricity Regulatory Commission of Ukraine and VAT) is more than UAH 1.14 per KWh.

Maturity

3.4 The Notes will be cancelled and replaced by the New Notes with a final maturity of 31 December 2024.

Amortisation

3.5 There will be contractual amortisation with the outstanding principal amount of the New Notes to be repaid in two equal instalments with 50% to be amortised on 29 December 2023 and the remainder to be amortised on maturity of the New Notes. There is no make whole provision, i.e. repayment at par of the New Notes may be made at any time without penalty, however a premium will apply to the compulsory repayment and/or prepayment of the New Notes during specified periods.

Interest rate

3.6 The coupon of the New Notes is 10.75% p.a. with interest paid in cash quarterly and with a step-up in time, starting at 5.5% p.a. from the date that the Scheme is sanctioned until 31 December 2018, 6.5% p.a. in 2019, 7.5% in 2020, 8.5% in 2021, 9.5% in 2022 and 2023, and 10.75% p.a. in 2024 in accordance with the terms of the New Notes. The amount equal to 10.75% p.a. minus the applicable cash payment interest rate for each year will be capitalised and compounded on a quarterly basis.

Cash sweep

3.7 There will be no cash sweep applicable to the New Notes.

Prepayment of the New Notes

3.8 Buybacks of the New Notes will be permitted without consent of the holders of the New Notes provided all such New Notes shall then be delivered to the Trustee for cancellation and shall be cancelled by the Trustee not later than 20 Business Days after the date of the buyback.

Optional Redemption

3.9 Customary optional redemption provisions from the Notes shall apply.

3.10 Optional redemption to be permitted with a premium, starting at a redemption price equal to 105.375% prior to 2020, 104.03125% in 2020, 102.6875% in 2021 and 100% from 2022 onwards, in each case, of the outstanding principal amount of the New Notes including capitalised and accrued interest. The Company will have the option to pay any such amount in cash rather than PIK provided that it notifies the Trustee no later than 20 Business Days prior to the commencement of the relevant quarter.

Dividends

3.11 Dividends will be permitted subject to the following conditions at the time of payment:

(a) net debt to EBITDA leverage ratio of the Group must be less than 1.5:1 both prior to, and after, any such dividend payment based on the most recent annual consolidated financial statements prior to the dividend payment;

(b) the proposed dividend payment shall not exceed 50% of consolidated net income of the Group in the year covered by the most recent annual financial statements prior to the dividend payment;

(c) the proposed dividend payment shall only be paid out of available cash of the Group in excess of US$ 110 million ensuring that any such dividend does not cause available cash to fall below US$ 110 million; and

(d) the entire outstanding aggregate principal amount of the Bank Facilities has been restructured in full and (ii) 50% of the indebtedness issued to refinance the Bank Facilities (including any Indebtedness under the Bank Facilities which is exchanged into the New Notes in accordance with the mechanism set out below in paragraph 3.18) must have been repaid at the relevant time and the average bond price quoted on Bloomberg Finance LP must be at least 93% of the par value (such par amount including accrued and capitalised PIK interest) on 75% of trading days in the last 90 calendar day period prior to such dividend payment.

Capital expenditure

3.12 The Group shall not incur any capital expenditure other than Permitted Capital Expenditure (as defined in the Noteholder Term Sheet).

New debt incurrence

3.13 The Group may incur new additional indebtedness of up to a maximum aggregate amount of US$ 100 million, with a further maximum aggregate amount of US$ 200 million permitted if the Group's consolidated leverage ratio falls below prescribed thresholds as set out and subject to conditions in the covenants attached as an appendix to the Noteholder Term Sheet.

Security, guarantees and sureties

3.14 The Guarantees and Suretyships in respect of the Notes will be cancelled and replaced by the New Notes Guarantees and New Notes Suretyships from the same Guarantors and Sureties to secure the New Notes. There will be no additional guarantees or sureties other than in accordance with the material subsidiary provision in the Notes, the threshold of which will be amended from 10% to 5% in the New Notes.

3.15 The Parent will enter into a security assignment over the DTEK O&G Receivable in favour of the Noteholders no later than 90 days after the Scheme Settlement Date, and which is subject to certain conditions. Further, the Parent will grant a charge over all of its right, title and interest in and to all amounts on deposit in the DTEK O&G Receivable Account at any time, on a first priority basis, for the benefit of the Noteholders.

DTEK O&G undertakings

3.16 DTEK O&G will transfer 25% of the share capital of PJSC Naftogazydobuvannya ("**NGD**") to a wholly-owned Dutch special purpose vehicle ("**SPV**"), with such SPV to become a co-obligor under the DTEK O&G Receivable.

3.17 Additional covenants and undertakings will apply to the SPV and DTEK O&G for the benefit of the Noteholders as set out in the Noteholder Term Sheet and the New Notes Documents.

3.18 The corporate objects clause in the articles of association of SPV will be limited to the restricted activities of SPV.

3.19 The DTEK O&G Receivable documentation shall be amended to include:

(a) an increase in the interest rate of 1% p.a. in 2020 and further additional 1% p.a. in 2022 payable at maturity;

(b) a pledge that the proceeds of prepayment or repayment of the DTEK O&G Receivable at maturity shall be applied to repay the New Notes;

(c) the covenants and undertakings described in the Noteholder Term Sheet; and

(d) a provision that any amendment to the DTEK O&G Receivable documentation shall require the prior written consent of the Trustee (acting on behalf of Noteholders representing in excess of 50% by value of the New Notes) (other than if such amendments are required or arise as a matter of law or regulation or amendments of a technical nature which are not to the detriment of the Noteholders).

Any breach of any undertakings in respect of the DTEK O&G Receivable in the Noteholder Term Sheet, other than the requirement to maintain minimum reserves of 2P of 132.3 millions of barrels of oil equivalent, shall trigger a cross-default under the New Notes Indenture subject to any applicable grace and cure period as may be agreed in the DTEK O&G Receivable documentation.

Swap of Bank Facilities to New Notes

3.20 During the period commencing on or about the date on which the Explanatory Statement is published and terminating on or around the date falling three days in advance of the date on which the Court considers whether to sanction the Scheme, a Bank Lender may exchange some or all of its indebtedness under the Bank Facilities for New Notes at par on about the Scheme Settlement Date. The maximum total aggregate amount of indebtedness which can be exchanged is US$ 300 million and if the total amount to be swapped amounts to more than US$ 300 million, such amounts will be exchanged on a pro rata basis to ensure that this does not exceed US$ 300 million.

Standstill

3.21 There will be a standstill of the Notes in line with the standstill terms of the Standstill Scheme, to be effective from the date of sanction of the Scheme until the Scheme Settlement Date.

Governing law and clearing of the New Notes

3.22 The New Notes will be governed by New York law and will be issued in global registered form and deposited with the Common Depositary. The New Notes will not be eligible for settlement in DTC. In order to receive New Notes, all Noteholders who hold positions in DTC will be required to move their positions into Euroclear or Clearstream. Any New Notes which cannot be issued to Noteholders shall be issued to and held by the Tabulation and Information Agent on bare trust for the relevant Noteholder for a period of one year from the date that the Scheme becomes effective.

4. Mechanical Scheme Documents

4.1 The mechanics of the Scheme described in paragraph 3 above refer to certain documents which are described below.

Trustee Instruction Letter

4.2 The Trustee Instruction Letter contains instructions from the Company to the Trustee to take certain actions to give effect to the Scheme. Amongst other things the Trustee Instruction Letter instructs the Trustee to:

(a) enter into, deliver (if applicable) and perform all their obligations under each New Notes Document to which they are a party;

(b) enter into and deliver (if applicable) on behalf of the Company certain New Notes Documents to which the Company is a party and which are listed in an appendix of the Trustee Instruction Letter;

(c) waive Events of Default provided that such waiver, in respect of Events of Default, shall terminate upon the acceleration prior to its expressed maturity or other demand for payment of any Indebtedness (as such term is defined in the New Notes Indenture) for money borrowed by the Company or its Restricted Subsidiaries (as such term is defined in the New Notes Indenture); and

(d) to execute, or otherwise procure to be executed and done, all such documents, and do or otherwise procure to be done all such acts or things as may be necessary or desirable to be executed or done to cause the Sureties to execute and enter into the New Notes Suretyships.

4.3 The form of the Trustee Instruction Letter is attached as Schedule 5 to the Scheme.

Paying Agent Instruction Letter

4.4 The Paying Agent Instruction Letter contains instructions from the Company to the Paying Agent to take certain actions to give effect to the Scheme. Amongst other things the Paying Agent Instruction Letter instructs the Paying Agent to enter into, deliver (if applicable) and perform all their obligations under each New Notes Document to which they are a party;

4.5 The form of the Paying Agent Instruction Letter is attached as Schedule 8 to the Scheme.

Deed of Release

4.6 The Deed of Release is a deed pursuant to which the Noteholders, Trustee and the Company:

(a) waive, release and discharge all Liabilities of the Released Parties to the Scheme Creditors or the Company (as relevant) in relation to or in connection with or in any way arising out of the preparation, negotiation or implementation of the Scheme, the Notes Restructuring or in connection with the Notes, the Guarantees or the Suretyships; and

(b) waive each and every claim which they may have in respect of the same.

4.7 Further, the Company and the Scheme Creditors will release the Steering Committee from any Liabilities and will waive any claims in respect of any modification made to the Scheme in accordance with paragraph 25 of the Scheme.

4.8 Each release, waiver and discharge described above does not extend to:

(a) any Liability of any Advisor Released Party arising under a duty of care to its client or to another person where such duty has been specifically and expressly accepted or acknowledged in writing by the Advisor Released Party;

(b) any Liability arising or resulting from gross negligence, wilful default or fraud;

(c) any Liability in the Lock-up Agreement; and

(d) the Company in respect of the release, waiver and discharge granted by the Company.

In addition, nothing in the Deed of Release, releases, waives or discharges any Relevant Liability of any person under the New Notes Documents.

4.9 The form of the Deed of Release is attached as Schedule 2 (*Form of Deed of Release*) to the Scheme.

5. Third Party Involvement

5.1 As set out above, the Notes Restructuring is intended to be implemented by way of:

(a) the Scheme between the Company and the Scheme Creditors; and

(b) the requisite third parties, the Undertaking Transaction Parties, executing or procuring the execution of the New Notes Documents and, where necessary, agreeing to be bound and/or procuring that certain other third parties be bound by the terms of the Scheme as sanctioned by the Court (in each case pursuant to their respective undertakings).

5.2 The Parent, as the controlling parent of the Group, will enter into the DEBV Deed of Undertaking prior to the date of the Sanction Hearing, pursuant to which it undertakes to:

(a) execute, and procure the execution by the Undertaking Transaction Parties (other than itself) of the New Notes Documents and agree to be bound and procure that the Undertaking Transaction Parties (other than itself) be bound by the terms of the Scheme as sanctioned by the Court (in each case pursuant to their respective undertakings); and

(b) procure that each PJSC and PrJSC Undertaking Transaction Parties enters into individual Deeds of Undertaking, pursuant to which they will undertake and agree to, amongst other things, be bound by the terms of the Scheme and execute each New Notes Document to which they are to be a party.

5.3 The Other Undertaking Transaction Parties (save for the Parent) have each:

(a) agreed, or are expected to agree prior to the date of Sanction Hearing, to appear by counsel on the petition to sanction the Scheme and to undertake to the Court to; and/or

(b) entered into, or are expected to enter into prior to the date of the Sanction Hearing, the Deed of Undertaking in favour of the Court, the Issuer and the Scheme Creditors pursuant to which they undertake and agree to execute each New Notes Document to which they are a party and be bound by the terms of the Scheme as sanctioned by the Court.

5.4 The PJSC and PrJSC Undertaking Transaction Parties on the instructions of the Parent, as described in paragraph 5.2 above or otherwise, will each enter into prior to the Scheme

Settlement Date, individual Deeds of Undertaking in favour of the Scheme Creditors, the Court and the Issuer pursuant to which they will undertake to:

(a) execute each New Notes Document to which they are a party and be bound by the terms of the Scheme as sanctioned by the Court; and

(b) to the extent legally permitted, negotiate, settle and/or execute any other agreement, letter or other document and do or procure to be done all such acts and things as may be necessary or desirable for the purposes of giving effect to the Scheme and/or implementing the Notes Restructuring.

6. Description of the Notes/Noteholder Term Sheet

6.1 The commercial terms of the New Notes are set out in the Noteholder Term Sheet and are reflected in the Description of the Notes. The Noteholder Term Sheet was agreed with and the Description of the Notes was prepared by the Steering Committee's legal counsel and agreed with the Company's legal counsel and the terms of the same will be reflected in the New Notes Indenture which will come into effect on the Scheme Settlement Date.

6.2 A summary of the material provisions of the Indenture that will govern the New Notes is made available to the Noteholders in the form of the Description of the Notes. The New Notes Indenture will not be available until after the Scheme is sanctioned however the New Notes Indenture will reflect the Description of the Notes which is attached at Schedule 7 to the Scheme.

6.3 As the Scheme will have been sanctioned on the basis of the Noteholder Term Sheet and the Description of the Notes (each of which are scheduled to the Scheme), there will be no opportunity to deviate from the commercial terms of the same between the Scheme Effective Date and the Scheme Settlement Date (other than in accordance with the modification provisions described below and as included in the Scheme).

7. Scheme Longstop Date

7.1 On the Scheme Settlement Date the Company is obliged to issue the New Notes in accordance with the terms of the Scheme (including the Noteholder Term Sheet and the Description of the Notes). Further, insofar as the Scheme Consideration consists of the Lock-up Fee and the Restructuring Fee, the Company is obliged to pay the Scheme Consideration within 3 Business Days of the same.

7.2 If the Scheme Settlement Date does not occur on or before 27 January 2017 unless extended to no later than 28 February 2017 (referred to in the Scheme as the Scheme Longstop Date), the terms of and the obligations on the parties under or pursuant to the Scheme shall immediately and automatically lapse and all the compromises and arrangements provided by the Scheme shall have no valid or binding legal effect.

8. Modifications

8.1 The Company may, at the Sanction Hearing, after consultation with the Steering Committee's legal counsel who will act reasonably in this regard, consent on behalf of all Scheme Creditors to any modification of the Scheme or any terms or conditions which the Court may think fit to approve or impose and which would not directly or indirectly have a material adverse effect on the interests of any Scheme Creditor under the Scheme. Any modifications of the Scheme which affect the interests of the Trustee will require the Trustee's prior written consent.

8.2 The Steering Committee is authorised (but without any Liability attaching to the Steering Committee or its individual members) to take such decisions, actions or steps as are necessary as a result of the Company's negotiations with the Bank Lenders to amend the New Note Documents as follows:

(a) If the effect of the Company's negotiations with the Bank Lenders, in the opinion of members of the Steering Committee holding in excess of 75% by value of the aggregate New Notes held by the Steering Committee, does not improve the position of the Bank Lenders to the detriment of the Noteholders under the Notes Restructuring and is not inconsistent with the Noteholder Term Sheet, but requires minor amendments to be made to the New Note Documents, the New Notes Documents shall be amended accordingly notwithstanding that the Scheme may have been sanctioned by the Court at such time.

(b) If the effect of the Company's negotiations with the Bank Lenders, in the opinion of members of the Steering Committee holding in excess of 75% by value of the aggregate New Notes held by the Steering Committee, does materially improve the position of the Bank Lenders to the material detriment of the Noteholders under the Notes Restructuring or is inconsistent with the Noteholder Term Sheet, the substance of such terms shall be extended to the Noteholders and the New Note Documents shall be amended accordingly, notwithstanding that the Scheme may have been sanctioned by the Court at such time.

(c) If the effect of the Company's negotiations with the Bank Lenders, in the opinion of members of the Steering Committee holding in excess of 75% by value of the aggregate New Notes held by the Steering Committee does materially improve the position of the Bank Lenders to the material detriment of the Noteholders under the Notes Restructuring or is inconsistent with the Noteholder Term Sheet, the Steering Committee may in its sole discretion as an alternative to the steps set out in (b) above require that the Company seeks the approval of the Noteholders pursuant to a consent solicitation process in order to effect any requisite amendment of the New Note Documents. Notwithstanding the terms of the New Notes, the approval threshold for such consent solicitation will be holders of the New Notes holding more than 75% in principal amount of the New Notes.

8.3 The Company will enter into the Deed of Undertaking No.2 in which the Company will undertake to amend the New Notes Documents in accordance with the terms contained in paragraph 25 of the Scheme.

9. Governing Law and Jurisdiction

9.1 The operative terms of the Scheme and any non-contractual obligations arising out of or in connection with the Scheme shall be governed by and construed in accordance with the laws of England and Wales. Pursuant to the Scheme, the Scheme Creditors agree that the Court shall have exclusive jurisdiction to hear and determine any suit, action or Proceeding and to settle any dispute which arises out of or in connection with the terms of the Scheme or its implementation or out of any action taken or omitted to be taken under the Scheme or in connection with the administration of the Scheme and for such purposes the Scheme Creditors irrevocably submit to the jurisdiction of the Court, provided, however, that nothing in this paragraph shall affect the validity of other provisions determining governing law and jurisdiction as between the Company and any of the Scheme Creditors, whether contained in contract or otherwise.

9. INFORMATION ON THE COMPANY AND ADDITIONAL INFORMATION RELATING TO THE SCHEME

The Scheme is a scheme of arrangement of the Company and the Scheme Consideration consists of a payment of a fee to all Noteholders payable rateably in accordance with their interest held in respect of the Notes upon successful sanctioning of the Scheme. In order to assist Noteholders in considering the Scheme this section sets out information about the Company and its business.

The following is a brief description of the business of the Group. For further information relating to the Group, please see the offering memoranda (which can be found here: http://www.dtek.com/library/file/dtek-eurobonds-2018-offering-memorandum.pdf), the Group's Annual Report for 2014 including the financial statements as of and for the year ended 31 December 2014 (http://www.dtek.com/library/file/annual-report2014-en.pdf), the Group's Financial results for 2015 (which can be found here: http://www.dtek.com/ru/investor-relations/financial-data/fy-2015), and the Group's Financial results for first half 2016 (which can be found here: http://www.dtek.com/ru/investor-relations/financial-data/hy-2016)) which are each incorporated by reference in this Explanatory Statement except as otherwise updated in this Explanatory Statement or the other documents incorporated herein.

1. Business Description and Financial Information

Overview

1.1 The Group operates the largest privately-owned energy company in Ukraine as measured by metric tons of coal produced, net output of electricity and electricity distributed.

1.2 The Group's businesses form a vertically integrated production chain across three principal segments: (i) coal mining; (ii) power generation; and (iii) electricity distribution and sales.

1.3 In addition, the Group's power generation subsidiaries generate and sell heat directly to end customers in Ukraine. The Group also exports coal and electricity, , to customers (*inter alia*) in Europe, India, Canada, Turkey and Algeria.

1.4 Although the business has been adversely affected by the deteriorating macro-economic environment in Ukraine and by the military conflict in the Donetsk and Luhansk regions of Eastern Ukraine, where a significant number of the Group's coal production, generation and distribution assets are located, the Group has implemented a wide range of measures designed to adapt operations to the current environment and to pre-empt the challenges the Group continues to face. As a result, the Group is playing a leading role in supporting the Ukrainian energy sector and the Ukrainian economy, and believes that it is well positioned to further develop and expand the business once these issues are resolved.

1.5 In 2013, 2014, 2015 and first half of 2016, the Group generated revenue and heat tariff compensation of UAH 92,792 million (US$ 11,609 million), UAH 91,946 million (US$ 7,714 million), UAH 93,622 million (US$ 4,287 million) and UAH 56,986 million (US$ 2,239 million), respectively, and Adjusted EBITDA of UAH 14,550 million (US$ 1,820 million), UAH 12,019 million (US$ 1,008 million), UAH 4,087 million (US$ 187 million) and UAH 3,171 (US$ 125 million), respectively.

Coal mining

1.6 The Group is a key player in the Ukrainian coal industry. The Coal mining division is represented by six of the largest companies in the industry:

(a) DTEK Pavlogradugol (10 mines);

(b) DTEK Dobropolyeugol (5 mines);

(c) DTEK Rovenkyanthracite (6 mines);

(d) DTEK Sverdlovanthracite (5 mines);

(e) DTEK Mine Komosomolets Donbassa (1 mine); and

(f) ALC Mine Bilozerska (1 mine).

1.7 The Group owns, or leases or has concession rights in respect of, and operates 28 coal mines and 12 coal enrichment plants.

1.8 The Group mines thermal and coking coal that is prepared at its own enterprises. It has an extensive commercial product line, including coal concentrate for power generation and coking, as well as special fuel for household needs.

1.9 In 2013, 2014, 2015 and first half of 2016, the Group's coal mines produced in aggregate 41.4 million, 37.1 million, 28.7 million and 13.9 million metric tons of coal, respectively. The drop in coal production of 0.8% as of the end of the first half of 2016 as compared to the first of 2015 was primarily attributed to the overall reduction of G grade coal production by 14% due to a reduced demand from the TPPs. The coal production for A and T grades increased by 55% due to partial restoration of the operation of mines located in the temporarily occupied territories. In 2013, 2014, 2015 and first half of 2016, the Group sold 29.2 million metric tons, 24.0 million metric tons, 20.6 million metric tons and 11 million metric tons of marketable steam coal, respectively (which is coal typically used for generating steam for power plants). In the years ended December 31, 2013, 2014 and 2015 and the first half of 2016, the Group exported 4.7 million, 4.1 million, 1.4 million and 0.8 million metric tons of coal, respectively, primarily to consumers in Russia, Turkey, Morocco, the United States and countries in Europe for use in thermal power plants and for industrial use.

Power generation

1.10 The Group is a significant player in the power generation market of Ukraine.

1.11 The Group's power generation subsidiaries, DTEK Skhidenergo LLC, DTEK Dniproenergo PJSC, DTEK Zakhidenergo PJSC and Kyivenergo PJSC, and the electricity distribution subsidiary, DTEK Donetskoblenergo PJSC, operate 10 thermal power generation plants and 2 heat and power plants comprising 75 power generation units with a total installed capacity of 18.7GW (including units that are inoperative or not currently used).

1.12 In 2013, 2014, 2015 and the first half of 2016, the Group generated a total net output of 53.1TWh, 47.1 TWh, 37.7 TWh and 17.6 TWh of electricity, respectively, which accounted for approximately 30.1%, 28.8%, 24.6% and 23.8% of total Ukrainian power generation (measured by net output of electricity and excluding output of Zuivska and Starobeshevska TPPs since May 2015), respectively, according to Ukrenergo. The decrease in the first half of 2016 was attributed to the fact that electricity generation by TPPs was limited as the electricity consumption in Ukraine dropped by 5.2% or 19.3 TWh, coupled with imports from the Russian Federation and export restrictions.

1.13 In accordance with the Group's vertically integrated business model, its power plants primarily purchase and use coal produced and supplied by the Group's coal mining subsidiaries.

1.14 Coal deliveries from the non-controlled territory during the second half of 2015 and first half of 2016 covered the Parent's TTP needs in coal ensuring stable level of electricity production. The Parent's coal stock at TPPs during the first six months of 2016 decreased by 0.75 Mt or 47% and stood at 0.84 Mt.

1.15 Under the terms of the Group's power generation licenses, its thermal power plants sell all of the electricity produced to Energorynok at prices determined by the Rules of the Wholesale Electricity Market of Ukraine. The Group produces electricity only to the extent its bids are accepted by Energorynok, and the Group's ability to submit competitive bids is, to a large extent, dependent upon the Group's production costs. Energorynok is currently prohibited from transferring funds to Skhidenergo in respect of electricity generated by Zuevska TPP, the Group's sole TPP located in the ATO Zone.

Electricity distribution

1.16 The Group is one of the largest electricity distribution company in Ukraine based on the volume of electricity distributed to end customers, which include households and commercial consumers in Kyiv and the Donetsk and Dnipropetrovsk regions of Ukraine.

1.17 In the years ended December 31, 2013, 2014 and 2015 and first half of 2016, the Group transmitted approximately 56.9 TWh, 53.8 TWh, 45.1 TWh and 22.8 TWh, respectively, to its end customers which accounted for a 39.3%, 38.3%, 33.5% and 35.3% proportional share of total electricity transmission in Ukraine (measured by TWh of electricity distributed) during each of those respective periods, according to the NERC. Electricity transmission volumes decreased by 0.9% mainly caused by the drop in electricity supplies by DTEK Donetskoblenergo, DTEK Power Grid, DTEK Energougol ENE by 4.4%, or 336.8 mln kWh in total, as a result of military hostilities and unstable social and economic situation in Donbass region of Ukraine. Up to May 2015, the Group purchased all its electricity from Energorynok on the wholesale electricity market and sold and distributed the electricity purchased to customers at tariffs established by the NERC. From 1 May 2015, the distribution companies which supplied customers located in the ATO Zone, purchased electricity, not from Energorynok, but from generation stations located in the ATO Zone. As of 30 June 2016, the Group's power networks extended over a distance of approximately 129,499 kilometers (excluding expropriated Krymenergo).

1.18 The Group owns and operates 5 electricity distributing companies (excluding Krymenergo), Power Grid, Energougol, Donetskoblenergo, Dniprooblenergo and Kyivenergo. The Group's subsidiary, Dniprooblenergo, is the largest electricity distribution company in Ukraine based on the volume of electricity purchased and distributed.

1.19 The Group exports electricity to Poland, Hungary, Moldova and Belarus and certain other Central and Eastern European countries through its subsidiaries, DTEK Power Trade, Skhidenergo and Trading LLC. In the years ended December 31, 2013, 2014 and 2015 and first half of 2016, the Group exported 9.8 TWh, 8.0 TWh, 3.6 TWh and 2.2 TWh, respectively. In the first half of 2016 electricity export volumes increased by 25% after the Regulator removed restrictions on electricity exports following the normalization of the energy balance in the country: (i) electricity supplies to Poland renewed only in January 2016 (in 2015 deliveries took place only in July and October); (ii) At the same time, electricity exports from Byrshtyns'ka Power Plant to Hungary decreased by 13% YoY as of June 30, 2016 due to the reduction of the available cross border capacity and maintenance of the transmission lines; (iii) 1H 2016 revenues from electricity exports amounted to USD 84 million, thus increasing by 23.7% vs 1H 2015, which was driven by volumes increase.

Ownership

1.20 The Group is wholly owned and controlled by System Capital Management (SCM), a leading financial and industrial group in Ukraine, established and controlled by Mr. Rinat Akhmetov, who owns 100% of the issued and outstanding share capital of SCM.

1.21 SCM manages and controls over 90 companies in the mining and metals, coal mining, power generation, electricity distribution, banking and insurance and telecommunications markets.

2. Details of the Group's Financing Arrangements

2.1 The Group's total principal debt amounts to US$ 2,168 million including the early termination amount under a derivative transaction of US$ 237 million (as of 30 September 2016) (excluding accrued interest) and amounts to US$ 2,288 million (including accrued interest) and is comprised of the following amounts which in each case exclude accrued interest.

The Notes

2.2 The Group has issued the Notes with the current aggregate outstanding principal amount of approximately US$ 895 million as of 30 September 2016. The Noteholders benefit from comprehensive guarantees or suretyships across all trading, asset owning and holding entities of the Group.

Bilateral loans

2.3 The Group entered into several bilateral facilities with an aggregate outstanding principal amount of US$ 408 million as of 30 September 2016 (excluding Essential Credit Lines).

Club loans

2.4 The Group is also the borrower to the two tranches, comprised of five creditors, with an aggregate outstanding principal amount of US$ 228 million as of 30 September 2016. The loans have similar guarantees / suretyships to the Noteholders, with the exception of DTEK Trading SA and the Company.

PXF Facilities

2.5 The Group has an outstanding PXF Facility, comprised of two tranches and 5 creditors, under which the aggregate outstanding principal amount owed by the Group is US$ 337 million as of 30 September 2016. The PXF lenders benefit from assignments of rights under various export and sales contracts and hold bank account pledges over certain accounts used for the PXF export sales. There are also guarantees or suretyships from five entities (in addition to the borrower DTEK Trading SA) which includes three trading companies; DTEK Pavlogradugol PJSC, DTEK Rovenkyanthracite LLC and DTEK Sverdlovanthracite LLC. The pre-export facility agreements provide that exports of coal should be sold pursuant to the sales contracts and export contracts through the exporter DTEK Trading SA.

Early termination amount under derivative transaction

2.6 The Group has outstanding principal amount of US$ 237 million as of 30 September 2016, which refers to the early termination amount under the cross currency interest rate swap transactions entered into between the Sberbank of Russia and DTEK Holdings Ltd under the 2002 ISDA Master Agreement dated 19 December 2011 and as amended from time to time.

Essential Credit Lines

2.7 Essential Credit Lines comprise asset backed lines and ECA related loans in the total amount of US$ 35 million (as of 30 September 2016). These are the only loans which have continued to receive debt service payments since October 2015.

Amounts outstanding following deleveraging transaction

2.8 A compensation amount of US$ 28 million remains on the balance sheet of the Parent following completion of a deleveraging transaction with Sberbank of Russia.

3. Description of the Ordinary Share Capital of the Company

3.1 As at the date of this Explanatory Statement, the share capital of the Company is £50,000 divided into 50,000 ordinary shares with a par value £1 each, all of which have been issued and are fully paid up.

4. Material Interests of Directors and the Trustee

4.1 Directors of the Company

(a) The current directors of the Company and their functions are:

Name	Position
Maksym Viktorovych Timchenko	Director
Accomplish Corporate Services Limited	Director

(b) Save as disclosed in this paragraph 4.1, none of the directors of the Company has any material interest (whether as a director, member, creditor or otherwise) in the Company.

(c) Save as disclosed in this paragraph 4.1, none of the directors of the Company has any material interest (whether as a director, member, creditor or otherwise) in the Scheme. Save as disclosed in this paragraph 4 (*Material Interests of Directors and the Trustee*), the effect of the Scheme on interests of the Company's directors will not be different from the effect on like interests of other persons.

(d) On the Scheme Effective Date, the directors of the Company and the Group companies, in addition to the members, officers and representatives of the Company and the Group companies, will receive the benefit of releases of liability granted under the terms of the Deed of Release.

4.2 Director confirmations

Save as disclosed below, as at the date of this Explanatory Statement none of the directors has at any time within at least the past five years:

(a) had any convictions in relation to fraudulent offences (whether spent or unspent);

(b) been adjudged bankrupt or entered into an individual voluntary arrangement;

(c) been a director of any company at the time of, or within 12 months preceding, any receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with that company's creditors generally or with any class of its creditors;

(d) been a partner in a partnership at the time of, or within 12 months preceding, any compulsory liquidation, administration or partnership voluntary arrangement of such partnership;

(e) had his assets form the subject of any receivership or been a partner of a partnership at the time of, or within 12 months preceding, any assets thereof being the subject of a receivership;

(f) been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including any designated professional body); or

(g) ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

4.3 Trustee

(a) GLAS Trust Corporation Limited (in its capacity as the trustee for each series of the Notes) has a material interest in the Scheme by reason of being a Scheme Creditor (solely in its capacity as the beneficiary of the covenants to repay principal and interest on the Notes pursuant to the Indentures).

(b) Save as disclosed in this paragraph 4 (*Material Interests of Directors and the Trustee*), the effect of the proposed Scheme on interests of the Trustee described in this paragraph 4 (*Material Interests of Directors and the Trustee*) will not be different from the effect on like interests of other persons.

(c) On the Scheme Effective Date, the Trustee will receive the benefit of releases granted under the terms of the Deed of Release.

4.4 Steering Committee

The Steering Committee will receive the benefit of releases granted under the terms of the Deed of Release, which includes a release from the Company and the Scheme Creditors of any Liabilities and a waiver of any claims in respect of any modification made to the Scheme in accordance with paragraph 25 of the Scheme.

5. Material Litigation

Claims by Investment Company "Business-Invest" LLC

5.1 "Business Invest" LLC (as claimant) has initiated proceedings against Public Joint Stock Company "DTEK DNIPROOBLENERGO" (as respondent) challenging the legality and binding effect of the resolution of 12 July 2016 of an extraordinary General Meeting of Shareholders of PJSC "DTEK DNIPROOBLENERGO" on agenda item 2 'Granting consent to the company to execute material deeds and related-party legal deeds', namely a provision of a suretyship by Public Joint Stock Company "DTEK DNIPROOBLENERGO" to secure liabilities under or in connection with 2013 Notes and 2015 Notes.

5.2 A key argument of the above claim is that according to the attributes set forth in Parts 2 and 3 of Article 71 of the Law of Ukraine 'On Joint-Stock Companies', the shareholder of PJSC "DTEK DNIPROOBLENERGO" DTEK Holdings Limited is interested in the joint-stock company executing the legal deed, as it unilaterally holds 3,089,186 shares, which accounts for 51.5585% in the authorized capital of PJSC "DTEK DNIPROOBLENERGO", and its affiliated parties are parties to the legal deeds listed in the draft resolution. Consequently they argue that that could mean that DTEK HOLDINGS LIMITED as an entity interested in the execution of the related-party legal deed, was not entitled to vote on the item 'Granting consent to the company to execute material deeds and related-party legal deeds' (item 2 of the agenda) at the extraordinary general meeting of shareholders of PJSC "DTEK DNIPROOBLENERGO" that took place on 12 July 2016.

5.3 PJSC "DTEK DNIPROOBLENERGO" and DTEK Holdings Limited do not agree with the arguments of "Investment Company "Business-Invest" LLC and consider that such proceedings are without merit. Respective counterarguments were presented to the court which set out PJSC "DTEK DNIPROOBLENERGO's" and DTEK Holdings Limited's position. Moreover, it should be noted that PJSC "DTEK DNIPROOBLENERGO" has prior obtained an explanatory letter from National Securities and Stock Market Commission on voting and execution of the related-party transactions and PJSC "DTEK DNIPROOBLENERGO" has complied with the positions of National Securities and Stock Market Commission set out in that letter.

Claims by State Enterprise "Energorynok"

5.4 State Enterprise "Energorynok" (as claimant) has initiated among others the following material proceedings:

(a) Proceedings against PJSC "DTEK Energougol Ene" (as respondent) in the Commercial Court of Donetsk Region for a claim of UAH 679,269,629.36 (equivalent to US$ 26,472,420.49) relating to indebtedness for electric power purchased in the wholesale market. Litigation has passed all three instances and a final judgement confirmed by the order of Supreme Commercial Court of Ukraine of 22 November 2016 the obligation of PJSC "DTEK Energougol Ene" to pay UAH 590,045,225.19 (equivalent to US$ 22,995,176.92). PJSC "DTEK Energougol Ene" is to apply for extension of payments.

5.5 Proceedings in relation to indebtedness in respect of electric power purchased by distribution companies in the wholesale market are a common feature of the Ukrainian energy market in the current economic conditions prevailing in Ukraine. The indebtedness due from the Group to SE "Energorynok" results from comparatively low collection rates by the Group from its customers which are insufficient to cover the full value of the electricity purchased by the Group from Energorynok.

5.6 Each year growth of the consumers' indebtedness for the electricity is equal from UAH 1,5 to 5 bn. Among key non payers are coal enterprises, water service companies, district heating utilities. The main reason for non-payment is undersized/too low tariffs for water-supply and heating service, state mines' losses due to high cost of coal.

5.7 Usually such indebtedness has been substantially set-off by means of a settlement mechanism introduced by the Ukrainian Government in order to alleviate this mis-match of collections and payment obligations.

5.8 Each year, proceeds for compensation of difference in tariffs for the purpose of repayment of indebtedness in respect of consumed electricity by housing and communal services, coal enterprises are included in the State Budget of Ukraine. Conditions of financing in respect of indebtedness for electricity are determined by respective CMU's and NERC's orders. In recent periods the respective funding was provided at the year-end.

5.9 As a matter of practice, there are certain time lags between the claims being initiated by the SE "Energorynok" and the implementation of the settlement mechanisms introduced by the Government.

5.10 It should be further noted that the principle of the settlement of indebtedness between the players in the wholesale market of Ukraine is reflected in a law regulating the electricity market of Ukraine (the Law of Ukraine "On Operating Principles of the Electricity Market of Ukraine") whereby a mechanism allowing for the discharge of indebtedness relating to electricity power to be purchased in a wholesale purchase market is to be developed and proposed by the Government. There are certain legislative initiatives that are currently under

consideration by Ukrainian Parliament (Verkhovna Rada of Ukraine) to provide specific provisions and proposals to settle this issue.

Claims by NJSC "Naftogaz of Ukraine"

5.11 NJSC "Naftogaz of Ukraine" (as claimants) have initiated the following proceedings:

(a) Proceedings against PJSC "Kyivenergo" (as respondent) for a claim of UAH 3,090,890,878.34 (equivalent to US$ 120,457,855.72) relating to indebtedness for the purchase of natural gas, fines and financial penalties under an agreement. The main debt for purchased natural gas in the amount of UAH 2,118,286,057.23 (equivalent to US$ 82,553,608.75) was repaid by PJSC "Kyivenergo". At the hearing at first instance, the claim was dismissed without prejudice. At the hearing at second instance, the judgment at first instance was upheld. On the hearing at third instance which took place on 12 April 2016 the trial was sent to the first instance for reconsideration. The court of first instance declined claim for indebtedness for the purchase of natural gas in the amount of UAH 2,118,286,057.23 (equivalent to US$ 82,553,608.75) and satisfied demands for fine in the amount of 728,272,204.19 (equivalent to US$ 28,382,143.38). PJSC "Kyivenergo" has applied to court of appeal. Next hearing shall take place on 20 December 2016.

(b) Proceedings against PJSC "Kyivenergo" (as respondent) for a claim of UAH 810,351,417.33 (equivalent to US$ 31,580,925.35) relating to indebtedness for the purchase of natural gas, fines and financial penalties under an agreement. At the hearing at first instance, the claim was upheld in part in the amount of UAH 490,204,334.23 (equivalent to US$ 19,104,188.82). As of the 13.12.2015 the principal indebtedness of PJSC "Kyivenergo" amounting to UAH 209,070,089.85 (equivalent to US$ 8,147,856.30) was repaid in full. Litigation has passed all three instances and a final judgement confirmed by the order of Supreme Commercial Court of Ukraine of 15 June 2016 the obligation of PJSC "Kyivenergo" to pay UAH 259,670,435.76 (equivalent to US$ 10,119,847.36).

(c) Proceedings against PJSC "Kyivenergo" (as respondent) for a claim of UAH 340,292,025.63 (equivalent to US$ 13,261,822.99) relating to indebtedness for the purchase of natural gas, fines and financial penalties under an agreement. At the hearing at first instance, the claim was upheld in part in the amount of UAH 309,879,450.02 (equivalent to US$ 12,076,587.48). The court of appeal discharged the decision of the court of first instance and satisfied claims of NJSC "Naftogaz of Ukraine" in the total amount of UAH 321,372,707.33 (equivalent to US$ 12,524,501.43). The cassation left previous decisions unchanged.

5.12 The indebtedness to NJSC "Naftogaz of Ukraine" is raised primarily due to undersized tariffs for heating service and non-payment by several consumers, which are public utility companies and funded from the state budget. Usually such indebtedness would be substantially set-off by means of a settlement mechanism introduced by the Ukrainian government in order to alleviate this mis-match of collections and payment obligations.

5.13 Additionally, a new Law of Ukraine "On Measures Directed on Settlement of Debt for the Consumed Energy Resources of Heat Suppliers, Heat Producers and the Centralized Water Suppliers," which came into effect on 30 November 2016, introduced the procedure for restructuring of overdue indebtedness for energy resources consumed by heat suppliers, heat producers and centralized water suppliers. In particular, the new law provides for the possibility to extend repayment of overdue indebtedness over the period of 5 years and to write-off default interest, fines and other penalties accrued on the overdue indebtedness.

6. Costs in relation to the Scheme

6.1 The Company has agreed to meet certain costs, charges, expenses and disbursements reasonably incurred by the Tabulation and Information Agent, the Trustee, the Paying Agent and their respective agents and advisors in connection with the negotiation, preparation and implementation of the Scheme. The Company shall pay, or procure the payment of, all such fees and expenses by no later than the Scheme Effective Date.

6.2 Since 1 February 2016, the Company has been paying a transaction work fee to the Steering Committee in an aggregate amount of US$ 100,000 per month, which will continue until the Scheme Longstop Date, in addition to the payment of the costs incurred by the Steering Committee's legal and financial advisors. This fee has been fixed by reference to the amount of work which has been and is likely to be involved by the members of the Steering Committee in working on the Notes Restructuring as compensation for time spent and, in any case the Company considers that this fee is not sufficiently material to require Scheme Creditors who are entitled to receive this fee to be placed into a separate class from those who do not receive such a fee.

10. RISK FACTORS

The following risk factors are the principal risk factors that arise in connection with the proposed Scheme. These risk factors should be read in conjunction with all of the other information contained in this Explanatory Statement. Additional risks and uncertainties not presently known to the Company or that the Company currently deems immaterial may also have a material adverse effect on the business, financial condition or results of operations of the Company. Moreover, except as set forth in the section below entitled "Risks relating to a failure to implement or a delay in implementing the Scheme", these risk factors assume that the Scheme will be implemented and do not describe all of the risks that would be applicable to the Company should the Scheme not be implemented. This Explanatory Statement also contains forward-looking statements, that involve risks and uncertainties. Actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including the risks described below and elsewhere in this Explanatory Statement.

All statements in this Explanatory Statement are to be read subject to, and are qualified in their entirety by, the matters referred to in this section.

1. Insolvency Proceedings

1.1 It is likely that if there is an Event of Default under the Notes or the New Notes which results in a subsequent acceleration or enforcement action being taken, the Company will enter into a voluntary or involuntary insolvency procedure in England and Wales. Likewise some or all of the Sureties and Guarantors will enter into voluntary or involuntary insolvency procedures in their relevant jurisdictions. In these circumstances, the directors believe that there will be a significant destruction of value to those companies. Further, there are a number of practical and economic barriers which would prevent the Scheme Creditors from realising any meaningful value of the assets of the Sureties in a Ukrainian insolvency procedure.

2. Effectiveness of the Scheme requires the approval of Scheme Creditors

2.1 In order for the Scheme to be approved by the Scheme Creditors, at the Scheme Meeting more than 50% in number representing not less than 75% in value of those Scheme Creditors who vote at that Scheme Meeting must vote in favour. If the requisite majority of Scheme Creditors does not vote in favour of the Scheme at the Scheme Meeting, the Scheme will be withdrawn and the New Notes Documents contemplated by the Scheme will not be implemented.

2.2 Even if the Scheme is approved at the Scheme Meeting, it is possible for a person with an interest in the Scheme (whether a Scheme Creditor or otherwise) to object to the Scheme and to attend or be represented at the Sanction Hearing in order to make representations that the Scheme should not be approved and to appeal against the granting of the Court Order. Therefore, it is possible that objections will be made at or before the Court hearing or that an appeal will be made against the granting of the Court Order by the Court and that any such objections or appeal will delay or possibly prevent the Notes Restructuring contemplated by the Scheme.

2.3 In order for the Scheme to become effective under English law, it must receive the sanction of the Court and the Court Order must be lodged with the Registrar of Companies. The Court will not sanction the Scheme unless it is satisfied that the class of Scheme Creditors has been properly constituted and, as a matter of discretion, the Court considers that it is proper to sanction the Scheme. There can be no assurance that the Court will sanction the Scheme. If the Court does not sanction the Scheme, or approves it subject to conditions or amendments which: (i) the Company and other relevant parties deem unacceptable; or (ii) would have (directly or indirectly) a material adverse effect on the interests of any Scheme Creditors and such conditions or amendments are not approved by the Scheme Creditors, the Scheme will

not become effective and the New Notes Documents contemplated by the Scheme will not be implemented.

3. Recognition of the Scheme in Ukraine, Switzerland, the Netherlands, Cyprus and New York

3.1 Although the Company has received advice that it is likely that the effects of the Scheme will be recognised in Ukraine, Switzerland, the Netherlands, Cyprus and New York, there remains a risk that such effects would not be recognised. In such circumstances, creditors would not be prevented from trying to enforce their rights in the applicable courts, as they otherwise would be if the effects of the Scheme are recognised in the applicable jurisdictions.

3.2 In parallel with the Scheme, the Company is filing for recognition of the Scheme in the United States which it expects to receive shortly after the Scheme Sanction Hearing date.

4. The Oil & Gas Receivable

4.1 Pursuant to the terms of the Noteholder Term Sheet, the Noteholders will benefit from an English law security assignment over the DTEK O&G Receivable if the Scheme Settlement Date occurs.

4.2 Noteholders should be aware of the following in respect of this security arrangement:

(a) It is a condition subsequent to the Scheme that the DTEK O&G Receviable arrangements are put in place within 90 days of the Scheme Settlement Date. As a result, the benefits of this security may not be available to the Noteholders immediately on or after the Scheme Settlement Date.

(b) DTEK O&G and SPV, as the obligors under the DTEK O&G Receivable, will be reliant on cash flows generated by PJSC Naftogazvydobuvannya to repay the DTEK O&G Receivable.

(c) There is no contractual requirement for the DTEK O&G Receivable to be repaid prior to its maturity which occurs in 2023 and 2024.

5. Bank Facilities Restructuring

5.1 Although the Company strongly anticipates that the terms of the Bank Facilities Restructuring will be finalised prior to the expiration of the moratorium under the Bank Standstill Agreement, there remains a risk that this will not be the case. If a further extension of the Bank Standstill Agreement cannot be negotiated, there is an increased risk of Bank Lenders taking enforcement action or initiating insolvency proceedings against the Group.

11. THE SCHEME

Claim No. CR2015 004538

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
COMPANIES COURT

IN THE MATTER OF DTEK FINANCE PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

SCHEME OF ARRANGEMENT
(under Part 26 of the Companies Act 2006)

between

DTEK FINANCE PLC

and

THE SCHEME CREDITORS
(as hereinafter defined)

Table of Contents

Clause **Page**

DEFINITIONS AND INTERPRETATION

1.1 In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

2013 Notes means the US$ 750 million 7.875% senior notes due 4 April 2018 (Regulation S Notes ISIN: USG2941DAA03 and Rule 144A Notes ISIN: US23339BAA70) which were issued by the Company pursuant to an indenture dated 4 April 2013 and a supplemental indenture dated 30 April 2013 and of which US$ 805,748,437.50 aggregate principal amount is currently outstanding.

2013 Notes Indenture means the indenture dated 4 April 2013 and the supplemental indenture dated 30 April 2013 pursuant to which the 2013 Notes were issued.

2015 Notes means the US$ 160 million 10.375% senior notes due 28 March 2018 (Regulation S Notes ISIN: USG2941DAB85) which were issued by the Company pursuant to an indenture dated 28 April 2015 in accordance with the 2015 Scheme and of which approximately US$ 159,204,508.19 aggregate principal amount is currently outstanding.

2015 Notes Indenture means the indenture dated 28 April 2015 pursuant to which the 2015 Notes were issued.

Account Holder means any person recorded directly in the records of a Clearing System as holding an interest in any Notes in an account with the relevant Clearing System either for its own account or on behalf of its client.

Bank Facilities means the outstanding bank debt facilities, excluding the Essential Credit Lines which are currently being kept whole with Bank Lenders.

Bank Facilities Restructuring means the anticipated restructuring of the Bank Facilities.

Bank Lenders means any entity who is the owner of the ultimate beneficial interest in the Existing Bank Debt from time to time.

Business Day means a day which is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in Kiev, London and New York.

Clearing System means Clearstream, Luxembourg and Euroclear.

Clearstream, Luxembourg means Clearstream Banking, *société anonyme*.

Common Depositary means the common depositary for Clearstream, Luxembourg and Euroclear with whom the Global Certificate has been deposited.

Companies Act means the Companies Act 2006.

Company means DTEK Finance plc, a legal entity incorporated under the laws of England and Wales as a public company limited by shares with registration number 08422508 on 27 February 2013.

Court means the High Court of Justice of England and Wales.

Deed of Release means the deed of waiver and release substantially in the form set out in Schedule 2 (*Form of Deed of Release*).

DEBV Deed of Undertaking means the deed of undertaking substantially in the form set out in Schedule 9 *(Form of DEBV Deed of Undertaking).*

Deed of Undertaking means the deed of undertaking substantially in the form set out in Schedule 3 (*Form of Deed of Undertaking*).

Deed of Undertaking No.2 means a deed of undertaking entered into by the Company in favour of the Noteholders as described herein.

Default has the meaning given to that term in the Indentures.

Description of the Notes means the description of the terms of the New Notes as set out in Schedule 7 (*Description of the Notes*).

DTC Custodian means Cede & Co.

DTEK O&G Receivable means:

(a) US$ 316 million 7% revolving credit line due December 2023 with the outstanding principal amount of US$ 313,520,000.00 owed by DTEK Oil & Gas to the Parent; and

(b) €160 million 7% revolving credit line due December 2024 with the outstanding principal amount of €79,652,135.75 owed by DTEK Oil & Gas to the Parent,

as shall be amended in accordance with the Noteholder Term Sheet.

DTEK O&G Receivable Account means the account opened by the Parent with the security agent in which all amounts payable under the DTEK O&G Receivable shall be deposited and held.

Essential Credit Lines means:

(a) the EUR 9,921,598.68 Export Credit Facility Agreement dated 9 November 2011 between DTEK Holdings Ltd and the lender thereto, in an amount not to exceed EUR 9,921,598.68;

(b) the USD 5,086,299.88 Facility Agreement dated 26 February 2013 between DTEK Holdings Ltd and the lender thereto, in an amount not to exceed USD 5,086,299.88; and

(c) the UAH 800,000,000 Facility Agreement dated 4 September 2015 between DTEK Zakhidenergo PJSC and the lender thereto, in an amount not to exceed UAH 800,000,000,

in each case as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time (subject in each case to the limitations on amounts available under each such facility (including any replacements or refinancings thereof) set forth in this definition.

Euroclear means Euroclear Bank S.A./N.V. as operator of the Euroclear clearing system.

Event of Default has the meaning given to that term in the Indentures, as applicable.

Existing Bank Debt means all present, contingent and future moneys, debts and liabilities due (but, for the avoidance of doubt, excluding any default rate, penalties, fines or similar payments that have accrued prior to the Restructuring), owing or incurred from time to time

by the Group or any member of the Group to the Bank Lenders pursuant to the Existing Finance Documents.

Existing Finance Documents means the facility agreements as amended from time to time on or prior to 16 November 2016 and as in effect on 17 November 2016 as follows:

(a) USD 25,605,236.5 facility agreement dated 2 April 2015 between DTEK Holdings Limited (as borrower) and the lenders party thereto;

(b) USD 375,000,000 facility agreement dated 7 August 2013 between, among others, DTEK Trading S.A (as borrower) and the lenders party thereto;

(c) EUR 416,000,000 facility agreement dated 5 October 2012 between, among others, DTEK Holdings Limited (as borrower) and the lenders party thereto;

(d) EUR 30,000,000 facility agreement dated 30 September 2011 between DTEK Holdings Limited (as borrower) and the lenders party thereto;

(e) RUB 10,000,000,000 facility agreement dated 28 September 2011 between, among others, DTEK Holdings Limited (as borrower) and the lenders party thereto;

(f) USD 100,000,000 facility agreement dated 23 December 2013 between DTEK Trading LLC, DTEK Pavlogradugol PJSC, DTEK Skhidenergo LLC and the lenders party thereto;

(g) UAH 529,375,000 facility agreement dated 29 November 2012 between DTEK Skhidenergo LLC (as borrower) and the lenders party thereto;

(h) ISDA master agreement dated 19 December 2011 between Party A thereunder and DTEK Holdings Ltd as Party B and three cross currency swap transactions thereunder, evidenced separately by a confirmation dated 21 December 2011, a confirmation dated 18 January 2012 and a confirmation dated 31 January 2012 as amended by the swap amendment agreement between DTEK Holdings Ltd and Party A thereunder;

(i) termination agreement dated 2 July 2015 between DTEK Investments Limited (as borrower) and the lenders party thereto; and

(j) up to RUB 5,350,000,000 facility agreement (Facility A) dated 7 August 2013 between DTEK Investments Limited (as borrower) and the lenders party thereto.

Existing Notes Documents means the documents listed in Part 1 of Schedule 1.

Explanatory Statement means the explanatory statement which relates to this Scheme.

Global Notes has the meaning given to that term in Recital (B)(ii).

Group means DTEK Energy B.V. and its Subsidiaries, including for the avoidance of doubt the Company.

Guarantee means any guarantee given on a joint and several basis by a Guarantor prior to the date of this Scheme.

Guarantors means the following entities which guarantee the Notes on a joint and several basis: DTEK Holdings Ltd, DTEK Energy B.V., DTEK Trading Limited, DTEK Investments Limited and DTEK Trading SA.

Indebtedness has the meaning given to that term in the Indentures, as applicable.

Indentures means the 2013 Notes Indenture or the 2015 Notes Indenture, as applicable.

Irish Stock Exchange means the Irish Stock Exchange plc.

Liability or **Liabilities** means any debt, liability or obligation of a person whether it is present, future, prospective or contingent, whether it is fixed or undetermined, whether or not it involves the payment of money or performance of an act or obligation and whether it arises at common law, in equity or by statute, in England and Wales or any other jurisdiction, or in any manner whatsoever.

Lock-up Agreement means the lock-up agreement dated 18 November 2016 and entered into between the Company and certain Noteholders pursuant to which those Noteholders agreed, amongst other things and subject to certain conditions, to vote their Scheme Claims in favour of this Scheme.

Lock-up Fee has the meaning given to that term in the Lock-up Agreement and as described in the Explanatory Statement.

New Notes means a single note in the total aggregate principal amount of US$ 894,799,200 plus all interest capitalised or deferred and unpaid under the Standstill Scheme and interest accrued or deferred and unpaid between 28 October and the Scheme Settlement Date (excluding any default interest, fees or charges of similar effect) and any amount into which the Bank Lenders swap their indebtedness up to a maximum principal amount of US$ 300 million.

New Notes Documents means the new transaction documents to be entered into in connection with the Notes Restructuring and this Scheme in each case as listed and more particularly described in Part 1 of Schedule 1.

New Notes Guarantee means the new guarantees to be entered into by the Guarantors in connection with the Notes Restructuring and this Scheme.

New Notes Suretyship means the new suretyships to be entered into by the Sureties in connection with the Notes Restructuring and this Scheme.

Noteholder means a person who is the beneficial owner of and/or the owner of the ultimate economic interest in any of the Notes as at the Record Date, whose interests in the Notes are held through records maintained in book-entry form by the Clearing System.

Noteholder Term Sheet means the binding heads of terms for a restructuring of the Notes agreed between the Group and the Steering Committee on 18 November 2016 and set out in Schedule 6 (*Noteholder Term Sheet*).

Notes means the 2013 Notes and the 2015 Notes issued by the Company pursuant to the Indentures.

Notes Restructuring means the restructuring of the Notes on the term set out in the Noteholder Term Sheet and to be implemented in accordance with the Scheme.

Other Undertaking Transaction Parties means DTEK Holdings Limited, DTEK Energy B.V., DTEK Trading Limited, DTEK Investments Limited, DTEK Trading LLC, DTEK Skhidenergo LLC, Tehrempostavka LLC, DTEK Power Grid LLC, DTEK Energy LLC, DTEK Dobropolyeugol LLC, DTEK Rovenkyanthracite LLC, DTEK Sverdlovanthracite LLC, and DTEK Trading S.A..

Parent means DTEK Energy B.V..

Paying Agent means The Bank of New York Mellon, New York Branch as paying agent under the New Notes.

Paying Agent Instruction Letter means the letter substantially in the form set out in Schedule 8 (*Form of Paying Agent Instruction Letter*).

PJSC and PrJSC Undertaking Transaction Parties means DTEK Pavlogradugol PrJSC, DTEK Mine Komsomolets Donbassa PrJSC, DTEK Dniproenergo PJSC, DTEK Zakhidenergo PJSC, Kyivenergo PJSC and DTEK Energougol Ene PrJSC.

Practice Statement Letter means the practice statement letter issued in relation to the Scheme by the Company on 18 November 2016.

Proceeding means any process, suit, action, legal or other proceeding including without limitation any arbitration, mediation, alternative dispute resolution, judicial review, adjudication, demand, execution, distraint, restraint, forfeiture, re-entry, seizure, lien, enforcement of judgment or enforcement of any security.

Record Date means 5 p.m. (New York time) on 15 December 2016.

Registrar of Companies means the Registrar of Companies of England and Wales.

Released Parties has the meaning given to that term in the Deed of Release.

Restructuring means the Bank Facilities Restructuring and the Notes Restructuring.

Restructuring Fee means an amount equal to 0.75% of the outstanding principal of a Noteholder's holding of Existing Notes (including accrued and capitalized PIK interest) as at the Record Date, payable within 3 Business Days following the Scheme Settlement Date.

Scheme means this scheme of arrangement in respect of the Company under Part 26 of the Companies Act in its present form or with or subject to any modification, addition or condition approved or imposed by the Court or approved in accordance with the terms of this Scheme.

Scheme Claim means any claim in respect of any Liability of the Company to any person arising out of an interest in the Notes, arising on or before the Record Date or which may arise after the Record Date as a result of an obligation or Liability of the Company incurred or as a result of an event occurring or an act done on or before the Record Date (including, for the avoidance of doubt, any interest accruing on, or accretions arising in respect of, such claims before or after the Record Date), excluding any Liability of the Company to the Trustee under the Indentures other than in respect of the covenants to repay principal and interest on the Notes pursuant to the Indentures.

Scheme Consideration means the entitlement of a Scheme Creditor pursuant to the Scheme, being the, New Notes, the Restructuring Fee, and to those that are eligible, the Lock-up Fee.

Scheme Creditor means the Noteholders and the Trustee (solely in its capacity as the beneficiary of the covenants to repay principal and interest on the Notes pursuant to the Indentures).

Scheme Effective Date means the date on which an office copy of the order of the Court sanctioning this Scheme under Section 899 of the Companies Act has been delivered to the Registrar of Companies.

Scheme Longstop Date means 27 January 2017 or such later date as may be agreed by more than 50% (by value) of the Noteholders, but which shall in any case be no later than 28 February 2017.

Scheme Meeting means the meeting of the Scheme Creditors to vote on this Scheme convened pursuant to an order of the Court (and any adjournment of such meeting).

Scheme Settlement Date means the date on which the Scheme Settlement Date Notice is issued by the Company to the Scheme Creditors and the other Transaction Parties in accordance with Clause 10(d).

Scheme Settlement Date Notice means the notice to be issued by the Company to the Scheme Creditors and the other Transaction Parties in accordance with Clause 10(d) and substantially in the form set out at Schedule 4 (*Form of Scheme Settlement Date Notice*).

Standstill Scheme means the scheme of arrangement proposed by the Company which was sanctioned by the Court and became binding on all Noteholders on 26 April 2016.

Steering Committee means the ad-hoc committee of Noteholders initially formed on or about 4 January 2016, whose members currently consist of Ashmore Investment Management Limited, Ashmore Investment Advisors Limited, VR Advisory Services Ltd, Spinnaker Capital Limited and Portland Worldwide Investments Ltd.

Subsidiary has the meaning given to that term in the Indentures, as applicable.

Sureties means the following entities which guarantee the Notes on a joint and several basis and which are incorporated in Ukraine: DTEK Trading LLC, DTEK Skhidenergo LLC, DTEK Pavlogradugol PrJSC, DTEK Mine Komsomolets Donbassa PrJSC, Tehrempostavka LLC, DTEK Power Grid LLC, DTEK Energy LLC, DTEK Dobropolyeugol LLC, DTEK Rovenkyanthracite LLC, DTEK Sverdlovanthracite LLC, DTEK Dniproenergo PJSC, DTEK Zakhidenergo PJSC, Kyivenergo PJSC, DTEK Energougol Ene PrJSC and PJSC DTEK Dniprooblenergo.

Suretyships means the guarantee agreements relating to the Notes entered into by the Sureties prior to the date of this Scheme.

Tabulation and Information Agent means Lucid Issuer Services Limited.

Transaction Party means the parties to the New Notes Documents.

Trustee means GLAS Trust Corporation Limited in its capacity as trustee under the relevant Indenture for each series of the Notes and any successor thereto as provided thereunder.

Trustee Instruction Letter means the letter substantially in the form set out in Schedule 5 (*Form of Trustee Instruction Letter*).

Undertaking Transaction Parties means the PJSC and PrJSC Undertaking Transaction Parties and the Other Undertaking Transaction Parties.

1.2 In this Scheme, unless the context otherwise requires or otherwise expressly provides:

(a) references to Recitals, Clauses, Sub-clauses and Schedules are references to recitals, clauses, sub-clauses and schedules of this Scheme;

(b) references to a person include a reference to an individual, firm, partnership, company, corporation, unincorporated body of persons or any state or state agency;

(c) references to a statute, statutory provision or regulatory rule or guidance include references to the same as subsequently modified, amended or re-enacted from time to time;

(d) references to an agreement, deed or document shall be deemed also to refer to such agreement, deed or document as amended, supplemented, restated, verified, replaced and/or novated (in whole or in part) from time to time and to any agreement, deed or document executed pursuant thereto;

(e) the singular includes the plural and vice versa and words importing one gender shall include all genders;

(f) references to "including" shall be construed as references to "including without limitation" and "include", "includes" and "included" shall be construed accordingly;

(g) headings to Recitals, Clauses, Sub-clauses and Schedules are for ease of reference only and shall not affect the interpretation of this Scheme;

(h) references to a period of days shall include Saturdays, Sundays and public holidays and where the date which is the final day of a period of days is not a Business Day, that date will be adjusted so that it is the first following day which is a Business Day;

(i) references to "Dollar", to "US$" or to "$" are references to the lawful currency from time to time of the Unites States of America;

(j) references to the "RUB", "Russian Ruble" or "Ruble" are references to the lawful currency from time to time of Russia; and

(k) references to time shall be to London time (Greenwich Mean Time or British Summer Time, as appropriate).

RECITALS

The Company

(A) The Company is a legal entity incorporated under the laws of England and Wales as a public company limited by shares with registration number 08422508 on 27 February 2013.

As at the date hereof, the share capital of the Company is £50,000 divided into 50,000 ordinary shares with a par value £1 each, all of which have been issued and are fully paid up.

Notes Issued by the Company

(B) The Notes are held under arrangements whereby:

(i) the Notes have been constituted by the Indentures with the trustee for each of the series being the Trustee;

(ii) the Notes were issued wholly in global registered form, the global notes representing the Notes (the "Global Notes") being held by the DTC Custodian;

(iii) interests in the Notes while represented by the Global Notes are held by the Noteholders under systems designed to facilitate paperless transactions;

(iv) the systems designed to facilitate paperless transactions involve interests in the Notes being held by Account Holders;

(v) each Account Holder may be holding interests in the Notes on behalf of one or more Noteholders; and

(vi) in the circumstances set out in the terms and conditions relating to the Notes, Noteholders may exchange their interests in any Note for definitive notes.

The Notes will be cancelled and replaced by the New Notes which will be in global form and will not be exchanged into definitive form under or pursuant to this Scheme. References in this Scheme to Notes being held by a Noteholder shall be treated for all purposes as references to the interest held by the relevant Noteholder in the relevant Global Note.

Scheme Consideration

(C) References in this Scheme to any Scheme Consideration being paid to a person shall be treated for all purposes as references to that person being paid directly or indirectly through one or more intermediaries the relevant Scheme Consideration in accordance with the rules and procedures of the Clearing System.

Binding of Third Parties

(D) The Parent, as the controlling parent of the Group, has entered into the DEBV Deed of Undertaking pursuant to which it has:

(i) undertaken and agreed to, amongst other matters, be bound by the terms of the Scheme, execute each New Notes Document to which it is to be a party and, where applicable, procure that certain other Transaction Parties (including for the avoidance of doubt, DTEK Oil & Gas B.V. and NGD Holdings B.V.) execute the New Notes documents as applicable and be bound by the terms of the Scheme as sanctioned by the Court; and

(ii) procured that each PJSC and PrJSC Undertaking Transaction Party, prior to the Scheme Settlement Date, enters into individual Deeds of Undertaking, pursuant to which they will undertake and agree to, amongst other things, be bound by the terms of the Scheme and execute each New Notes Document to which they are to be a party.

(E) The Other Undertaking Transaction Parties (save for the Parent) have each entered into a Deed of Undertaking, pursuant to which they have undertaken and agreed to, amongst other matters, be bound by the terms of the Scheme, execute each New Notes Document to which they are to be a party and be bound by the terms of the Scheme as sanctioned by the Court.

(F) Prior to the Scheme Settlement Date, the PJSC and PrJSC Undertaking Transaction Parties will enter into individual Deeds of Undertaking in favour of the Scheme Creditors, the Court and the Issuer pursuant to which:

(i) they undertake and agree to execute each New Notes Document to which they are a party and be bound by the terms of the Scheme as sanctioned by the Court; and

(ii) to the extent legally permitted, negotiate, settle and/or execute any other agreement, letter or other document and do or procure to be done all such acts and things as may be necessary or desirable for the purposes of giving effect to the Scheme and/or implementing the Notes Restructuring

The Purpose of this Scheme

(G) The purpose of this Scheme is to effect a compromise and arrangement between the Company and the Scheme Creditors.

The Notes and this Scheme

(H) The Scheme Creditors consist of:

(i) the DTC Custodian as holder of the Global Notes and the Trustee solely in its capacity as the beneficiary of the covenant to repay principal and pay interest on the Notes pursuant to the Indentures; and

(ii) the Noteholders as the beneficial owners of and/or persons with the ultimate economic interest in the Notes.

(I) Insofar as it relates to the Trustee, any reference in this Scheme to the Scheme Creditors authorising, directing or instructing the Trustee (whether on its own or as part of a wider group) will be treated for all purposes as an authorisation, direction or instruction of the Trustee in its capacity as a Scheme Creditor to the Trustee in its capacity as the trustee under the Indentures to the extent that it is entitled to do so.

(J) The Trustee has agreed not to vote in respect of the Notes at the Scheme Meeting.

(K) Noteholders are entitled to vote at the Scheme Meeting in respect of each of their Notes. Noteholders have been invited to instruct their Account Holders as to how they wish to vote in respect of their Notes.

THE SCHEME

Application and Effectiveness of this Scheme

1. The compromise and arrangement effected by this Scheme shall apply to all Scheme Claims and bind all Scheme Creditors.

2. This Scheme shall become effective on the Scheme Effective Date and all of the right, title and interest of Scheme Creditors to Scheme Claims shall be subject to the compromise and arrangement set out in this Scheme.

3. On and from the Scheme Effective Date (or as soon as reasonably practicable or desirable thereafter for the purposes of implementing this Scheme), the steps set out in Clause 10 will occur provided however that no New Notes Document shall become effective until the occurrence of the Scheme Settlement Date. If the Scheme Settlement Date does not occur on or before the Scheme Longstop Date, the terms of and the obligations on the parties under or pursuant to this Scheme shall lapse and the compromise and arrangement provided by this Scheme shall be of no effect.

Instructions, Authorisations and Directions

4. As soon as possible after the Scheme Effective Date, in consideration of the rights of the Noteholders under this Scheme and notwithstanding any term of any relevant document, the Noteholders:

   (a) hereby direct the Trustee to execute all such documents (including, without limitation, the New Notes Documents), and do all such acts or things as may be necessary or desirable to be executed or done by it for the purposes of giving effect to the terms of this Scheme;

   (b) hereby authorise each other Transaction Party to execute, and to instruct any other Transaction Party which it is entitled to instruct to execute, or otherwise procure to be executed, all such documents (including, without limitation, the New Notes Documents), and do or procure to be done all such acts or things as may be necessary or desirable to be executed or done by it or such other Transaction Party for the purposes of giving effect to the terms of this Scheme;

   (c) hereby agree to, and hereby instruct, authorise and direct (as applicable) the Trustee and each other Transaction Party to, and to instruct any other Transaction Party which it is entitled to instruct to:

      (i) release each and every right and obligation of any Scheme Creditor and any Transaction Party to take any action in respect of any Event of Default;

      (ii) waive each and every Event of Default provided that such waiver shall terminate upon the acceleration prior to its expressed maturity or other demand for payment of any Indebtedness (as such term is defined in the Indentures) for money borrowed by (or guaranteed or covered by a Guarantee or Suretyship of) the Company or its Restricted Subsidiaries (as such term is defined in the Indentures); and

      (iii) release each and every right and obligation of any Scheme Creditor and any Transaction Party to take any action in respect of any Event of Default provided that such waiver shall terminate upon the acceleration prior to its expressed maturity or other demand for payment of any Indebtedness (as such term is defined in the Indentures) for money borrowed by (or guaranteed or

covered by a suretyship of) the Company or its Restricted Subsidiaries (as such term is defined in the Indentures);

(d) hereby request and to the extent they are entitled to do so instruct the Company and each other Undertaking Transaction Party to perform each of its obligations arising under this Scheme and each New Notes Document;

(e) hereby acknowledge and agree that any action taken by the Company or any other Undertaking Transaction Party in accordance with this Scheme or the New Notes Documents will not constitute a breach of the Existing Notes Documents or the New Notes Documents; and

(f) hereby instruct and direct the Trustee and the Company to execute, or otherwise procure to be executed, all such documents, and do or procure to be done all such acts or things as may be necessary or desirable to be executed or done to cause the:

(i) Sureties to execute and enter into the New Notes Suretyships;

(ii) Guarantors to execute and enter into the New Notes Guarantees; and

(iii) Undertaking Transaction Parties to execute and enter into the New Notes Documents (to the extent applicable)

5. The directions, instructions and authorisations granted under Clause 4 shall be treated, for all purposes whatsoever and without limitation, as having been granted by deed.

Grant of Authority

6. Each of the Noteholders hereby irrevocably authorises the Company, the Trustee and the Paying Agent on and from the Scheme Effective Date to enter into, execute and deliver as a deed (or otherwise) on behalf of that Scheme Creditor in its capacity as a Scheme Creditor (including any person to whom a Scheme Creditor has transferred its rights in respect of its Scheme Claim after the Record Date) (to the extent applicable):

(a) the Deed of Release;

(b) the Trustee Instruction Letter;

(c) the Paying Agent Instruction Letter; and

(d) any and all such other documents that the Company or the Trustee reasonably considers necessary to give effect to the terms of this Scheme, on the Scheme Effective Date or as soon as reasonably practicable or desirable thereafter and in accordance with the steps set out in Clause 10 for the purposes of giving effect to the terms of this Scheme.

7. The authority granted under Clause 6 shall be treated, for all purposes whatsoever and without limitation, as having been granted by deed.

8. Any document to be executed pursuant to the authority conferred by Clause 6 (excluding Clause 6(c)) of this Scheme shall be substantially in the form attached as an appendix hereto, subject to any modification approved or imposed by the Court in accordance with Clause 24.

Deed of Release

9. As soon as possible on or after the Scheme Effective Date, the Company on its behalf and on behalf of the Noteholders in accordance with the authority granted under Clause 6 of this Scheme will each execute and deliver the Deed of Release.

Implementation of Arrangements with Scheme Creditors

10. As soon as possible after the Scheme Effective Date, the following steps shall happen and those steps shall take effect in the order set out below:

    (a) the Company will:

        (i) execute the New Notes Documents to which it is a party, the Trustee Instruction Letter and the Paying Agent Instruction Letter;

        (ii) deliver the Trustee Instruction Letter and the Paying Agent Instruction Letter to the Trustee and the Paying Agent (as applicable); and

        (iii) execute any and all such other documents that the Company reasonably considers necessary to give effect to the terms of the Scheme.

    (b) the Trustee will acknowledge and execute the Trustee Instruction Letter and will take all steps necessary to comply with the Trustee Instruction Letter, including, but not limited to executing the New Notes Documents to which it is a party on behalf of the Scheme Creditors and taking all necessary steps to cancel the Notes;

    (c) the Paying Agent will acknowledge and execute the Paying Agent Instruction Letter and will take all steps necessary to comply with the Paying Agent Instruction Letter, including, but not limited to executing the New Notes Documents to which it is a party;

    (d) the Undertaking Transaction Parties will:

        (i) execute the New Notes Documents to which they are a party (to the extent they are not executed pursuant to (a) above); and

        (ii) where applicable, procure the execution of the New Notes Documents, to which other Transaction Parties (which are not Undertaking Transaction Parties) are party, by such other Transaction Parties; and

        (iii) execute any and all such other documents that are reasonably necessary to give effect to the terms of the Scheme,

        in each case in accordance with their respective undertakings;

    (e) the Company will deliver the Notes to the Trustee to be cancelled and the Trustee will cancel the Notes, at which time, the Guarantees and Suretyships will automatically be cancelled and the Scheme Claims will be automatically and irrevocably released; and

    (f) as soon as reasonably practicable after the Company is satisfied (acting reasonably) that all conditions precedent (if any) to all New Notes Documents have been satisfied or waived (with the exception of the occurrence of the Scheme Settlement Date), the Company will give the Scheme Creditors and the other Transaction Parties the Scheme Settlement Date Notice, in accordance with and by the means set out in Clause 29 of this Scheme, that:

(i) the conditions precedent to the New Notes Documents (if any) have been satisfied or waived; and

(ii) the Scheme Settlement Date has occurred.

11. Further, at all times from the Scheme Effective Date, provided that the Scheme Settlement Date occurs prior to the Scheme Longstop Date, the Company and the Scheme Creditors will take all necessary steps to comply with the terms set out in the Noteholder Term Sheet (provided that such steps have not already been completed) and to ensure that the terms of the New Notes Documents reflect the Description of the Notes.

12. In the event that a step in Clause 10 does not occur, all other steps in Clause 10 will be deemed not to have occurred and any actions taken under or pursuant to Clause 10 shall have no valid or binding legal effect.

13. The Company will use all reasonable endeavours and take all steps to ensure that all of the steps in Clause 10 occur and that all of the conditions precedent (if any) to the New Notes Documents are satisfied and/or waived as soon as reasonably practicable after the Scheme Effective Date.

14. The Noteholders will (acting by the Company in accordance with the authority granted under Clause 6) execute all documents as the Company reasonably considers necessary to give effect to the terms of this Scheme.

15. The arrangements described in Clause 10 may be supplemented as agreed between the Company's and Steering Committee's legal counsel in any manner necessary in order to facilitate the occurrence of the Scheme Settlement Date.

16. The execution of the New Notes Documents to which it is a party and the performance of its other obligations under this Scheme will discharge the Company's obligation to the Scheme Creditors under this Scheme.

17. On and from the Scheme Settlement Date (but subject to the other provisions of this Scheme) each Scheme Creditor shall be entitled to the rights and benefits accruing to that Scheme Creditor under this Scheme and the New Notes Documents (to the extent they are a party) and all of the existing rights and benefits of the Scheme Creditors in respect of the Company shall be subject and limited to the compromises and arrangements provided by this Scheme and the New Notes Documents. Further, the Company and the Scheme Creditors will take all necessary steps to comply with the terms set out in the Noteholder Term Sheet (provided that such steps have not already been completed) and to ensure that the terms of the New Notes Documents reflect the Description of Notes. In particular, the Company shall pay interest on the New Notes in cash in the amount of 5.5% p.a. and PIK interest shall compound in the amount of 5.25% each on a quarterly basis, from the date on which the Scheme is sanctioned until 31 Dec 2018.

Scheme Consideration

18. The Company will issue the New Notes on or around the Scheme Settlement Date and insofar as the Scheme Consideration consists of the Lock-up Fee and the Restructuring Fee, will pay the Scheme Consideration to the Noteholders in accordance with the terms of the Noteholder Term Sheet and the Lock-up Agreement within 3 Business Days of the Scheme Settlement Date, in each case, in consideration for the cancellation of the Notes.

Record Date

19. All Scheme Claims shall be determined as at the Record Date.

Assignments or Transfers

20. The Company shall be under no obligation to recognise any assignment or transfer of Scheme Claims after the Record Date for the purposes of determining entitlements under this Scheme, provided that where the Company has received from the relevant parties notice in writing of such assignment or transfer, the Company may, in its sole discretion and subject to the production of such other evidence as it may require and to any other terms and conditions which it may render necessary or desirable, agree to recognise such assignment or transfer for the purposes of determining entitlements under this Scheme. It shall be a term of such recognition that the assignee or transferee of a Scheme Claim so recognised by the Company shall be bound by the terms of this Scheme and for the purposes of this Scheme shall be a Scheme Creditor.

Stay of Proceedings

21. None of the Scheme Creditors shall commence or continue, or instruct, direct or authorise any other person to commence or continue, any Proceedings in respect of, arising from or relating to a Scheme Claim after the Scheme Effective Date. For the avoidance of doubt, this clause shall not prohibit a Scheme Creditor from commencing or continuing, or instructing, directing or authorising any other person to commence or continue, any Proceeding against the Company or its property in any jurisdiction whatsoever relating to and subject to the terms of the New Notes Documents.

Costs

22. The Company shall pay, or procure the payment of, in full all costs, charges, expenses and disbursements incurred by it in connection with the negotiation, preparation and implementation of this Scheme as and when they arise, including, but not limited to, the costs of holding the Scheme Meeting, the costs of obtaining the sanction of the Court and the costs of placing the notices (if any) required by this Scheme.

23. The Company shall continue to pay a transaction work fee to the Steering Committee in an aggregate amount of US$ 100,000 per month, which will continue until the earlier of the date on which: (i) the Bank Facilities Restructuring is implemented and any consequential modification is made to the New Notes Documents as a result of the Bank Facilities Restructuring in accordance with the terms contained in paragraph 25, and (ii) the Steering Committee is dissolved, in addition to the payment of the costs incurred by the Steering Committee's legal and financial advisors.

Modifications

24. The Company may, at any hearing of the Court to sanction this Scheme, consent on behalf of all Noteholders to any modification of this Scheme or any terms or conditions which the Court may think fit to approve or impose and which would not directly or indirectly have a materially adverse effect on the interests of any Scheme Creditor under this Scheme.

25. The Steering Committee is authorised (but without any Liability attaching to the Steering Committee or its individual members) to take such decisions, actions or steps as are necessary as a result of the Company's negotiations with the Bank Lenders to amend the New Note Documents as follows:

    (a) If the effect of the Company's negotiations with the Bank Lenders, in the opinion of members of the Steering Committee holding in excess of 75% by value of the aggregate New Notes held by the Steering Committee, does not improve the position of the Bank Lenders to the detriment of the Noteholders under the Notes Restructuring and is not inconsistent with the Noteholder Term Sheet, but requires

minor amendments to be made to the New Note Documents, the New Notes Documents shall be amended accordingly notwithstanding that the Scheme may have been sanctioned by the Court at such time.

(b) If the effect of the Company's negotiations with the Bank Lenders, in the opinion of members of the Steering Committee holding in excess of 75% by value of the aggregate New Notes held by the Steering Committee, does materially improve the position of the Bank Lenders to the material detriment of the Noteholders under the Notes Restructuring or is inconsistent with the Noteholder Term Sheet, the substance of such terms shall be extended to the Noteholders and the New Note Documents shall be amended accordingly, notwithstanding that the Scheme may have been sanctioned by the Court at such time.

(c) If the effect of the Company's negotiations with the Bank Lenders, in the opinion of members of the Steering Committee holding in excess of 75% by value of the aggregate New Notes held by the Steering Committee does materially improve the position of the Bank Lenders to the material detriment of the Noteholders under the Notes Restructuring or is inconsistent with the Noteholder Term Sheet, the Steering Committee may in its sole discretion as an alternative to the steps set out in (b) above require that the Company seeks the approval of the Noteholders pursuant to a consent solicitation process in order to effect any requisite amendment of the New Note Documents. Notwithstanding the terms of the New Notes, the approval threshold for such consent solicitation will be holders of the New Notes holding more than 75% in principal amount of the New Notes.

26. The Company will enter into the Deed of Undertaking No.2 in which the Company will undertake to amend the New Notes Documents in accordance with the terms contained in paragraph 25.

27. Nothing in this Scheme shall prevent the modification of any of the New Notes Documents in accordance with their respective terms.

Obligations on Dates other than a Business Day

28. If any sum is due or obligation is to be performed under the terms of this Scheme on a day other than a Business Day, the relevant payment shall be made, or obligation performed, on the next Business Day.

Notices

29. Any notice or other written communication to be given under or in relation to this Scheme (including any service of process in connection with a breach of the Scheme) (other than any Account Holder Letter, which is to be delivered in accordance with the instructions contained therein) shall be given in writing and shall be deemed to have been duly given if it is delivered by hand, pre-paid first class post, airmail, fax or electronically to:

(a) in the case of the Company:

DTEK Finance plc

3rd Floor 11-12
St. James's Square,
London, SW1Y4LB
United Kingdom
Telephone: + 44 (0)20 7268 2430

Fax: + 44 (0)20 7268 2431
Attention of: Ms. Sarah Pearson

(b) in the case of a Noteholder, either:

(i) its last known address, fax number or email address according to the Company; or

(ii) to the Trustee for and on behalf of that Noteholder, at/on the contact details set out at Sub-clause (d) below.

(c) in the case of the DTC Custodian:

Cede & Co.
55 Water Street
New York, NY 10041
United States

(d) in the case of the Trustee:

GLAS Trust Corporation Limited
45 Ludgate Hill
London EC4M 7JU
United Kingdom
Fax: +44 203 070 0113
Attention: Transaction Management Group
Email: tmg@glas.agency.com

(e) in the case of the Tabulation and Information Agent:

Lucid Issuer Services Limited
Tankerton Works
12 Argyle Walk
London WC1H 8HA
Email: dtek@lucid-is.com
Phone: 020 7704 0880
Fax: 020 3004 1590
Attention of: Yves Theis

(f) in the case of any other person, any address, fax number or email address set forth for that person in any agreement entered into in connection with this Scheme or the last known address, fax number or email address according to the Company.

30. Any notice or other written communication to be given under or in relation to this Scheme (other than any Account Holder Letter which is to be delivered in accordance with the instructions contained therein) shall be deemed to have been delivered and served:

(a) if delivered by hand, when actually received provided that, if such receipt occurs after 5.00 p.m. in the place of receipt, the following Business Day;

(b) if sent by pre-paid first class post or airmail, on the second Business Day after posting if the recipient is in the country of dispatch, otherwise the seventh Business Day after posting;

(c) if sent electronically or by fax, when actually received in readable form provided that, if such receipt in readable form occurs after 5.00 p.m. in the place of receipt, the following Business Day; and

(d) if by advertisement, on the date of publication.

31. In proving service, it shall be sufficient proof, in the case of a notice sent by pre-paid first class post or airmail, that the envelope was properly stamped, addressed and placed in the post.

32. The accidental omission to send any notice, written communication or other document in accordance with Clauses 29 to 31 or the non-receipt of any such notice by any Scheme Creditor, shall not affect the provisions of this Scheme.

33. Notwithstanding any provision to the contrary contained in this Scheme:

(a) while the Notes are represented by Global Notes and deposited with the DTC Custodian for the Clearing System, notice to the Noteholders may be given instead by delivery of the notice to the Clearing System and such notices shall be deemed to have been given to the Noteholders on the date of delivery to the Clearing System;

(b) the Trustee may approve some other method of giving notice to the Noteholders of the relevant Notes if, in its opinion, that other method is reasonable having regard to market practice then prevailing and to the requirements of any stock exchange on which the relevant Notes are then listed and provided that notice of that other method is given to the Noteholders in the manner required by that Trustee; and

(c) a copy of each notice given in accordance with this Clause shall be provided to the Irish Stock Exchange for so long as the Notes are listed on the Irish Stock Exchange and the relevant regulations so require.

Governing Law and Jurisdiction

34. The operative terms of this Scheme and any non-contractual obligations arising out of or in connection with this Scheme shall be governed by and construed in accordance with the laws of England and Wales. The Scheme Creditors (other than the Trustee) hereby agree that the Court shall have exclusive jurisdiction to hear and determine any suit, action or Proceeding and to settle any dispute which arises out of or in connection with the terms of this Scheme or its implementation or out of any action taken or omitted to be taken under this Scheme or in connection with the administration of this Scheme and for such purposes the Scheme Creditors irrevocably submit to the jurisdiction of the Court, provided, however, that nothing in this Clause shall affect the validity of other provisions determining governing law and jurisdiction as between the Company and any of the Scheme Creditors, whether contained in contract or otherwise.

35. The terms of this Scheme and the obligations imposed on the Company hereunder shall take effect subject to any prohibition or condition imposed by applicable law.

Dated this [●] day of December 2016

SCHEDULE 1

NOTES DOCUMENTS

Part 1

Existing Notes Documents

The 2013 Notes Indenture

The 2015 Notes Indenture

The Guarantees

The Suretyships

Part 2

New Notes Documents

The New Notes Indenture

The New Notes Guarantees

The New Notes Suretyships

The global note in respect of the New Notes,

Deed of Undertaking No.2

Deed of assignment between the Parent and the security agent in respect of the DTEK O&G Receivable

Amended and restated DTEK O&G Receivable

Charge over DTEK O&G Receivable Account

SCHEDULE 2

FORM OF DEED OF RELEASE

DEED OF RELEASE

DATED [•] December 2016

by

DTEK FINANCE PLC

and

GLAS TRUST CORPORATION LIMITED

and

THE SCHEME CREDITORS

in favour of

THE RELEASED PARTIES

THIS DEED is dated [●] 2016 and is made by:

(1) **DTEK FINANCE PLC** of 3rd Floor 11-12 St. James's Square, London, SW1Y4LB

(2) **THE SCHEME CREDITORS** (as defined below), acting by an authorised officer of DTEK Finance plc (the **Company**) pursuant to the authority conferred upon the Company by the Scheme Creditors under Clause 6 of the Scheme (as defined below); and

(3) **GLAS TRUST CORPORATION LIMITED** of 45 Ludgate Hill, London EC4M 7JU

In favour of

(4) **THE RELEASED PARTIES** (as defined below).

BACKGROUND

(A) The Company has entered into the Scheme with the Scheme Creditors.

(B) The Company is authorised, under Clause 6 of the Scheme, to execute and deliver this Deed on behalf of each of the Scheme Creditors.

(C) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 **Definitions In this Deed:**

Advisor Released Party means the persons listed at Part 2 of Appendix 1 of this Deed.

Claim means all and any actions, claims, demands or rights whatsoever or howsoever arising, whether present, future, prospective or contingent, whether or not presently known to the parties or to the law, whether or not for a fixed or unliquidated amount, whether or not involving the payment of money or the performance of an act or obligation, whether arising at common law, in equity or by statute in England and Wales or in any other jurisdiction or in any other manner whatsoever.

Explanatory Statement means the explanatory statement dated 2 November 2016 of the Company circulated to the Scheme Creditors in connection with this Scheme pursuant to section 897 of the Companies Act.

Indentures has the meaning given to this term in the Scheme.

Liabilities has the meaning given to this term in the Scheme.

Notes Restructuring has the meaning given to this term in the Scheme.

Related Parties means a party's parent, subsidiaries, assigns, transferees, representatives, principals, agents, officers or directors.

Released Parties means the Advisor Released Parties and the Transaction Released Parties.

Scheme means the scheme of arrangement pursuant to Part 26 of the Companies Act 2006 between the Company and the Scheme Creditors as sanctioned by the Court on or about the date of this Deed.

Scheme Creditor means the DTC Custodian, the Trustee (solely in its capacity as the beneficiary of the covenants to repay principal and interest on the Notes pursuant to the Indentures) and the Noteholders.

Steering Committee has the meaning given to that term in the Scheme.

Transaction Released Parties means the persons listed at Part 1 of Appendix 1 of this Deed.

1.2 **Construction**

(a) Capitalised terms defined in the Scheme have, unless expressly defined in this Deed, the same meaning in this Deed.

(b) In this Deed, unless the context otherwise requires or otherwise expressly provides:

(i) references to Clauses are references to Clauses of this Deed;

(ii) references to a person include references to an individual, firm, partnership, company, corporation, unincorporated body of persons or any state or state agency;

(iii) references to a statute or statutory provision include references to the same as subsequently modified, amended or re-enacted from time to time;

(iv) the singular includes the plural and vice versa and words importing one gender shall include all genders; and

(v) headings to Clauses are for ease of reference only and shall not affect the interpretation of this Deed.

2. WAIVER AND RELEASE

2.1 With effect from the Scheme Effective Date and without prejudice to the provisions of the Scheme, the Scheme Creditors on behalf of themselves and on behalf of their Related Parties (other than the Trustee) (and other than the Steering Committee in respect of 2.1(d)) (on their own behalf and on behalf of any person to whom they may have transferred their Scheme Claims after the Record Date) hereby irrevocably and unconditionally:

(a) waive, release and discharge fully and absolutely all Liabilities of the Released Parties to the Scheme Creditors in relation to or in connection with or in any way arising out of the preparation, negotiation or implementation of the Scheme or the Notes Restructuring;

(b) waive, release and discharge fully and absolutely each and every Claim which the Scheme Creditors (or any person to whom a Scheme Creditor may have transferred its Scheme Claim after the Record Date) may have in relation to or in connection with or in any way arising out of the preparation, negotiation or implementation of the Scheme against the Released Parties;

(c) discharge the Trustee from all Liabilities incurred under the Indentures (including, without limitation, any liabilities arising from any non-compliance with section 7.09 of the Indentures), the Notes and the Scheme , and agree to hold harmless the Trustee from and against all losses, liabilities, damages, costs, charges and expenses which may arise as part of the Scheme; and

(d) waive, release and discharge fully and absolutely, all Liabilities of the Steering Committee and waives each and every Claim which the Scheme Creditors may have

against the Steering Committee in respect of any modification made to the terms of the Scheme in accordance with paragraph 25 of the Scheme.

2.2 With effect from the date of this Deed and without prejudice to the provisions of the Scheme, the Company hereby irrevocably and unconditionally:

(a) waives, releases and discharges fully and absolutely all Liabilities of the Released Parties (other than the Company) to the Company in relation to or in connection with or in any way arising out of the preparation, negotiation or implementation of the Scheme or the Notes Restructuring;

(b) waives each and every Claim which the Company may have in connection with the preparation, negotiation or implementation of the Scheme or the Notes Restructuring against the Released Parties (other than the Company);

(c) waives, releases and discharges fully and absolutely, all Liabilities of the Steering Committee and waives each and every Claim which the Company may have against the Steering Committee in respect of any modification made to the terms of the Scheme in accordance with paragraph 25 of the Scheme; and

(d) discharges the Trustee from all Liabilities incurred under the Indentures (including, without limitation, any Liabilities arising from any non-compliance with section 7.09 of the Indentures), the Notes and the Scheme, and agrees to hold harmless the Trustee from and against all losses, liabilities, damages, costs, charges and expenses which may arise as part of the Scheme

2.3 Each release, waiver and discharge effected by the terms of Clause 2.1 and Clause 2.2 above shall not extend to:

(a) any Liability of any Advisor Released Party arising under or relating to a duty of care to such Advisor Released Party's client or arising under a duty of care to another person which has been expressly accepted or acknowledged in writing by that Advisor Released Party;

(b) any Liability arising out of or resulting from gross negligence, wilful default or fraud (or any claim relating to such Liability); and

(c) any Liability in respect of the Lock-up Agreement

2.4 The Trustee and the Scheme Creditors waive each and every Event of Default (as such term is defined in the Explanatory Statement) provided that such waiver shall terminate upon the acceleration prior to its expressed maturity or other demand for payment of any Indebtedness (as such term is defined in the Indentures) for money borrowed by (or guaranteed or covered by a Guarantee or Suretyship of) the Company or its Restricted Subsidiaries (as such term is defined in the Indenture).

2.5 Nothing in this Deed shall release, waive or discharge any Liability of any person under the New Notes Documents.

3. FURTHER ASSURANCES

The Company and the Scheme Creditors (other than the Trustee) will take whatever action is reasonably necessary to achieve the waiver, release and discharge referred to in Clause 2 (*Waiver and Release*).

4. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

4.1 Other than as provided in Clause 4.2 below, a person who is not party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

4.2 A Released Party may rely on and enforce the terms of this Deed.

5. GOVERNING LAW AND JURISDICTION

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed or any non-contractual obligations connected with it.

This Deed has been entered into and delivered as a deed on the date stated at the beginning of this Deed.

APPENDIX 1

RELEASED PARTIES

PART 1

TRANSACTION RELEASED PARTIES

1. The Company, the Group companies and each of their directors, members, officers and representatives.

2. GLAS Trust Corporation Limited in its capacity as Trustee for each series of Notes.

3. The Bank of New York Mellon, London Branch and The Bank of New York Mellon, New York in its capacity as paying agent for each series of the Notes.

4. The Bank of New York Mellon, London Branch and The Bank of New York Mellon, New York in their capacity as transfer agents for each series of the Notes.

5. The Bank of New York Mellon (Luxembourg) S.A. in its capacity as registrar for each series of the Notes.

6. The DTC Custodian.

7. Each member of the Steering Committee.

PART 2

ADVISOR RELEASED PARTIES

1. Rothschild & Cie.
2. Latham & Watkins LLP, and Latham & Watkins (London) LLP.
3. Deloitte LLP.
4. Shearman & Sterling LLP, and Shearman & Sterling (London) LLP.
5. White & Case LLP.
6. Proskauer Rose (UK) LLP.
7. Sayenko Kharenko.
8. Avellum.
9. Stibbe.
10. Grant Thornton UK LLP

SIGNATORIES

SCHEME CREDITORS

EXECUTED AND DELIVERED AS A DEED by)
DTEK FINANCE PLC)
)
acting pursuant to the authority conferred on DTEK Finance plc)
for this purpose under the Scheme)

acting by Authorised Signatory in the presence of

THE COMPANY

EXECUTED AND DELIVERED AS A DEED by)
DTEK FINANCE PLC)
)

acting by Authorised Signatory in the presence of

TRUSTEE

EXECUTED AND DELIVERED AS A DEED by)
GLAS TRUST CORPORATION LIMITED)
)

acting by Authorised Signatory in the presence of

SCHEDULE 3

FORM OF DEED OF UNDERTAKING

This **DEED OF UNDERTAKING** is executed on _____ 2016 by _____ (the "**Undertaking Party**") on its own behalf Terms used but not defined in this undertaking shall, unless otherwise stated, have the meanings given to them in the scheme of arrangement under Part 26 of the Companies Act 2006 between DTEK Finance plc ("**DFPLC**") and its Scheme Creditors (the "**Scheme**") as set out in the explanatory statement lodged by DFPLC on or around 30 November 2016 with the court and furnished to the Scheme Creditors pursuant to section 897 of the Companies Act (the "**Explanatory Statement**").

Subject to the conditions set forth below having been satisfied, the Undertaking Party **hereby irrevocably** (and, for the avoidance of any doubt, severally) undertakes to DFPLC, to each of the Scheme Creditors and to the court to:

(a) agree to be bound by the terms of the Scheme;

(b) execute, deliver and complete and be bound by the New Notes Documents to which it is a party and procure, to the extent legally permitted, that each other Undertaking Transaction Party executes, delivers and completes and is bound by the New Notes Documents to which they are a party; and

(c) to the extent legally permitted, negotiate, settle and/or execute any other agreement, letter or other document and do or procure to be done all such acts and things as may be necessary or desirable for the purposes of giving effect to the Scheme and/or implementing the Notes Restructuring.

This Deed is conditional upon and shall not become effective until the date of the [[Scheme Sanction order][7]/[Scheme Settlement Date][8]].

If the Scheme Settlement Date does not occur on or before the Scheme Longstop Date, this Deed shall automatically terminate, upon which any and all obligations and liabilities of DFPLC and the Undertaking Party under this Deed shall be released and discharged in full and none of the Scheme Creditors or the Court or any other party shall be entitled thereafter to enforce any of the terms of this Deed against DFPLC or the Undertaking Party

The Undertaking Party enters into the obligations in this Deed for the benefit of the Scheme Creditors and the obligations in this Deed shall be enforceable by the Scheme Creditors.

This Deed shall be governed by and construed in accordance with English law.

IN WITNESS whereof this document has been executed as a deed and delivered on the date first stated above.

[7] Other Undertaking Transaction Parties

[8] PJSC and PrJSC Undertaking Transaction Parties

EXECUTION PAGE

THE UNDERTAKING PARTY

Executed and delivered as a deed by
_____on behalf of the Undertaking Transaction Party

By:

in the presence of:

_____
Signature of Witness

Name: _____

Address: _____

Occupation: _____

SCHEDULE 4

FORM OF SCHEME SETTLEMENT DATE NOTICE

To: **SCHEME CREDITORS AND OTHER TRANSACTION PARTIES**

From: **DTEK FINANCE PLC** (the "**Company**")

Date: [ ]

Scheme of arrangement in respect of the Company under Part 26 of the Companies Act 2006 (the "**Scheme**")

1. We refer to the Scheme. We hereby confirm that the conditions precedent to the New Notes Documents (if any) have been satisfied or waived. This is the Scheme Settlement Date Notice as contemplated by Clause 10(d) of the Scheme.

2. Capitalised terms defined in the Scheme have the same meaning when used in this letter.

3. We hereby confirm that the Scheme Closing Date is [*insert date of letter]*.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

DTEK FINANCE PLC

SCHEDULE 5

FORM OF TRUSTEE INSTRUCTION LETTER

From: The Company on behalf of each of the Scheme Creditors (as defined in the Scheme (as defined below)); and

To: GLAS Corporation Trust Limited (acting as "**Trustee**")

_____ 2016

Dear Sirs,

1. (the "**Company**") proposed a scheme of arrangement (the "**Scheme**") under Part 26 of the Companies Act 2006 between the Company and the Scheme Creditors which is set out in the scheme document provided by the Company on or around 2 December 2016 to the Scheme Creditors pursuant to Section 897 of the Companies Act (the "**Scheme Document**") and which was sanctioned by the Court on [21] December 2016.

2. Terms used but not defined in this Instruction Letter shall, unless otherwise stated, have the meanings given to them in the Scheme Document.

3. Pursuant to clause 6 of the Scheme Document, each of the Noteholders has irrevocably instructed and authorised the Company from the date of the sanction order to execute this Instruction Letter and deliver it to the Trustee on behalf of the Scheme Creditors.

4. The undersigned (being the Company on behalf of each of the Noteholders pursuant to the authority granted by Clause 6 of the Scheme Document) hereby instructs the Trustee (to the extent applicable) pursuant to the terms of the Scheme to cancel the Notes, the Notes Guarantees and the Notes Suretyships and to execute all of the New Notes Documents (to which it is a party) that will implement the Notes Restructuring on the terms set out in the Noteholder Term Sheet.

5. The undersigned (being the Company on behalf of each of the Noteholders pursuant to the authority granted by Clause 6 of the Scheme Document) hereby instructs the Trustee (to the extent applicable) pursuant to the terms of the Scheme to waive each and every Event of Default provided that such waiver, in respect of Events of Default, shall terminate upon the acceleration prior to its expressed maturity or other demand for payment of any Indebtedness (as such term is defined in the Indentures) for money borrowed by the Company or its Restricted Subsidiaries (as such term is defined in the Indentures).

6. The undersigned hereby instruct and direct the Trustee to execute, or otherwise procure to be executed, all such documents, and do or procure to be done all such acts or things as may be necessary or desirable to be done to cause the Guarantors and Sureties (as applicable) to enter into the New Notes Guarantees and New Notes Suretyships (as applicable).

7. Each signatory hereto shall at the cost of the Company do and execute or procure to be done and executed all necessary acts, deeds, documents and things reasonably within its power to give effect to this Instruction Letter.

8. This Instruction Letter may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this letter.

9. This Instruction Letter and any non-contractual obligations arising out of or in connection with this Instruction Letter shall be governed by, and construed in accordance with, the laws of England and Wales and each of the Noteholders hereby agrees that the Court shall have the exclusive jurisdiction to hear and determine any claim, action, proceeding or dispute (whether contractual or non-contractual) arising out of or in connection with this Instruction Letter and, for such purposes, each of the Noteholders irrevocably submits to the jurisdiction of the Court.

Yours faithfully,

Signed:……..

For and on behalf of
THE SCHEME CREDITORS (other than the Trustee) by
The Company
pursuant to the irrevocable instructions and authorisations of the Scheme Creditors (other than the Trustee) under Clause 6 of the Scheme Document and without personal liability

Signed:……..

For and on behalf of
DTEK FINANCE PLC

Agreed and accepted by:

Signed:……..

For and on behalf of
GLAS TRUST CORPORATION LIMITED

SCHEDULE 6

NOTEHOLDER TERM SHEET

BINDING RESTRUCTURING HEADS OF TERMS

*This does not constitute an offer to sell or the solicitation of an offer to buy securities of DTEK Finance PLC (the "**Scheme Company**") or any other person. Capitalised terms have the meaning given to them in the Existing Notes indentures (as amended and supplemented by the terms set out in Appendix 2 to these Heads of Terms) and the Lock-up Agreement unless otherwise defined in this document including Appendix 1.*

KEY TERMS FOR THE NEW NOTES:

New Notes:

Existing US$750m 7.875% April 2018 Notes and US$160m 10.375% March 2018 Notes (the "**Existing Notes**") to be cancelled and replaced by a new single note in the aggregate principal amount of:

(a) US$ 894,799,200[1];

(b) all capitalized interest accrued or deferred and unpaid under the Existing Notes standstill scheme of arrangement (the "**Standstill Scheme**") and interest accrued or deferred and unpaid between 28 October and Restructuring Effective Date (excluding any default interest, fees or charges or related interest, fees or charges of similar effect) which will be rolled into the New Notes (as defined below); and

(c) any amount the Bank Lenders (as defined below) elect to swap their Existing Bank Debt exposure up to a maximum aggregate amount of US$300m in principal amount (plus any interest that has accrued or capitalized prior to the date of such exchange) into additional notes at par (in accordance with the mechanism set out below (*Swap of Existing Bank Debt for New Notes*)),

with a final maturity of 31 December 2024 (the "**New Notes**").

Minimum denomination of the New Notes to be US$2,000 and integral multiples of US$1.

New Notes Amortisation:

The outstanding principal amount of the New Notes to be fully repaid in two instalments as follows: 50% on 29 December 2023 and 50% on 31 December 2024.

New Notes Step Up Coupon:

The New Note coupon shall be 10.75% p.a. which shall be payable as follows:

5.5% p.a. shall be paid in cash quarterly from the date on which the Restructuring Scheme is sanctioned by the Court until 31 December 2018.

6.5% p.a. shall be paid in cash quarterly from 1 January 2019 until 31 December 2019.

7.5% p.a. shall be paid in cash quarterly from 1 January 2020 until 31 December 2020.

8.5% p.a. shall be paid in cash quarterly from 1 January 2021 until 31 December 2021.

9.5% p.a. shall be paid in cash quarterly from 1 January 2022 until 31 December

[1] This amount consists of US$750,000,000 of the 7.875% April 2018 Notes and US$144,799,200 of the 10.375% March 2018 Notes, as Notes in the amount of US$15,200,800 of the US$160m 10.375% March 2018 Notes (which were previously held by Restricted Subsidiaries) were cancelled pursuant to the Standstill Scheme.

2023.

10.75% p.a. shall be paid in cash quarterly from 1 January 2024 until 31 December 2024.

Any interest unpaid in accordance with the above will PIK and compound on a quarterly basis. The Scheme Company will have the option to pay any such amount in cash rather than PIK provided that it notifies the Trustee no later than 20 Business Days prior to the commencement of the relevant quarter.

Prepayments of New Notes

Bond purchases

Bond purchases to be permitted in any manner without consent, provided all such New Notes shall then be delivered to the Trustee for cancellation and shall be cancelled by the Trustee not later than 20 Business Days after the date of the buy-back.

Redemption

Optional redemption

Customary optional redemption provisions from Existing Notes shall apply (e.g. Section 3.08 of the Existing Notes indentures (*Redemption for Changes in Taxes*)).

Optional redemption of the New Notes in whole or in part to be permitted as follows:

(a) Prior to 31 December 2019 the New Notes can be called at a redemption price equal to 105.375% (par plus 1/2 of the 10.75% coupon);

(b) from 1 January 2020 to 31 December 2020 the New Notes can be called at a redemption price equal to 104.03125% (par plus 3/8 of 10.75% coupon);

(c) from 1 January 2021 to 31 December 2021 the New Notes can be called at a redemption price equal to 102.6875% (par plus 1/4 of 10.75% coupon); and

(d) from 1 January 2022 onwards, a redemption price equal to 100%,

of the outstanding principal amount of the Notes as at the date of redemption which amount shall include accrued and capitalized PIK interest thereon to the date fixed for redemption.

Dividends

Dividends to be permitted and to be paid (based on latest annual financial statements), in each case, subject to the following conditions at the time of payment:

(a) net debt to EBITDA leverage ratio of the Group must be less than 1.5:1 both prior to, and after, any such dividend payment based on the most recent annual consolidated financial statements prior to the dividend payment;

(b) the proposed dividend payment shall not exceed 50% of consolidated net income of the Group in the year covered by the most recent annual financial statements prior to the dividend payment;

(c) the proposed dividend payment shall only be paid out of available cash of the Group in excess of US$110m, ensuring that any such dividend does not cause available cash to fall below US$110m; and

(d) 50% of the Existing Bank Debt owing to the bank lenders by the Group ("**Bank Lenders**") as at the date hereof which shall include, for the avoidance of doubt, any debt owing to the Bank Lenders which is subsequently exchanged into the New Notes in accordance with the mechanism set out below (*Swap of Existing Bank Debt for New Notes*) having been repaid, and the average bond price quoted on Bloomberg Finance LP being at least 93% of par value (such par amount including, for the avoidance of doubt, accrued and capitalized PIK interest) on 75% of trading days over a 90 day period prior to the contemplated dividend payment.

Lock-up Fee

If the Restructuring Scheme is sanctioned, all Noteholders who: (i) hold Locked-up Notes on the Record Date; (ii) complete and submit to either Euroclear or Clearstream a valid voting instruction in favour of the Restructuring Scheme; and (iii) submit an Account Holder Letter in favour of the Restructuring Scheme to the Information Agent by 16 December 2016, shall be paid the Lock-up Fee (as defined in the Lock-up Agreement) in addition to the Restructuring Fee, within 3 Business Days following the Restructuring Effective Date.

Restructuring Fee

If the Restructuring Scheme is sanctioned, all Noteholders (whether or not they qualified for a Lock-Up Fee) will be entitled to receive a fee of 0.75% of the outstanding principal of their holding of Existing Notes (including accrued and capitalized PIK interest) as at the Restructuring Scheme record date, payable within 3 business days following the Restructuring Effective Date (the "**Restructuring Fee**").

Covenant Package / Undertakings

CAPEX undertaking

The Group shall not incur any Capital Expenditure other than Permitted Capital Expenditure.

Covenants

The New Notes covenant package shall consist of:

(a) the terms set out in Appendix 2 to these Heads of Terms[2]; and

(b) such other conforming or technical amendments as may be required and as set out in the definitive documentation.

Governance / Monitoring

No board representation.

Information/reporting requirements in Standstill Scheme no longer apply.

Scheme Company to publish on the Group's website the following:

(a) unaudited consolidated balance sheet, cashflow statement and profit & loss account of the Group on a quarterly basis within 60 days of the last day of the quarter to which such financials relate with the first such information being provided no later than 31 May 2017 and covering the first quarter of 2017; and

(b) an operating report of the Group in the form set out in Appendix 3 to these Heads of Terms or as otherwise agreed between the parties, on a quarterly basis within 60 days of the last day of the quarter to which such report relates with the first such information being provided no

[2] To the extent there is any irreconcilable discrepancy between what is set forth in these Heads of Terms and Appendix 2, Appendix 2 shall govern.

later than 31 May 2017 and covering the first quarter of 2017.

Bank Lenders' existing security

Existing Security currently granted to all Bank Lenders to remain in place and may be shared between the Bank Lenders as they think fit, including turning over recoveries from any enforcement of such Security between themselves.

No additional Security to be granted in favour of the Bank Lenders, except a pledge over the cash sweep bank account(s).

Bank Lenders' existing guarantees/suretyships

No bank facility will benefit from increased guarantor or suretyship coverage as a result of the restructuring of the Existing Bank Debt save that where an Existing Bank Debt facility includes an undertaking or covenant equivalent to the Guarantor Coverage Covenant (*as defined below*), such facility may receive the same proportional enhancement.

Noteholders' existing guarantees/suretyships

Existing guarantees and sureties currently granted for the benefit of the Noteholders to remain in place and no additional guarantees or sureties save that the existing definition of "Significant Subsidiary" shall be amended such that "10%" shall be changed to "5%" ("**Guarantor Coverage Covenant**").

Noteholders' security

Security package and protections set out below to be provided solely for the benefit of the Noteholders by no later than the date falling 90 days after the Restructuring Effective Date:

(a) DTEK Oil & Gas shall transfer to a wholly-owned, Netherlands incorporated, special purpose vehicle ("**SPV**") 25% of the entire issued share capital of PJSC Naftogazvydobuvannya ("**NGD**"). The draft articles of association of the SPV shall be provided to the Noteholder Committee Advisors for review and comment and the final version of the articles of association shall incorporate any reasonable comments provided thereby;

(b) the corporate object clause in the articles of association of the SPV shall be limited to the restricted activities of the SPV;

(c) SPV shall become a co-obligor with DTEK Oil & Gas under the DTEK O&G Receivable;

(d) DEBV shall grant a security assignment under English law over the DTEK O&G Receivable in favour of the Noteholders.

SPV/ DTEK Oil & Gas Undertakings/Covenants

1. SPV shall undertake not to:

(a) dispose of and/or grant any pledge over SPV's shareholding in NGD;

(b) incur any Indebtedness other than in order to repay or refinance the DTEK O&G Receivable in whole (but not in part);

(c) dilute or change in any way the existing share capital of NGD which is divided into one million seven hundred eleven thousand nine hundred and seventy (1,711,970) ordinary registered shares save for a proposed increase of the share capital of NGD in the amount of USD 305,000 which shall not result in the SPV's shareholding in NGD being diluted in any percentage amount; or

(d) enter into any business activity or contract other than as

envisaged by these Heads of Terms.

2. In addition:

(a) DTEK Oil & Gas shall refrain from disposing of and/or granting any pledge over its shareholding in SPV;

(b) Net debt to EBITDA leverage ratio of NGD must be less than 2.5:1 which shall be confirmed to the Trustee by an independent party on an annual basis with the first reporting period being from 1 January 2017 to 31 December 2017 with such confirmation to be provided not later than 120 days following the end of each reporting period;

(c) NGD to maintain minimum proven hydrocarbon reserves of 98.7 millions of barrels of oil equivalent and 2P of 132.3 millions of barrels of oil equivalent which shall be confirmed to the Trustee by an independent party on an annual basis with the first reporting period covering 31 December 2017 with such confirmation to be provided not later than 120 days following the end of each reporting period;

(d) DTEK Oil & Gas shall refrain from diluting or changing in any way the existing share capital of NGD which is divided into one million seven hundred eleven thousand nine hundred and seventy (1,711,970) ordinary registered shares save for a proposed increase of the share capital of NGD in the amount of USD 305,000 which shall not result in the SPV's shareholding in NGD being diluted in any percentage amount; and

(e) DTEK Oil & Gas and SPV shall each deliver, on an annual basis within 120 days following such year end, a director's certificate to the Trustee confirming compliance with 1(a)-(d) and 2 (a) and (d) immediately above with the first such certificate to be delivered not later than 30 April 2018.

Amendments to the DTEK O&G Receivable

The DTEK O&G Receivable documentation shall be amended and restated to include, *inter alia:*

(a) an increase in the interest rate of 1% p.a. in 2020 and further additional 1% p.a. in 2022 payable at maturity;

(b) a pledge that the proceeds of prepayment or repayment of the DTEK O&G Receivable at maturity shall be applied to repay the New Notes;

(c) the covenants and undertakings described herein; and

(d) a provision that any amendment to the DTEK O&G Receivable documentation shall require the prior written consent of the Trustee (acting on behalf of Noteholders representing in excess of 50% by value of the New Notes) (other than if such amendments are required or arise as a matter of law or regulation or amendments of a technical nature which are not to the detriment of the Noteholders).

Any breach of any undertakings in respect of the DTEK O&G Receivable in these Heads of Terms, other than the requirement to maintain minimum reserves of 2P of 132.3 millions of barrels of oil equivalent, shall trigger a cross-default under the New Notes Indenture subject to any applicable grace and cure period as may be agreed in the DTEK O&G Receivable documentation.

Implementation

Single class scheme of arrangement of the Existing Notes. Chapter 15 recognition

	in US. Ancillary definitive documentation in respect of the Restructuring.
Governing Law	New Notes Indenture to be governed by New York law and these Heads of Terms to be governed by English law.
Excluded Bank Facilities	Oschadbank Facilities and ECA Facilities to be maintained outside the scope of the Restructuring.
Lock-up Agreement	Standstill of the Existing Notes and continuation of the terms contained in the Standstill Scheme and Deed Poll as per the terms of the Lock-up Agreement until the Restructuring Effective Date. This Heads of Terms is to be appended to a Lock-up Agreement between the Scheme Company and more than 30% by value of the holders of the Existing Notes.
Intercreditor Agreement	The Scheme Company, the Noteholders and the Bank Lenders, shall discuss the entry into an intercreditor agreement.
Cash sweep	For banks only, subject to minimum cash balance of US$110m (based on average unrestricted cash balances and cash equivalents, tested on a quarterly basis). For the avoidance of doubt, the cash used in relation to the cash sweep shall exclude: (i) any cash received as a prepayment or repayment of the DTEK O&G Receivable and (ii) any cash received from DTEK Oil & Gas, SPV, Actovent Investments Limited, Wolford Holdings Limited and NGD. A pledge over the cash sweep bank account(s) will be granted in favour of the Bank Lenders.
Swap of Existing Bank Debt for New Notes	Subject to (i) the Scheme Company and the obligors of the Existing Bank Debt electing (in their sole discretion) to offer Bank Lenders the opportunity to swap some or all of their indebtedness under their Existing Bank Debt for New Notes, and (ii) compliance with applicable securities laws, the Maximum Exchange Amount (*as defined below*) and the Maximum Exchange Restriction (*as defined below*), each Bank Lender may, subject to the terms and conditions of any such offer, elect to swap some or all of its indebtedness under its Existing Bank Debt for New Notes at par on or about the Restructuring Effective Date. A maximum aggregate principal amount of up to US$300m of Existing Bank Debt (the "**Maximum Exchange Amount**") will be eligible for the swap, provided that to the extent Bank Lenders elect to swap Existing Bank Debt in an aggregate amount in excess of the Maximum Exchange Amount, Existing Bank Debt tendered for exchange will be accepted on a pro rata basis (the "**Maximum Exchange Restriction**").
Releases	The Restructuring Scheme shall contain customary mutual releases of legal claims.
Amendments to the New Note Documents	The Restructuring Scheme shall provide that the Noteholder Committee is authorised (but without any liability attaching to the Noteholder Committee or its individual members) to take such decisions, actions or steps as are necessary as a result of the Scheme Company's negotiations with the Bank Lenders to amend the New Note Documents as follows: (a) If the effect of the Scheme Company's negotiations with the Bank Lenders, in the opinion of members of the Noteholder Committee holding in excess of 75% by value of the aggregate New Notes held by the Noteholder Committee, does not improve the position of the Bank Lenders to the detriment of the Noteholders under the Restructuring and is not inconsistent with these Heads of Terms, but requires minor amendments to be made to the New Note Documents, the New Notes shall be amended accordingly notwithstanding that the Restructuring

Scheme may have been sanctioned by the Court at such time.

(b) If the effect of the Scheme Company's negotiations with the Bank Lenders, in the opinion of members of the Noteholder Committee holding in excess of 75% by value of the aggregate New Notes held by the Noteholder Committee, does materially improve the position of the Bank Lenders to the material detriment of the Noteholders under the Restructuring or is inconsistent with these Heads of Terms, the substance of such terms shall be extended to the Noteholders and the New Note Documents shall be amended accordingly, notwithstanding that the Restructuring Scheme may have been sanctioned by the Court at such time.

(c) If the effect of the Scheme Company's negotiations with the Bank Lenders, in the opinion of members of the Noteholder Committee holding in excess of 75% by value of the aggregate New Notes held by the Noteholder Committee does materially improve the position of the Bank Lenders to the material detriment of the Noteholders under the Restructuring or is inconsistent with these Heads of Terms, the Noteholder Committee may in its sole discretion as an alternative to the steps set out in (b) above require that the Scheme Company seeks the approval of the Noteholders pursuant to a consent solicitation process in order to effect any requisite amendment of the New Note Documents. The Restructuring Scheme shall contain all necessary provisions to ensure that the consents required under such consent solicitation is holders of the New Notes holding more than 75% in principal amount of the New Notes.

Changes to composition of Noteholder Committee

No member of the Noteholder Committee may resign as a member of the Noteholder Committee at any time prior to the Long Stop Date.

The customary deed of release to be provided in the Scheme will be in a form agreed by the Noteholder Committee and their advisors and will, in addition to covering the period up to the Restructuring Effective Date, cover any claims against any member of the Noteholder Committee arising in respect of amendments made in accordance with (a) and (b) in the preceding section.

DEBV shall provide an indemnity to cover any liabilities of the Noteholder Committee in connection with the Scheme, as a result of the continuing role of the Noteholder Committee in the period between the Restructuring Effective Date and the date on which the restructuring of the Bank Lenders is implemented.

The commitment hereunder of the members of the Noteholder Committee to remain as members until the Long Stop Date is contingent on the above-referenced deed of release becoming effective and the above-referenced indemnity being provided.

Continuation of Noteholder Committee

The Noteholder Committee shall continue to receive the agreed work fee, plus reasonable and documented travel and accommodation expenses relating to the Restructuring, until the earlier of the date on which (a) the restructuring of the Bank Lenders is implemented and (b) the Noteholder Committee is dissolved.

APPENDIX 1
DEFINITIONS

"**Additional Regulatory Capital Expenditure**" means any Capital Expenditure (other than any Business Plan Capital Expenditure) that is required to be incurred by the Parent Guarantor or any Restricted Subsidiary:

(a) under privatization, concession, asset lease or similar agreements (1) between the Parent Guarantor or such Restricted Subsidiary and Ukraine (directly or through any authorized agency or instrumentality thereof;

(b) by applicable law, regulation or any other regulatory act;

(c) any written order, demand, regulation, claim, request or communication by any regulatory authority:

(d) that is or will be directly or indirectly compensated by the Ukrainian government or any other regulatory or administrative authority (including, but not limited to, by way of tariff and financial support) within a period of not more than five years from the date of such Capital Expenditure.

"**Business Plan**" means the financial and production business plan model named "DTEK_fin_model_for_advisors-05-09-2016.xlsb" in respect of the Group that covers the period from the year 2016 up to and including 2030 that was prepared by the Group for the purposes of the long-term Restructuring and was shared with the financial advisers of the creditors of the Group on 5 September 2016.

"**Business Plan Capital Expenditure**" for any fiscal year means any Capital Expenditure in an amount not to exceed the aggregate amount in UAH equivalent based on the average exchange rate for such fiscal year calculated using the daily official exchange rates of the National Bank of Ukraine during that fiscal year indicated below (with such splits of UAH and USD being indicative):

For the fiscal year ending	**Business Plan Capital Expenditure**[3]
December 31, 2017	UAH 6,621.2 million, plus USD 238.7 million
December 31, 2018	UAH 6,630.8 million, plus USD 234.3 million
December 31, 2019	UAH 6,326.9 million, plus USD 221.2 million
December 31, 2020	UAH 6,196.5 million, plus USD 215.0 million
December 31, 2021	UAH 8,206.1 million, plus USD 282.3 million
December 31, 2022	UAH 9,203.0 million, plus USD 308.1 million
December 31, 2023	UAH 10,309.5 million, plus USD 335.8 million
December 31, 2024	UAH 10,845.5 million, plus USD 343.7 million

"**Capital Expenditure**" means any expenditure or obligation in respect of expenditure which, in accordance with generally accepted accounting principles, is treated as capital expenditure.[4]

"**Consent Capital Expenditure**" means any Capital Expenditure consented to by the Noteholders of at least 25% of the aggregate principal amount of the then outstanding New Notes (including, without limitation, Additional Notes, if any) voting as a single class.

"**Court**" means the High Court of Justice of England and Wales;

[3] Splits of Capital Expenditure in the "Business Plan Capital Expenditure" column between UAH and USD reflects the assumption retained at the date of the Business Plan and is an indication (as at the date of the Business Plan) of the split of currency driver underlying the Capital Expenditure.

[4] Note that all Capital Expenditure limits indicated in these Heads of Terms exclude VAT or similar taxes.

"**Deed Poll**" means the deed poll entered into by the Scheme Company on 4 October 2016 in favour of the Noteholders;

"**DTEK Oil & Gas**" means at any time DTEK Oil & Gas B.V. and all of its Subsidiaries.

"**DTEK O&G Receivable**" means the:

(a) US$ 316 million 7% revolving credit line due December 2023 with the outstanding principal amount of US$ 315,520,000.00 owed by DTEK O&G to DEBV; and

(b) €160 million 7% revolving credit line due December 2024 with the outstanding principal amount of € 79,652,135.75 owed by DTEK O&G to DEBV.

"**ECA Facilities**" means:

(a) EUR 9,921,598.68 Export Credit Facility Agreement dated 9 November 2011 (as amended from time to time) between UniCredit Bank Czech Republic, a.s. (as lender) and DTEK Holdings Limited (as borrower); and

(b) US$ 5,086,299.88 Facility Agreement dated 26 February 2013 (as amended from time to time) between Deutsche Bank A.G. Hong Kong Branch (as lender) and DTEK Holdings Limited (as borrower).

"**Existing Bank Debt**" means all present, contingent and future moneys, debts and liabilities due (but, for the avoidance of doubt, excluding any default rate, penalties, fines or similar payments that have accrued prior to the Restructuring), owing or incurred from time to time by the Group or any member of the Group to the Bank Lenders prior to the date of this Agreement

"**Group**" means at any time DEBV and all of its Subsidiaries.

"**Lock-up Agreement**" means the lock up agreement between the Scheme Company, DEBV and certain Noteholders.

"**New Note Documents**" means the New Notes Indenture and these Heads of Terms.

"**New Notes Indenture**" means the new indenture to be entered on or about the Restructuring Effective Date by (among others) the Scheme Company, and the Trustee, pursuant to which the New Notes will be issued.

"**Noteholder**" means a person who is the beneficial owner of and/or the owner of the ultimate economic interest in the Existing Notes.

"**Noteholder Committee**" means the ad hoc committee of Noteholders from time to time.

"**Oschadbank Facilities**" means the revolving credit lines between DTEK Zakhidenergo PJSC and Oschadbank dated 4 September 2015 as amended, restated, refinanced or replaced with any other credit line(s) with Oschadbank.

"**Permitted Capital Expenditure**" means each of the following:

(a) Business Plan Capital Expenditure;

(b) Additional Regulatory Capital Expenditure;

(c) Capital Expenditure in an amount not exceeding the Permitted Carry Forward Amount. The amount of any Permitted Carry Forward Amount which was not used in any year may be carried forward and used by the Group in the following year in addition to the Permitted Carry Forward Amount permitted for that year; and

(d) Consent Capital Expenditure.

"**Permitted Carry Forward Amounts**" for any fiscal year means the lesser of (x) the Business Plan Capital Expenditure for the immediately preceding fiscal year less the actual Capital Expenditure incurred in the immediately preceding fiscal year (other than any Additional Regulatory Capital Expenditure and any Consent Capital Expenditure) and (y) the amount of Permitted Carry Forward Capital Expenditure indicated below in UAH equivalent based on the average exchange rate for such fiscal year calculated using the daily official exchange rates of the National Bank of Ukraine during that fiscal year (with such splits of UAH and USD being indicative):

For the fiscal year ending	**Permitted Carry Forward Capital Expenditure**[5]
December 31, 2017	UAH 1,036.6 million, plus USD 37.4 million
December 31, 2018	UAH 1,655.3 million, plus USD 58.5 million
December 31, 2019	UAH 994.6 million, plus USD 34.8 million
December 31, 2020	UAH 949.0 million, plus USD 32.9 million
December 31, 2021	UAH 619.6 million, plus USD 21.3 million
December 31, 2022	UAH 820.6 million, plus USD 27.5 million
December 31, 2023	UAH 920.3 million, plus USD 30.0 million
December 31, 2024	UAH 1,030.9 million, plus USD 32.7 million

"**Regulatory Capital Expenditure**" means:

(a) any Capital Expenditure incurred by the Group in accordance with the Group's annual investment programme which has been approved by the National Electricity Regulatory Commission of Ukraine from time to time; and

(b) any Capital Expenditure which must be incurred by the Group pursuant to the requirements of the National Electricity Regulatory Commission of Ukraine from time to time or any other similar government or regulatory authority, including, but not limited to, obligations assumed pursuant to privatisation / concession / asset lease or similar agreements entered into as at the date of this Head of Terms.

"**Restructuring**" means the restructuring of the financial indebtedness of the Group with respect to the holders of the Existing Notes on the terms set forth in this document.

"**Restructuring Completion**" means the completion of the Restructuring, including the completion of the New Notes issuance, the effectiveness of the Restructuring Transaction Security, and amendment and restatement of the guarantees and suretyships in relation to the New Notes.

"**Restructuring Effective Date** means the date on which the Restructuring Completion occurs as notified in writing by the Scheme Company to the Noteholder Committee's legal and financial advisors, the Trustee and the Noteholders.

"**Restructuring Scheme**" means a scheme of arrangement under English law initiated by the Scheme Company in respect of the Existing Notes for the purpose of implementing these Heads of Terms;

[5] Splits of Capital Expenditure in the "Permitted Carry Forward Capital Expenditure" column between UAH and USD reflects the assumption retained at the date of the Business Plan and is an indication (as at the date of the Business Plan) of the split of currency driver underlying the Capital Expenditure.

"**Restructuring Transaction Security**" means:

(a) the Security to be granted in favour of the Noteholders in accordance with the Restructuring;

(b) any other document entered into at any time by any member of the Group creating any guarantee, indemnity, Security or other assurance against financial loss in favour of any of the Secured Parties as Security for any of the New Notes; and

(c) any Security granted under any covenant for further assurance in any of the documents referred to in paragraphs (a) and (b) above.

"**Security**" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

APPENDIX 2

ARTICLE 1
DEFINITIONS

Section 1.01 *Definitions*.

"**Acquired Debt**" means, with respect to any specified Person, Indebtedness of any other Person existing at the time such other Person is merged, consolidated, amalgamated or otherwise combined with or into, or becomes a Restricted Subsidiary of, such specified Person.

"**Additional Regulatory Capital Expenditure**" means any Capital Expenditure (other than any Business Plan Capital Expenditure) that is required to be incurred by the Parent Guarantor or any Restricted Subsidiary:

(1) under privatization, concession, asset lease or similar agreements between the Parent Guarantor or such Restricted Subsidiary and Ukraine (directly or through any authorized agency or instrumentality thereof);

(2) by applicable law, regulation or any other regulatory act;

(3) by any written order, demand, regulation, claim, request or communication by any regulatory authority; or

(4) that is or will be directly or indirectly compensated by the Ukranian government or any other regulatory or administrative authority (including, but not limited to, by way of tariff and financial support) within a period of not more than five years from the date of such Capital Expenditure.

"**Asset Sale**" means any sale, lease, transfer or other disposal in a transaction or series of related transactions by the Parent Guarantor or any Restricted Subsidiary of all or any of the Equity Interests of any Subsidiary of the Parent Guarantor or any other property or assets of the Parent Guarantor or any Restricted Subsidiary and the issuance by any Restricted Subsidiary of Equity Interests; provided that "Asset Sale" shall not include:

(1) sales, leases, transfers or other disposals of inventory, stock-in-trade, goods, services and other current assets (including accounts receivable) in the ordinary course of business;

(2) dispositions by the Parent or any Restricted Subsidiary of assets or Equity Interests in a single transaction or a series of related transactions with an aggregate Fair Market Value of less than $5.0 million;

(3) any transfers of assets or transfer or issuances of Equity Interests to, between or among the Parent Guarantor and/or any Restricted Subsidiary;

(4) a disposition by the Parent or any Restricted Subsidiary of damaged, obsolete or worn-out equipment or equipment that is no longer useful in the conduct of business of the Parent or any Restricted Subsidiary and that is disposed in each case in the ordinary course of business (including the abandonment or other disposition of intellectual property that is, in the reasonable judgment of the Parent Guarantor, no longer economically practicable to maintain or useful in the conduct of the business of the Group);

(5) the granting of any Lien not prohibited by this Indenture and dispositions in connection with a Permitted Lien;

(6) dispositions in accordance with a transaction governed by and in accordance with the first and third paragraphs of Section 5.01 or a transaction in accordance with Section 4.18;

(7) a Restricted Payment that is permitted by Section 4.06 and any Permitted Investment;

(8) the sale or other disposition of cash and Cash Equivalents;

(9) licenses and sublicenses by the Parent or any Restricted Subsidiary of software or intellectual property in the ordinary course of business so long as such licenses or sublicenses do not prohibit the licensor or sublicensor from using such software or intellectual property;

(10) any surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business; and

(11) any lease of assets without a transfer of title corresponding to such assets (*orenda*) in the ordinary course of business.

"**Available Cash**" means the amount of bank balances payable on demand that would appear on a consolidated balance sheet of the Parent Guarantor prepared in accordance with IFRS on the date of determination, excluding any restricted cash as determined in accordance with IFRS.

"**Business Plan Capital Expenditure**" for any fiscal year means any Capital Expenditure in an amount not to exceed the aggregate amount in UAH equivalent based on the average exchange rate for such fiscal year calculated using daily official exchange rates of the National Bank of Ukraine during that fiscal year indicated below (with such split of UAH and USD being indicative).

For the fiscal year ending	Business Plan Capital Expenditure
December 31, 2017	UAH 6,621.2 million, plus USD 238.7 million
December 31, 2018	UAH 6,630.8 million, plus USD 234.3 million
December 31, 2019	UAH 6,326.9 million, plus USD 221.2 million
December 31, 2020	UAH 6,196.5 million, plus USD 215.0 million
December 31, 2021	UAH 8,206.1 million, plus USD 282.3 million
December 31, 2022	UAH 9,203.0 million, plus USD 308.1 million
December 31, 2023	UAH 10,309.5 million, plus USD 335.8 million
December 31, 2024	UAH 10,845.5 million, plus USD 343.7 million

"**Capital Expenditure**" means any expenditure which would be treated as capital expenditure under IFRS or any obligation in respect of such expenditure.

"**Cash Equivalents**" means:

(1) Hryvnia, Russian Roubles, euro, U.S. dollars and British pound sterling;

(2) securities issued or directly and fully guaranteed or insured by the government of any of the United States of America or any member state of the European Union or Ukraine or any agency or instrumentality of any of the foregoing (provided that the full faith and credit of the relevant jurisdiction is pledged in support thereof) or by any

European Union central bank, and in each case having maturities of not more than one year from the date of acquisition;

(3) certificates of deposit, time deposits and money market deposits denominated in Hryvnia, Russian Roubles, euro, U.S. dollars or British pound sterling with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding six months and overnight bank deposits, in each case, with a commercial bank or trust company (or with any Ukraine-based Subsidiary of such commercial bank or trust company) which commercial bank or trust company has one of the three highest rating categories obtainable from Moody's, Fitch or S&P, or with any Ukrainian commercial bank or trust company having one of the two highest rating categories obtainable by Ukrainian banks from Moody's, Fitch or S&P;

(4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (2) and (3) of this definition above entered into with any commercial bank or trust company (or with any Ukraine-based Subsidiary of such commercial bank or trust company) which commercial bank or trust company has one of the three highest rating categories obtainable from Moody's, Fitch or S&P, or with any Ukrainian commercial bank or trust company having one of the two highest rating categories obtainable by Ukrainian banks from Moody's, Fitch or S&P;

(5) commercial paper having a rating at the time of the investment of at least "P-1" from Moody's or "A-1" from S&P (or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term debt obligations, an equivalent rating) and in each case maturing within one year after the date of acquisition; and

(6) money market funds at least 95.0% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (5) of this definition.

"**Clearstream**" means Clearstream Banking, *société anonyme*, and its successors.

"**Consent Capital Expenditure**" means any Capital Expenditure consented to by the Holders of at least 25% of the aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class.

"**Deleveraging Transaction Indebtedness**" means the Indebtedness described in Appendix D (*Deleveraging Transaction Indebtedness*).

"**Essential Credit Facilities"** means (i) the EUR 9,921,598.68 Export Credit Facility Agreement dated 9 November 2011 between DTEK Holdings Ltd and the lender thereto, in an aggregate principal amount not to exceed EUR 9,921,598.68 (including any refinancings thereof), (ii) the USD 5,086,299.88 Facility Agreement dated 26 February 2013 between DTEK Holdings Ltd and the lender thereto, in an aggregate principal amount not to exceed USD 5,086,299.88 (including any refinancings thereof) and (iii) the UAH 800,000,000 Facility Agreement dated 4 September 2015 between DTEK Zakhidenergo PJSC and the lender thereto, in an aggregate principal amount not to exceed UAH 800,000,000 (including any refinancings thereof), in each case as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time (subject in each case to the limitations on aggregate principal amount of each such facility (including any replacements or refinancings thereof) set forth in this definition).

"**Exchanged Credit Facilities Amounts**" means the principal amount of Indebtedness under Existing Credit Facilities that has been exchanged for Notes.

"**Existing Credit Facilities**" means, as amended from time to time on or prior to November 16, 2016 and as in effect on November 17, 2016 (i) $25,605,236.5 facility agreement dated 2 April 2015 between DTEK Holdings Limited (as borrower) and the lenders party thereto; (ii) $375,000,000 facility agreement dated 7 August 2013 between, among others, DTEK Trading S.A (as borrower) and the lenders party thereto; (iii) €416,000,000 facility agreement dated 5 October 2012 between, among others, DTEK Holdings Limited (as borrower) and the lenders party thereto; (iv) €30,000,000 facility agreement dated 30 September 2011 between DTEK Holdings Limited (as borrower) and the lenders party thereto; (v) RUB 10,000,000,000 facility agreement dated 28 September 2011 between, among others, DTEK Holdings Limited (as borrower) and the lenders party thereto; (vi) $100,000,000 facility agreement dated 23 December 2013 between DTEK Trading LLC, DTEK Pavlogradugol PJSC, DTEK Skhidenergo LLC and the lenders party thereto; (vii) UAH 529,375,000 facility agreement dated 29 November 2012 between DTEK Skhidenergo LLC (as borrower) and the lenders party thereto; (viii) ISDA master agreement dated 19 December 2011 between Party A thereunder and DTEK Holdings Ltd as Party B and three cross currency swap transactions thereunder, evidenced separately by a confirmation dated 21 December 2011, a confirmation dated 18 January 2012 and a confirmation dated 31 January 2012 as amended by the Swap Amendment Agreement (as defined in the consent solicitation memorandum dated 17 June 2016) between DTEK Holdings Ltd and Party A thereunder; (ix) €13,845,115 termination agreement dated 2 July 2015 between DTEK Investments Limited (as borrower) and the lenders party thereto; and (x) up to RUB 5,350,000,000 facility agreement (Facility A) dated 7 August 2013 between DTEK Investments Limited (as borrower) and the lenders party thereto.

"**Existing Guarantor Coverage Ratios**" means provisions of the Existing Credit Facilities requiring the provision of guarantees:

(i) to maintain specified guarantor coverage ratios, or

(ii) if any individual Person that is a member of the Group exceeds specified thresholds of revenue, assets or other metrics;

provided, that if any Restricted Subsidiary that is not a Subsidiary Guarantor is required to become a Subsidiary Guarantor under the provisions of Section 4.15 as a result of such Restricted Subsidiary representing greater than five percent (5%) but not greater than ten percent (10%) of the total consolidated assets, proportionate share of total assets or consolidated income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principle referred to in the definition of "Significant Subsidiary", then

(x) each such specified guarantor coverage ratio shall be deemed to be increased in proportion to the proportion of the Parent Guarantor's revenue, assets or other metric that is used for the calculation of such specified guarantor coverage ratio that is represented by such Restricted Subsidiary, and

(y) each such specified threshold shall be deemed to be decreased to one-half of the amount or percentage of such specified threshold.

"**Fair Market Value**" means, with respect to any property, asset or Investment, the fair market value of such property, asset or Investment at the time of the event requiring such determination, as determined in good faith by the senior management of the Parent Guarantor or of the relevant Subsidiary of the Parent Guarantor, as applicable, or, with respect to any property, asset or Investment in excess of $5.0 million (other than cash or Cash Equivalents), as determined in good faith by the Board of Directors of the Parent Guarantor.

"**Indebtedness**" means, without duplication, with respect to any specified Person, any indebtedness of such Person, whether or not contingent (including, without limitation, guarantees):

(1) in respect of moneys borrowed or raised;

(2) evidenced by bonds, notes, debentures, loan stock or similar instruments or letters of credit (or reimbursement agreements in respect thereof), excluding letters of credit or similar instruments supporting (i) trade payables (including any financial liabilities that constitute restructured trade payables) or (ii) obligations funding the acquisition of equipment or other tangible assets, in each case in the ordinary course of business that are not overdue by 45 days or more or are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted;

(3) in respect of bankers' acceptances;

(4) in respect of the balance deferred and unpaid of the purchase price of any property, except any such balance that constitutes an accrued expense or trade payable (including any financial liabilities that constitute restructured trade payables);

(5) representing Capital Lease Obligations or Attributable Indebtedness;

(6) representing net obligations under Hedging Obligations (the amounts of any such obligations to be equal at any time to the termination value of such agreement or arrangement giving rise to such obligation that would be payable by such Person at such time);

(7) all Disqualified Stock of such Person valued at the greater of its voluntary maximum fixed repurchase price and involuntary maximum fixed repurchase price but excluding accrued dividends; and

(8) Preferred Stock of any Subsidiary of the Parent Guarantor, excluding accrued dividends;

if and to the extent any of the preceding items (other than letters of credit, Attributable Debt and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with IFRS and, in addition, the term "Indebtedness" of a specified Person includes all indebtedness of any other Person secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, any guarantee by the specified Person of any Indebtedness of any other Person, and the amount of any Indebtedness outstanding as of any date shall be the accreted value thereof, in the case of any Indebtedness issued with original issue discount and the principal amount thereof, in the case of any other Indebtedness; provided that for the avoidance of doubt the term "Indebtedness" does not include trade payables, current liabilities (other than short-term debt and the current portion of long-term debt), retirement benefit obligations or investment obligations pursuant to concession or long-term lease agreements entered into with respect to assets leased by the Group from the Ukrainian government.

"**Maturity Date**" means December 31, 2024.

"**Parent Guarantor**" means DTEK Energy B.V., a company organized under the laws of The Netherlands.

"**Permitted Business**" means any business which is the same as any of the following businesses of the Parent Guarantor and Restricted Subsidiaries on the Issue Date: (i) coal mining and related coal exploration and development, (ii) heat and power generation, (iii) electricity transmission and distribution and (iv) any business related, ancillary or complementary to the foregoing.

"**Permitted Carry Forward Amounts**" for any fiscal year means the lesser of (x) the Business Plan Capital Expenditure for the immediately preceding fiscal year less the actual Capital Expenditure incurred in the immediately preceding fiscal year (other than any Additional Regulatory

Capital Expenditure and any Consent Capital Expenditure) and (y) the amount of Permitted Carry Forward Capital Expenditure indicated below in UAH equivalent based on the average exchange rate for such fiscal year calculated using daily official exchange rates of the National Bank of Ukraine during that fiscal year (with such splits of UAH and USD being indicative).

For the fiscal year ending	Permitted Carry Forward Capital Expenditure
December 31, 2017	UAH 1,036.6 million, plus USD 37.4 million
December 31, 2018	UAH 1,655.3 million, plus USD 58.5 million
December 31, 2019	UAH 994.6 million, plus USD 34.8 million
December 31, 2020	UAH 949.0 million, plus USD 32.9 million
December 31, 2021	UAH 619.6 million, plus USD 21.3 million
December 31, 2022	UAH 820.6 million, plus USD 27.5 million
December 31, 2023	UAH 920.3 million, plus USD 30.0 million
December 31, 2024	UAH 1,030.9 million, plus USD 32.7 million

"**Permitted Investments**" means:

(1) any Investment in the Parent Guarantor or in a Restricted Subsidiary (including in any Equity Interests of a Restricted Subsidiary);

(2) any Investment in cash or in Cash Equivalents;

(3) any Investment by the Parent Guarantor or a Restricted Subsidiary in a Person if as a result of such Investment such Person becomes a Restricted Subsidiary or such Person, in one transaction or a series of substantially concurrent related transactions, is merged, consolidated or amalgamated with or into, transfers or conveys substantially all of its assets to, or is liquidated into, the Parent Guarantor or a Restricted Subsidiary;

(4) Investments in stock, obligations or securities received in settlement of debts created in the ordinary course of business and owing to the Parent Guarantor or any Restricted Subsidiary or in satisfaction of judgments or administrative or tribunal decisions or pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of a debtor;

(5) Investments in receivables owing to the Parent Guarantor or any Restricted Subsidiary, if created or acquired in the ordinary course of business;

(6) Investments represented by Hedging Obligations that are incurred for the purpose of fixing, hedging, swapping or managing interest rate, commodity price or foreign currency exchange rate risk, and not for speculative purposes;

(7) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made in compliance with Section 4.07;

(8) any purchases or repurchases of Notes;

(9) advances, loans or extensions of credit to suppliers in the ordinary course of business;

(10) Investments received in satisfaction of judgments;

(11) extensions of credit in the nature of accounts receivable or notes receivable arising in the sale or lease of goods in the ordinary course of business;

(12) any guarantee of Indebtedness permitted to be incurred by Section 4.05; and

(13) any Investment or cash payment in an amount not to exceed $4.0 million in the aggregate in any calendar month (when taken together with all other Investments made pursuant to this clause (13) in such calendar month); and

(14) Investments acquired after the Issue Date as a result of the acquisition by the Parent Guarantor or any Restricted Subsidiary of another Person, including by way of a merger, amalgamation or consolidation with or into any member of the Group in a transaction that is not prohibited by Article 5 after the Issue Date; *provided* that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation.

"**Permitted Lien**" means:

(1) any Lien in respect of Indebtedness created by a Person prior to it becoming a Subsidiary of the Parent Guarantor or a Restricted Subsidiary, provided that such Lien was not created in contemplation thereof or in connection therewith;

(2) any Lien on property (including Capital Stock) existing at the time of acquisition of such property by the Parent Guarantor or any Restricted Subsidiary, provided that such Lien was not created in contemplation of such acquisition or in connection therewith;

(3) any Lien in favor of the Parent Guarantor or any Restricted Subsidiary;

(4) any Lien created to secure liabilities under letters of credit or bank guarantees issued in connection with the acquisition and disposal of inventory, stock in trade, goods, services and other current assets (and, in each case, the proceeds thereof) in the ordinary course of business;

(5) any Lien in respect of Hedging Obligations that are incurred under clause (5) of the second paragraph of Section 4.05 for the purpose of fixing, hedging or swapping interest rate, commodity price or foreign currency exchange rate risk, and not for speculative purposes, and that do not increase the Indebtedness of the obligor outstanding at any time other than as a result of fluctuations in interest rates, commodity prices or foreign currency exchange rates or by reason of fees, indemnities and compensation payable thereunder;

(6) any Lien arising in the ordinary course of banking transactions (including, without limitation, sale and repurchase transactions and share, loan and bond lending transactions), *provided* that the Lien is limited to the assets which are the subject of the relevant transaction, and any netting or set-off arrangements entered into by the Parent Guarantor or any Restricted Subsidiary for the purpose of netting debit and credit balances;

(7) any Lien in existence on the Issue Date;

(8) judgment or attachment liens against the Parent Guarantor or any Restricted Subsidiary not giving rise to an Event of Default;

(9) any Lien securing Permitted Refinancing Indebtedness, *provided* such Lien shall be limited to (a) all or part of the same property and assets that secured the Indebtedness being refinanced or (b) property and assets having an aggregate book value less than or equal to the property and assets which originally secured the Indebtedness being refinanced;

(10) any Lien for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; provided that any reserve or other appropriate provision as is required in conformity with IFRS has been made therefor;

(11) any Lien imposed by law, such as carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business;

(12) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(13) any Lien on insurance policies and proceeds thereof, or other deposits, to secure insurance premium financings;

(14) any Lien on cash, Cash Equivalents or other property or assets used to defease or to satisfy and discharge Indebtedness; provided that such defeasance or satisfaction and discharge is not prohibited by this Indenture;

(15) any Lien to secure the performance of statutory obligations, insurance, surety or appeal bonds, workers compensation obligations, performance bonds or other obligations of a like nature incurred in the ordinary course of business (including Liens to secure letters of credit issued to assure payment of such obligations);

(16) any encumbrance or restriction with respect to Capital Stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

(17) any extension, renewal or replacement in whole or in part of any Lien referred to in the foregoing paragraphs (1) through (16), inclusive, provided, however, that (i) the principal amount of Indebtedness secured thereby shall not exceed the principal amount of Indebtedness so secured at the time immediately preceding the time of such extension, renewal or replacement, and (ii) such extension, renewal or replacement shall be limited to all or a part of the assets which were covered by the Lien so extended, renewed or replaced;

(18) any Lien securing Indebtedness under clauses (10) or (11) of the second paragraph of Section 4.05; *provided* that, the aggregate book value of the assets (as reflected in the audited consolidated balance sheet for the Parent Guarantor as of the end of the most recent fiscal year or, if any such assets have been acquired since the date of such balance sheet, the cost of such acquired assets) subject to Liens incurred or existing pursuant to this clause (18) does not in the aggregate exceed 200.0% of the aggregate principal amount of Indebtedness secured by such Liens; and

(19) any Lien securing Indebtedness under clause (9) of the second paragraph of Section 4.05.

"**Permitted Refinancing Indebtedness**" means any Indebtedness of the Parent Guarantor or any Restricted Subsidiary issued in exchange for, or the net proceeds of which are used to renew, refund, extend, refinance, replace, defease or discharge other Indebtedness of the Parent Guarantor or any of its Subsidiaries (other than intercompany Indebtedness); provided that:

(1) the principal amount (or accreted value) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness extended, refinanced, renewed, replaced, defeased, refunded or discharged (plus all accrued interest on the Indebtedness and the amount of all expenses and premiums incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has (a) a final maturity date equal to or later than (i) the final maturity date of the Indebtedness being extended, refinanced, renewed, replaced, defeased, refunded or discharged or (ii) 91 days after the maturity date of the Notes and (b) a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being extended, refinanced, renewed, replaced, defeased, refunded or discharged;

(3) if the Indebtedness being extended, refinanced, renewed, replaced, defeased, refunded or discharged is subordinated in right of payment to the Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Notes on terms at least as favorable to the holders of Notes as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; and

(4) if the Indebtedness being extended, refinanced, renewed, replaced, defeased, refunded or discharged is Indebtedness of the Issuer or a Guarantor, such Permitted Refinancing Indebtedness is incurred only by the Issuer or a Guarantor.

"**Restricted Payment Conditions**" means, at the time of such Restricted Payment, (a) after giving pro forma effect to such Restricted Payment as if such Restricted Payment had been made at the beginning of the most recently ended LTM Period prior to the date of such Restricted Payment, the Consolidated Leverage Ratio would not be greater than 1.5 to 1.0, (b) after giving pro forma effect to such Restricted Payment, Available Cash would be greater than $110.0 million, (c) (x) the Existing Credit Facilities have been exchanged, or renewed, refunded, refinanced, replaced, defeased or discharged, in full and (y) Restructured Credit Facilities have been repaid (and commitments thereunder terminated, if applicable) in an amount equal to or greater than 50% of the sum of (i) the aggregate principal amount of Indebtedness funded under Restructured Credit Facilities plus (ii) the Exchanged Credit Facilities Amounts and (d) the average trading price of the Notes as quoted by Bloomberg Finance LP has been at least 93.0% of the par value (including, for the avoidance of doubt, capitalized interest) of the Notes on 75% of the 90 calendar days immediately preceding the date of such Restricted Payment.

"**Restructured Credit Facilities**" means any Permitted Refinancing Indebtedness (other than Additional Notes) issued in exchange for, or the net proceeds of which are used to renew, refund, extend, refinance, replace, defease or discharge, the Existing Credit Facilities, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time.

"**Significant Subsidiary**" means any Restricted Subsidiary which meets any of the following conditions:

(1) the Parent Guarantor and the Restricted Subsidiaries' investments in and advances to such Subsidiary exceed five percent (5%) of the total consolidated assets of the Parent Guarantor and the Restricted Subsidiaries as of the end of the most recently completed financial year; or the Parent Guarantor and the Restricted Subsidiaries'

proportionate share of the total assets (after intercompany eliminations) of such Restricted Subsidiary exceeds five percent (5%) of the total consolidated assets of the Parent Guarantor and the Restricted Subsidiaries as of the end of the most recently completed financial year; or

(2) the Parent Guarantor and the Restricted Subsidiaries' equity in the consolidated income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principle of such Restricted Subsidiary exceeds five percent (5%) of such consolidated income of the Parent Guarantor and the Restricted Subsidiaries for the most recently completed financial year.

"**Unrestricted Subsidiary**" means any Subsidiary of the Parent Guarantor and its direct or indirect Subsidiaries that is designated at any time by the Board of Directors of the Parent Guarantor as an Unrestricted Subsidiary, but only if such designation and the related Investment of the Parent Guarantor in such Subsidiary complies with the limitations of Section 4.06, and if:

(1) no Default or Event of Default will have occurred and be continuing or would otherwise result therefrom;

(2) after giving effect to such designation, the Consolidated Leverage Ratio would not be greater than 3.0 to 1.0;

(3) all the Indebtedness of such Subsidiary and its Subsidiaries shall, at the date of designation and at all times thereafter, consist of non-recourse debt to the Parent Guarantor or any Restricted Subsidiary (other than recourse to the Equity Interests of an Unrestricted Subsidiary);

(4) neither such Subsidiary nor any of its Subsidiaries are party to any agreement, contract, arrangement or understanding with the Parent Guarantor, the Issuer or any Restricted Subsidiary unless the terms of any such agreement, contract, arrangement or understanding (a) are no less favorable to the Parent Guarantor or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Parent Guarantor or (b) are (or at the time of entering into the contract, agreement, arrangement, understanding or obligation would have been) otherwise permitted under Section 4.09;

(5) each of such Subsidiary and its Subsidiaries is a Person with respect to which neither the Parent Guarantor nor any Restricted Subsidiary has any direct or indirect obligation (A) to subscribe for additional Equity Interests of such Person or (B) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results;

(6) neither such Subsidiary nor any of its Subsidiaries owns any Equity Interests or Indebtedness of, or has any Investment in or owns or holds any Lien on any property of, the Parent Guarantor or any other Subsidiary of the Parent Guarantor which is not a Subsidiary of the Subsidiary to be so designated or otherwise an Unrestricted Subsidiary; and

(7) such designation is consented to by the Holders of at least 90% of the aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes).

ARTICLE 4
COVENANTS

Section 4.01 *Payment of Notes.*

No later than 10 a.m. (London time) on the Business Day prior to a payment date, the Issuer shall pay or cause to be paid the principal of, interest and premium and Additional Amounts, if any, on the Notes in the manner provided in the Notes. Principal, interest, premium and Additional Amounts, if any, shall be considered paid on the date due if the Principal Paying Agent, receives such payment by such time in the manner provided in the Notes. Principal, premium, if any, Additional Amounts, if any, and interest shall be considered paid on the date due if the Issuer holds, in an account with the Paying Agent, if other than the Issuer or a Subsidiary thereof, by 10 a.m. (London time) on the Business Day prior to the due date, money deposited by the Issuer in immediately available funds and designated for and sufficient to pay all principal, premium, Additional Amounts, if any, and interest then due.

Principal of, interest, premium and Additional Amounts, if any, on Global Notes will be payable at the corporate trust office or agency of the Paying Agent. All payments on the Global Notes will be made by transfer of immediately available funds to an account of the Holder of the Global Notes in accordance with instructions given by that Holder.

Principal of, interest, premium and Additional Amounts, if any, on any Definitive Registered Notes will be payable at the corporate trust office or agency of any Paying Agent in any location required to be maintained for such purposes pursuant to Section 2.03. In addition, interest on Definitive Registered Notes may be paid by check mailed to the person entitled thereto as shown on the Register for such Definitive Registered Notes.

The Issuer shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at the rate equal to 1% per annum in excess of the then applicable interest rate on the Notes to the extent lawful. The Issuer shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest (without regard to any applicable grace period) at the same rate to the extent lawful.

Section 4.02 *Maintenance of Office or Agency.*

The Issuer shall maintain the offices and agencies specified in Section 2.03. The Issuer shall give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Issuer shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the corporate trust office of the Trustee.

The Issuer may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided, however,* that no such designation or rescission shall in any manner relieve the Issuer of its obligation to maintain an office or agency in the Borough of Manhattan, the City of New York, the City of London and Luxembourg for such purposes. The Issuer shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Issuer hereby designates the corporate trust office of the Trustee (the address of which is specified in Section 12.01) as one such office or agency of the Issuer in accordance with Section 2.03.

Section 4.03 *Compliance Certificate.*

(a) The Issuer shall deliver to the Trustee, within 90 days after the end of each fiscal year (without the need for any request by the Trustee), and within 21 days of a request, an Officer's Certificate stating that a review of the activities of the Issuer, the Parent Guarantor and its Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officer with a view to determining whether the Issuer has

kept, observed, performed and fulfilled its obligations under this Indenture, and further stating, as to such Officer signing such certificate, that to the best of his or her knowledge, the Issuer has kept, observed, performed and fulfilled each and every covenant and is not (and has not been since the date of the last such certificate, or if none, since the Issue Date) in Default in the performance or observance of any of the terms, provisions and conditions of this Indenture (or, if a Default or Event of Default shall have occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Issuer is taking or proposes to take with respect thereto) and that to the best of his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of, premium on, if any, interest or Additional Amounts, if any, on, the Notes is prohibited or if such event has occurred, a description of the event and what action the Issuer is taking or proposes to take with respect thereto.

(b) The Issuer shall, so long as any of the Notes are outstanding, deliver to the Trustee, promptly, in any case within 15 days, upon the Issuer becoming aware of any Default or Event of Default, an Officer's Certificate specifying such Default or Event of Default and what action the Issuer is taking or proposes to take with respect thereto.

Section 4.04 *Stay, Extension and Usury Laws*.

Each of the Issuer and the Guarantors covenants (to the extent that it may lawfully do so) that they shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and each of the Issuer and any Guarantor (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it shall not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but shall suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.05 *Limitation on Indebtedness*.

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (individually and collectively, to **"incur"**) any Indebtedness (including Acquired Debt).

Notwithstanding the preceding paragraph, the Parent Guarantor and its Restricted Subsidiaries may incur the following items of Indebtedness (collectively, **"Permitted Indebtedness"):**

(1) Indebtedness of the Parent Guarantor owing to and held by any Restricted Subsidiary and Indebtedness of any Restricted Subsidiary owing to and held by any of the Parent Guarantor or any other Restricted Subsidiary; *provided, however*, that:

(a) in the case of Indebtedness of the Issuer or a Guarantor owing to and held by a non-Guarantor Restricted Subsidiary, such Indebtedness of the Issuer or such Guarantor is expressly subordinated in right of payment (whether at Stated Maturity, acceleration or otherwise) to the prior payment in full in cash of all obligations with respect to the Notes or Notes Guarantees, as applicable; and

(b) (i) any subsequent issuance or transfer of Equity Interests or any other event which results in any such Indebtedness being beneficially held by a Person other than the Parent Guarantor or a Restricted Subsidiary and (ii) any sale or other transfer of any such Indebtedness to a Person other than the Parent Guarantor or a Restricted Subsidiary shall be deemed, in each case, to constitute an incurrence of such Indebtedness by the issuer or borrower thereof which is not permitted under this clause (1);

(2) Indebtedness of the Issuer and the Guarantors represented by the Notes issued on the Issue Date and the Notes Guarantees, respectively;

(3) Indebtedness outstanding on the Issue Date;

(4) Permitted Refinancing Indebtedness incurred in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted under clauses (2), (3), or (4) of this paragraph;

(5) Hedging Obligations that are incurred for the purpose of fixing, hedging, swapping or managing interest rate, commodity price or foreign currency exchange rate risk, and not for speculative purposes not to exceed $75.0 million at any time outstanding;

(6) Indebtedness in respect of workers' compensation claims, self-insurance obligations, bankers' acceptances, performance, surety or appeal bonds or completion guarantees provided in the ordinary course of business and not in connection with the borrowing of money or the obtaining of advances of credit;

(7) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently (except in the case of daylight overdrafts) drawn against insufficient funds; *provided* that such Indebtedness is extinguished within five Business Days of incurrence;

(8) Indebtedness representing the guarantee by the Parent Guarantor or any Restricted Subsidiary of (i) Indebtedness incurred under clauses (10) and (11) of this paragraph, (ii) Indebtedness under Restructured Credit Facilities; *provided* that in the case of this subclause (ii) such guarantee would have been required by the Existing Guarantor Coverage Ratios and (iii) Permitted Refinancing Indebtedness incurred in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge, any Essential Credit Facilities;

(9) (x) Indebtedness in respect of any customary cash management or netting or setting off arrangements in the ordinary course of business and (y) Indebtedness in respect of customary cash pooling arrangements in the ordinary course of business; *provided*, that, in the case of this subclause (y), (i) such Indebtedness is secured over funds deposited with such financial institution by another member of the Group (the "**Depositor**"), and (ii) the Parent Guarantor or Restricted Subsidiary, as the case may be, and the Depositor are co-obligors in respect of such Indebtedness;

(10) Indebtedness not to exceed $100.0 million in the aggregate at any time outstanding; and

(11) Indebtedness with a maturity of less than one year not to exceed (a) $100.0 million in the aggregate at any time outstanding if on the Transaction Date, and after giving effect to the incurrence of such Indebtedness, on a pro forma basis, the Consolidated Leverage Ratio would not be greater than 2.5 to 1.0, or (b) $200.0 million in the aggregate at any time outstanding if on the Transaction Date, and after giving effect to the incurrence of such Indebtedness, on a pro forma basis, the Consolidated Leverage Ratio would not be greater than 2.0 to 1.0.

For purposes of determining compliance with this Section 4.05, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Indebtedness described in clauses (1) through (11) above, the Parent Guarantor will be permitted to classify such item of Indebtedness at the time of its incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this Section 4.05.

Accrual of interest, accrual of dividends, amortization of debt discount, the accretion of accreted value, the payment of interest in the form of additional Indebtedness and the payment of dividends on Preferred Stock or Disqualified Stock in the form of additional shares of Preferred Stock or Disqualified Stock, the obligation to pay a premium in respect of Indebtedness arising in connection with the issuance of a notice of redemption or the making of a mandatory offer to purchase such Indebtedness and the reclassification of preferred stock as Indebtedness due to a change in accounting principles will not be deemed to be an incurrence of Indebtedness for purposes of this Section 4.05.

For purposes of determining compliance with any U.S. dollar denominated restriction on the incurrence of Indebtedness, the U.S. dollar equivalent principal amount of Indebtedness denominated in a currency other than U.S. dollars shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term Indebtedness, or first committed, in the case of revolving credit Indebtedness; *provided* that if such Indebtedness is incurred to refinance other Indebtedness denominated in a currency other than U.S. dollars, and such refinancing would cause the applicable U.S. dollar dominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar dominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced (plus all accrued interest on the Indebtedness being refinanced and the amount of all expenses and premiums incurred in connection therewith), *provided* that if any such Indebtedness denominated in a different currency is subject to a currency agreement (with respect to U.S. dollars) covering principal amounts payable on such Indebtedness, the amount of such Indebtedness expressed in U.S. dollars will be adjusted to take into account the effect of such agreement. The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing. Notwithstanding any other provision of this Section 4.05, other than with respect to Indebtedness under Section 4.05(5) the maximum amount of Indebtedness that the Parent Guarantor or any Restricted Subsidiary may incur pursuant to this Section 4.05 shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

The amount of any Indebtedness outstanding as of any date will be:

(1) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;

(2) the principal amount or liquidation preference of the Indebtedness, in the case of any other Indebtedness;

(3) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

  (a) the Fair Market Value of such assets at the date of determination; and

  (b) the amount of such Indebtedness of the other Person.

For purposes of determining compliance with this Section 4.05, guarantees of, or obligations in respect of letters of credit relating to, Indebtedness that is otherwise included in the determination of a particular amount of Indebtedness shall not be included in the amount of such Indebtedness; *provided* that the incurrence of the Indebtedness represented by such guarantee or letter of credit, as the case may be, was in compliance with this Section 4.05.

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, incur any Indebtedness that is or purports to be by its terms (or by the terms of any agreement governing such Indebtedness) subordinated to any other Indebtedness of the Parent Guarantor or of such Restricted Subsidiary, as the case may be, unless such Indebtedness is also by its terms (or by the terms of any agreement governing such Indebtedness) made expressly subordinate to the Notes or the Notes Guarantee, to the same extent and in the same manner as such Indebtedness is subordinated to such other Indebtedness of the Parent Guarantor or such Restricted Subsidiary, as the case may be. For purposes of the foregoing, no Indebtedness will be deemed to be subordinated in right of payment to any other Indebtedness of the Parent Guarantor or any Restricted Subsidiary solely by virtue of being unsecured or secured by a junior priority lien or by virtue of the fact that the holders of such Indebtedness have entered into intercreditor agreements or other arrangements giving one or more of such holders priority over the other holders in the collateral held by them.

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable for, contingently or otherwise, or permit to exist, any Indebtedness of the Parent Guarantor or any Restricted Subsidiary owing to any direct or indirect shareholder or Affiliate of the Parent Guarantor or any Restricted Subsidiary (other than the Parent Guarantor or any Restricted Subsidiary) other than (i) Indebtedness that (x) is Subordinated Indebtedness and (y) by the terms of the agreement or instrument governing such Indebtedness, (1) does not permit any amortization, redemption or other repayment of principal or any sinking fund payment and (2) does not permit payment of cash interest, cash withholding amounts or other cash gross-ups, or any similar cash amounts, in each case for so long as the Notes are outstanding; (ii) Hedging Obligations; (iii) Indebtedness permitted to be incurred under this Section 4.05 owing to and held by Affiliates of the Parent Guarantor that are commercial banks; and (iv) any Indebtedness representing the balance deferred and unpaid of the purchase price of any property; *provided*, that the transaction or transactions in which the Parent Guarantor or the relevant Restricted Subsidiary purchases such property is on terms that are no less favorable to the Parent Guarantor or the relevant Restricted Subsidiary than those that would have been obtained in a comparable arm's-length transaction by it with a Person that is not an Affiliate of the Parent Guarantor.

Section 4.06 *Limitation on Restricted Payments.*

The Parent Guarantor will not, and will not permit any Restricted Subsidiary, directly or indirectly, to:

(1) declare or pay any dividend or make any other payment or distribution on account of the Parent Guarantor's or any Restricted Subsidiaries' Equity Interests of (including, without limitation, any payment in connection with any merger or consolidation involving the Parent Guarantor or any Restricted Subsidiary) or to the direct or indirect holders of Equity Interests of the Parent Guarantor or any Restricted Subsidiary in their capacity as such, in each case, other than dividends, payments or distributions payable in Equity Interests (other than Disqualified Stock) of the Parent Guarantor or payable to the Parent Guarantor or any Restricted Subsidiary;

(2) purchase, redeem, defease or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Parent Guarantor or any Restricted Subsidiary) any Equity Interests of the Parent Guarantor, any Parent, or any Restricted Subsidiary (other than, in each case, any such Equity Interests owned by the Parent Guarantor or any Restricted Subsidiary);

(3) make any payment on or with respect to, or purchase, redeem, defease, set-off or otherwise acquire or retire for value, any Indebtedness (excluding (x) intercompany Indebtedness between or among the Parent Guarantor and any Restricted Subsidiary or (y) payments, purchases, redemptions, set-off or other acquisition or retirement for value of (i) the Existing Credit Facilities (including any capitalized interest); *provided*, that any such payment, purchase, redemption, defeasance, set-off, acquisition or retirement is made solely for purposes of refinancing such Existing Credit Facilities as Restructured Credit Facilities, (ii) the Restructured Credit Facilities, (iii) the Essential Credit Facilities, (iv) Deleveraging Transaction Indebtedness and (v) Indebtedness under clauses (2), (5), (6), (7), (8), (9), (10) or (11) of the second paragraph of Section 4.05); or

(4) make any Restricted Investment,

(all such payments and other actions set forth in clauses (1) through (4) of this paragraph being collectively referred to as "**Restricted Payments**"), unless, at the time and after giving effect to such Restricted Payment,

(I) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment;

(II) the Restricted Payment Conditions are satisfied; and

(III) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Parent Guarantor and the Restricted Subsidiaries after the Issue Date (excluding Restricted Payments permitted by clauses (2), (3)(ii), (4) and (5) of the second paragraph of this Section 4.06), shall not exceed the sum (the **"Restricted Payments Basket")** (without duplication) of:

(a) 50% of the Consolidated Net Income of the Parent Guarantor for the period (taken as one accounting period) beginning on January 1, 2017 and ending at the end of the Parent Guarantor's then most recently ended fiscal six-month period for which internal financial statements are available prior to the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit);

(b) 100% of the aggregate net cash proceeds (including Cash Equivalents) received by the Parent Guarantor from the issue or sale (other than to a Subsidiary of the Parent Guarantor) of, or from capital contributions with respect to, Equity Interests of the Parent Guarantor (other than Disqualified Stock) after the Issue Date, other than any such proceeds or assets received from a Subsidiary of the Parent Guarantor;

(c) 100% of the aggregate principal amount of Indebtedness (other than Subordinated Indebtedness) of the Parent Guarantor or any Restricted Subsidiary incurred subsequent to the Issue Date (other than to a Subsidiary of the Parent Guarantor) that has been converted or exchanged into Equity Interests (other than Disqualified Stock) of the Parent Guarantor (less the amount of any cash, or other property, distributed by the Parent Guarantor upon such exchange or conversion);

(d) 100% of the aggregate net cash and Cash Equivalents received by the Parent Guarantor or any Restricted Subsidiary since the Issue Date (to the extent not included in Consolidated Net Income) from a Restricted Investment made after the Issue Date (up to the amount of such Restricted Investment), whether through interest payments, principal payments, dividends or other distributions and payments or the sale or other disposition thereof (other than a sale as disposition made to a Subsidiary of the Parent Guarantor);

(e) to the extent that any Restricted Investment that was made after the Issue Date and reduced the Restricted Payments Basket is made in an entity that subsequently becomes a Restricted Subsidiary or is subsequently sold for cash, the amount of such Restricted Investment;

(f) to the extent that any Unrestricted Subsidiary of the Parent Guarantor designated as such after the Issue Date is redesignated as a Restricted Subsidiary after the Issue Date, the lesser of (x) the Fair Market Value of the Parent Guarantor's interest in such Subsidiary as of the date of such redesignation and (y) the aggregate amount of the Restricted Investments in such Subsidiary prior to such redesignation to the extent such investments reduced the Restricted Payments Basket (less any return on such investment received by the Parent Guarantor and/or any Restricted Subsidiaries prior to such redesignation, to the extent such return on investment increased the Restricted Payments Basket); and

(g) 100% of any dividends received in cash by the Parent Guarantor or a Restricted Subsidiary after the Issue Date from an Unrestricted Subsidiary of the Parent Guarantor, to the extent that such dividends were not otherwise included in the Consolidated Net Income of the Parent Guarantor for such period.

The first paragraph of this Section 4.06 will not prohibit:

(1) the payment of any dividend or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or the giving of the redemption notice, as the case may be, if at the date of declaration or notice the dividend or redemption payment would have complied with the provisions of this Indenture;

(2) (x) the redemption, repurchase, retirement or other acquisition for value of any Indebtedness of the Parent Guarantor or any Restricted Subsidiary (a) in exchange for, on a cashless basis, Equity Interests (other than Disqualified Stock) of the Parent Guarantor or from the substantially concurrent contribution to the common equity capital of the Parent Guarantor (*provided* that such increase in equity shall not be taken into account for purposes of clause (III)(b) of the first paragraph of this Section 4.06) or (b) in exchange for, on a cashless basis, Permitted Refinancing Indebtedness which refinances such Indebtedness permitted to be incurred under Section 4.05, or (y) the redemption, repurchase, retirement or other acquisition for value of any Equity Interests of the Parent Guarantor or any Restricted Subsidiary in exchange for, on a cashless basis, Equity Interests (other than Disqualified Stock) of such Person (*provided* that such newly issued equity shall not be taken into account for purposes of clause (III)(b) of the first paragraph of this Section 4.06);

(3) the payment of any dividend (or in the case of a partnership or limited liability company, any similar distribution) by a Restricted Subsidiary (i) to the holders of its Equity Interests on a *pro rata* basis and (ii) as required by Ukrainian law to minority shareholders or the Ukrainian government (represented by any relevant authority or agency);

(4) the repurchase of Equity Interests deemed to occur upon the exercise of stock options to the extent such Equity Interests represent a portion of the exercise price of those stock options;

(5) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Parent Guarantor or any preferred stock of any Restricted Subsidiary issued on or after the Issue Date in accordance with Section 4.05; and

(6) payments of cash, dividends, distributions, advances or other Restricted Payments by the Parent Guarantor or any of its Subsidiaries to allow the payment of cash in lieu of the issuance of fractional shares upon (i) the exercise of options or warrants or (ii) the conversion or exchange of Capital Stock of any such Person.

The amount of all Restricted Payments (other than cash) shall be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be paid, transferred or issued by the Parent Guarantor or such Restricted Subsidiary, as the case may be, pursuant to such Restricted Payment.

Section 4.07 *Limitation on Sales of Assets and Subsidiary Stock.*

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, make any Asset Sale unless:

(1) the Parent Guarantor or such Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value (including as to the value of all non-cash consideration), measured as of the date of the definitive agreement with respect to such Asset Sale, of the assets or Equity Interests issued or sold or otherwise disposed of;

(2) (i) with respect to any Asset Sale involving Equity Interests or other property or assets involving aggregate consideration in excess of $25.0 million, the Parent Guarantor delivers to the Trustee a Director’s Certificate certifying that such Asset Sale complies with clause (1) above and (x) a resolution of the majority of the Disinterested Directors of the Parent Guarantor's board of directors with respect to such Asset Sale resolving that such Asset Sale complies with clause (1) above, (y) if there are no Disinterested Directors of the Parent Guarantor’s board of directors with respect to such Asset Sale or there are insufficient Disinterested Directors of the Parent Guarantor's board of directors with respect to such Asset Sale to form a quorum for passing a resolution as required under the articles of association of the Parent Guarantor, a resolution of the majority of the Disinterested Directors of the Parent Guarantor’s supervisory board with respect to such Asset Sale (or in the event that there is only one such Disinterested Director, by the resolution of such Disinterested Director)

resolving that such Asset Sale complies with (1) above, and (z) if there are no such Disinterested Directors of the Parent Guarantor's supervisory board with respect to such Asset Sale, a written opinion issued by an Independent Appraiser that such Asset Sale complies with (1) above, (ii) with respect to any Asset Sale involving Equity Interests or other property or assets involving aggregate consideration in excess of $50.0 million, the Parent Guarantor delivers to the Trustee a written opinion issued by an Independent Appraiser that such Asset Sale complies with clause (1) above and (iii) with respect to any Asset Sale involving Equity Interests or other property or assets involving aggregate consideration in excess of $100.0 million, the Holders of at least 40% of the aggregate principal amount of the then outstanding Notes (including Additional Notes, if any), voting as a single class, consent to and approve such Asset Sale; and

(3) at least 75% of the consideration thereof received in the Asset Sale by the Parent Guarantor or such Restricted Subsidiary, as the case may be, is in the form of cash or Cash Equivalents. For purposes of this provision, each of the following will be deemed to be cash:

(a) any liabilities, as shown on the Parent Guarantor's most recent consolidated balance sheet, of the Parent Guarantor or any Restricted Subsidiary (other than contingent liabilities and liabilities that are Subordinated Indebtedness) that is assumed by the transferee of any such assets pursuant to a customary novation, set-off or indemnity agreement that releases the Parent Guarantor or such Restricted Subsidiary from or indemnifies against further liability;

(b) any securities, notes or other obligations received by the Parent Guarantor or any such Restricted Subsidiary from such transferee that are contemporaneously, subject to ordinary settlement periods, converted by the Parent Guarantor or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion; and

(c) any Equity Interests or assets of the kind referred to in clause (1) of the next paragraph of this Section 4.07.

Within 180 days after the receipt of any Net Available Cash from an Asset Sale, the Parent Guarantor (or the applicable Restricted Subsidiary, as the case may be) may apply such Net Available Cash to:

(1) invest in properties and assets to replace the properties and assets that were the subject of the Asset Sale or in properties and assets that will be used or are useful in a Permitted Business or in Equity Interests of a Person engaged in a Permitted Business;

(2) make a capital expenditure permitted under Section 4.19;

(3) repay in whole or in part Restructured Credit Facilities or the Essential Credit Facilities;

(4) make an Asset Sale Offer in accordance with the procedures described below; and/or

(5) do any combination of the foregoing clauses.

Pending the final application of any such Net Available Cash, the Parent Guarantor or any Restricted Subsidiary may temporarily reduce revolving credit borrowing or otherwise invest such Net Available Cash in any manner that is not prohibited by the terms of this Indenture.

If any legally binding agreement to invest such Net Available Cash is terminated or the performance of such agreement is delayed for reasons outside the control of the Parent Guarantor or any Restricted Subsidiary, then the Parent Guarantor or relevant Restricted Subsidiary may, within 90 days of such termination or delay or within six months of such Asset Sale, whichever is later, invest such net cash proceeds as provided in the second paragraph of this Section 4.07.

Any Net Available Cash from Asset Sales that is not applied or invested as provided in the preceding paragraph will be deemed to constitute **"Excess Proceeds."** If the aggregate amount of Excess Proceeds exceeds $50.0 million, the Issuer will be required to make an offer (an **"Asset Sale Offer")** to all holders of Notes to purchase, prepay or redeem the maximum principal amount of Notes that may be purchased, prepaid or redeemed out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount thereof plus accrued and unpaid interest to the date of purchase, prepayment or redemption and the amount of all fees and expenses, including premiums incurred in connection therewith, in accordance with the procedures set forth in this Indenture. Upon receiving notice of the Asset Sale Offer, holders may elect to tender their Notes in whole or in part in integral multiples of $1 (*provided* that no Note of less than $2,000 may remain outstanding thereafter), in exchange for cash. To the extent that the aggregate amount of Notes so validly tendered and not properly withdrawn pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Issuer may use any remaining Excess Proceeds for any purpose not prohibited by this Indenture. If the aggregate principal amount of Notes surrendered by holders thereof exceeds the amount of Excess Proceeds, the Trustee shall select the Notes to be purchased on a pro rata basis on the basis of the aggregate principal amount of Notes tendered or required to be prepaid. Upon completion of such Asset Sale Offer, the amount of Excess Proceeds shall be reset at zero.

The Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with this Section 4.07, the Issuer shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under this Section 4.07 by virtue thereof.

Section 4.08 *Limitation on Lines of Business.*

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, engage in any business other than a Permitted Business.

Section 4.09 *Limitation on Affiliate Transactions*.

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, make any payment to, or sell, lease, transfer or otherwise dispose of any of their properties or assets to, or purchase any properties or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Parent Guarantor (each, an **"Affiliate Transaction"**), unless:

(1) such Affiliate Transaction is on terms that are no less favorable to the Parent Guarantor or the relevant Restricted Subsidiary than those that would have been obtained in a comparable arm's-length transaction by it with a Person that is not an Affiliate of the Parent Guarantor; and

(2) with respect to any Affiliate Transaction or series of related Affiliate Transactions by the Parent Guarantor or any Restricted Subsidiary involving aggregate consideration in excess of $25.0 million, the Parent Guarantor delivers to the Trustee a Director's Certificate certifying that such transaction or transactions comply with clause (1) above and (a) a resolution of the majority of the Disinterested Directors of the Parent Guarantor's board of directors with respect to such transaction or transactions resolving that such transaction or transactions comply with clause (1) above, (b) if there are no Disinterested Directors of the Parent Guarantor's board of directors with respect to such transaction or transactions or there are insufficient Disinterested Directors of the Parent Guarantor's board of directors with respect to such transaction or transactions to form a quorum for passing a resolution as required under the articles of association of the Parent Guarantor, a resolution of the majority of the Disinterested Directors of the Parent Guarantor's supervisory board with respect to such transaction or transactions (or in the event that there is only one such Disinterested Director, by the resolution of such Disinterested Director) resolving that such transaction or transactions

comply with clause (1) above, and (c) if there are no Disinterested Directors of the Parent Guarantor's supervisory board with respect to such transaction or transactions, a written opinion issued by an Independent Appraiser that such sale, lease, transfer or other disposal of assets is fair to the Parent Guarantor or the relevant Restricted Subsidiary from financial point of view; and

(3) with respect to any Affiliate Transaction or series of related Affiliate Transactions by the Parent Guarantor or any Restricted Subsidiary involving aggregate consideration in excess of $50.0 million, the Parent Guarantor will deliver to the Trustee a written opinion issued by an Independent Appraiser that such Affiliate Transaction is fair to the Parent Guarantor or the relevant Restricted Subsidiary from a financial point of view; and

(4) with respect to any Affiliate Transaction or series of related Affiliate Transactions by the Parent Guarantor or any Restricted Subsidiary involving aggregate consideration in excess of $100.0 million, Holders of at least 40% of the aggregate principal amount of then outstanding Notes (including without limitation, Additional Notes, if any) voting as a single class, consent to and approve such Affiliate Transaction or series of related Affiliate Transactions.

The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the first paragraph of this Section 4.09:

(1) customary directors' fees, indemnification and similar arrangements (including the payment of directors' and officers' insurance premiums), consulting fees, employee salaries, bonuses, employment agreements and arrangements, compensation or employee benefit arrangements, including stock options or legal fees of officers, directors, employees or consultants of the Parent Guarantor or any Restricted Subsidiary in the ordinary course of business, and payments with respect thereto;

(2) issuances or sales of Equity Interests (other than Disqualified Stock) of the Parent Guarantor;

(3) any transactions between or among the Parent Guarantor and/or the Restricted Subsidiaries;

(4) Restricted Payments that are permitted by Section 4.06 or Permitted Investments;

(5) transactions pursuant to written agreements existing on the Issue Date or any amendment, modification or supplement thereto or replacement thereof, *provided* that following such amendment, modification, supplement or replacement the terms of any such agreement or arrangement so amended, modified, supplemented or replaced are not, taken as a whole, more disadvantageous to the holders of Notes and to the Parent Guarantor and the Restricted Subsidiaries, as applicable, than the original agreement or arrangement as in effect on the Issue Date; and

(6) transactions with customers, clients, suppliers or purchasers or sellers of goods or services, in each case in the ordinary course of business and otherwise in compliance with this Indenture, which are fair to the Parent Guarantor or the relevant Restricted Subsidiary in the reasonable determination of the Board of Directors of the Parent Guarantor or the senior management of the Parent Guarantor or the relevant Restricted Subsidiary, as applicable, or are on terms no less favorable than those that could reasonably have been obtained at such time from an unaffiliated party.

Section 4.10 *Limitations on Activities of the Issuer.*

The Issuer will not engage in any business activity or undertake any other activity or obligations except activities and obligations relating to or required by the issuance of the Notes (including Additional Notes, if any); the issuance of other debt securities on the international capital markets by the Issuer, the Parent Guarantor or any Restricted Subsidiary; the raising of bank financing in the international loan markets by the Issuer, the

Parent Guarantor or any Restricted Subsidiary; and actions incidental thereto, including without limitation lending or otherwise advancing the proceeds thereof to the Parent Guarantor or any Restricted Subsidiary, paying dividends and making other payments to the Parent Guarantor or any Restricted Subsidiary, making payments in respect of the Notes and establishing and maintaining its legal existence and otherwise take actions to comply with the terms of this Indenture.

Section 4.11 *Listing*.

The Issuer will use its reasonable best efforts to effect and, if the Issuer so succeeds, maintain the listing of the Notes on the Global Exchange Market or another international securities exchange for so long as the Notes are outstanding.

Section 4.12 *Limitation on Restrictions on Distributions from Restricted Subsidiaries*.

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or permit to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any such Restricted Subsidiary to:

(1) pay dividends, in cash or otherwise, or make any other distributions on or in respect of its Capital Stock or any other interest or participation in, or measured by, its profits, in each case, to the Parent Guarantor or any Restricted Subsidiary;

(2) pay any Indebtedness owed to the Parent Guarantor or any Restricted Subsidiary;

(3) make loans or advances to the Parent Guarantor or any Restricted Subsidiary; or

(4) transfer any of its properties or assets to the Parent Guarantor or any Restricted Subsidiary.

The provisions referred to in the first paragraph of this Section 4.12 will not apply to:

(1) encumbrances and restrictions imposed by the Notes, this Indenture or any Notes Guarantee;

(2) encumbrances or restrictions contained in any agreement in effect on the Issue Date and any amendments, modifications, restatements, renewals, extensions, supplements, refundings, replacements or refinancings thereof, *provided* that the encumbrances and restrictions in any such amendments, modifications, restatements, renewals, extensions, supplements, refundings, replacements or refinancings are no more restrictive, taken as a whole, than those contained in such agreement as in effect on the Issue Date;

(3) encumbrances and restrictions: (i) that restrict in a customary manner the subletting, assignment or transfer of any properties or assets that are subject to a lease, license, conveyance or other similar agreement to which the Parent Guarantor or any Restricted Subsidiary is a party; and (ii) contained in operating leases for real property and restricting only the transfer of such real property upon the occurrence and during the continuance of a default in the payment of rent;

(4) encumbrances or restrictions contained in any agreement or other instrument of a Person acquired by the Parent Guarantor or any Restricted Subsidiary in effect at the time of such acquisition (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired;

(5) customary encumbrances or restrictions contained in contracts for sales of Capital Stock or assets with respect to the Capital Stock (including distributions in respect thereof) or assets to be sold pursuant to such contract;

(6) Liens permitted to be incurred under the provisions of Section 4.13 that limit the right of the debtor to dispose of the assets subject to such Liens;

(7) encumbrances or restrictions imposed by applicable law or regulation or by governmental licenses, concessions, franchises or permits;

(8) encumbrances or restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;

(9) any encumbrance or restriction arising by reason of customary non-assignment provisions in agreements;

(10) encumbrances and restrictions under agreements governing other Indebtedness permitted to be incurred under Section 4.05 and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements (i) if the restrictions therein are not materially more restrictive, taken as a whole, than those contained in this Indenture, the Notes and the Note Guarantees or (ii) if such encumbrances or restrictions are not materially more disadvantageous to the holders of Notes than is customary in comparable financings (as determined in good faith by the Parent Guarantor) and either (x) the Parent Guarantor determines that such encumbrance or restriction will not materially affect the Parent Guarantor's or the Issuer's ability to make principal or interest payments on the Notes as and when they come due or (y) such encumbrance or restriction applies only if a default occurs in respect of a payment or financial covenant prescribed under the terms of such Indebtedness;

(11) encumbrances or restrictions limiting the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements (including agreements entered into in connection with a Restricted Investment) entered into with the approval of the Parent Guarantor's Board of Directors, which limitation is applicable only to the assets that are the subject of such agreements; and

(12) encumbrances or restrictions contained in any agreement or document related to Permitted Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced.

Section 4.13 *Limitation on Liens*.

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, create or permit to exist any Lien (other than a Permitted Lien) upon the whole or any part of its property, assets or revenues, present or future, to secure payment of any sum due in respect of any Indebtedness of any Person.

Section 4.14 *Limitation on Designation of Unrestricted Subsidiaries*.

The Board of Directors of the Parent Guarantor may designate any Restricted Subsidiary other than the Issuer to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Parent Guarantor and the Restricted Subsidiaries in the Subsidiary so designated will be deemed to be an Investment made as of the time of such designation and will reduce the amount available for Restricted Payments under the first paragraph of Section 4.06 or reduce the amount available for Investments under one or more clauses of the definition of Permitted Investments, as the Parents Guarantor shall determine. That designation will only be permitted if such Investment would be permitted at that time and if such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors of the Parent

Guarantor may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if the redesignation would not cause a Default.

Any designation of a Subsidiary of the Parent Guarantor as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a certified copy of a resolution of the Board of Directors giving effect to such designation and a Directors' Certificate certifying that such designation complied with the preceding conditions and was permitted by Section 4.06.

Section 4.15 *Additional Guarantees*.

If, after the Issue Date, (a) any Restricted Subsidiary that was not a Guarantor on the Issue Date is or becomes a Significant Subsidiary (whether or not such Restricted Subsidiary existed on the Issue Date or was created or acquired thereafter), (b) any Restricted Subsidiary (including any newly formed or newly acquired Restricted Subsidiary (unless, otherwise already a Subsidiary Guarantor)) guarantees or provides surety or credit support in respect of any Indebtedness of the Parent Guarantor or any other Restricted Subsidiary or (c) the Parent Guarantor otherwise elects to cause any Restricted Subsidiary to become a Guarantor, then, in each case, the Parent Guarantor shall cause such Restricted Subsidiary to:

(1) execute and deliver to the Trustee a Notation of Guarantee or Deed of Surety, as applicable, in respect of its Note Guarantee and a supplemental indenture, in each case, as and to the extent required by the Trustee; and

(2) deliver to the Trustee one or more opinions of counsel in form and substance reasonably satisfactory to the Trustee that such supplemental indenture, notation of guarantee and/or deed of surety (a) has been duly authorized, executed and delivered by such Restricted Subsidiary and (b) constitutes a valid and legally binding obligation of such Restricted Subsidiary enforceable in accordance with its terms;

provided, *however*, that (i) the foregoing provisions of this paragraph will not apply to any guarantee or surety given to a bank or trust company organized in Ukraine, any member state of the European Union or any commercial banking institution that is a member of the U.S. Federal Reserve System, (or any branch, subsidiary or Affiliate thereof), in each case, having combined capital and surplus and undivided profits of not less than $500 million, whose indebtedness has a rating, at the time such guarantee was given, of at least A or the equivalent thereof by S&P and at least A2 or the equivalent thereof by Moody's, in connection with the operation of cash management programs established for its benefit or that of the Parent Guarantor or any Restricted Subsidiary and (ii) with respect to the requirements of clause (a) of this paragraph only, the failure by such Restricted Subsidiary to execute and deliver to the Trustee a Notation of Guarantee or Deed of Surety and deliver to the Trustee one or more opinions of counsel shall not be a Default under the Indenture if (a) such Notation of Guarantee or Deed of Surety is executed and delivered and such opinions of counsel are delivered within 90 calendar days of the issuance of the audited consolidated balance sheet and audited consolidated income statements of the Parent Guarantor as of and for the most recent fiscal year, (b) the Parent Guarantor and the Restricted Subsidiaries have used their reasonable best efforts to provide such Notation of Guarantee or Deed of Surety or (c) such Restricted Subsidiary cannot provide a guarantee of the Notes as a result of applicable law, rule or regulation.

The provisions of Sections 10.02 and 10.05 shall apply with respect to the provisions of this Section 4.15.

Any Notes Guarantee by a Restricted Subsidiary shall provide by its terms that it shall be automatically and unconditionally released and discharged in the circumstances set for Section 10.04.

Section 4.16 *Reports to Holders*.

The Parent Guarantor will furnish the Trustee with the following:

(1) within 120 days after the end of each of the Parent Guarantor's fiscal years beginning with the fiscal year ended December 31, 2016, an annual report containing:

(a) information with a level of detail that is substantially comparable in all material respects to the sections in the Offering Memorandum entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," and

(b) the audited consolidated balance sheet of the Parent Guarantor as of the end of the most recent fiscal year and audited consolidated income statements and statements of cash flow of the Parent Guarantor for the most recent two fiscal years, including appropriate footnotes to such financial statements, and the report of the Auditors on the financial statements;

(2) within 90 days following the end of the first half of each fiscal year of the Parent Guarantor beginning with the six-months ended June 30, 2017, half-year financial statements containing the Parent Guarantor's unaudited condensed consolidated balance sheet as of the end of such half-year and unaudited condensed consolidated income statements and statements of cash flow for the most recent half-year and the comparable period in the prior year, together with condensed footnote disclosure (*provided* that if Parent Guarantor provides similar information to its shareholders on a quarterly basis it shall also provide such quarterly information to the Trustee);

(3) within 60 days following the end of each fiscal quarter of the Parent Guarantor, quarterly reports in the form attached to the Indenture as Appendix B *(Form of Quarterly Operational Report)* and Appendix C (*Form of Quarterly Financial Report*);

(4) as soon as practicable after their date of publication, every balance sheet, profit and loss account, report or other notice, statement or circular issued (or which under any legal or contractual obligation should be issued) to the members or holders of debentures or creditors (or any class of them) of the Issuer in their capacity as such at the time of the actual (or legally or contractually required) issue or publication thereof and procure that the same are made available for inspection by Noteholders at the specified offices of the Agents as soon as practicable thereafter;

(5) promptly after the occurrence of any material acquisition, disposition, restructuring affecting the Issuer, Parent Guarantor or any Significant Subsidiary, senior management changes at the Parent Guarantor, incurrence of debt for borrowed money or Equity Offering or change in Auditors, a report containing a description of such event or transaction, including in the case of any such debt incurrence or Equity Offering, an as adjusted or pro forma statement of capitalization giving effect thereto; and

(6) promptly after the making of any Restricted Payment under clause (III) of the first paragraph of Section 4.06, an Officer’s Certificate stating (a)(i) the Consolidated Leverage Ratio after giving pro forma effect to such Restricted Payment as if such Restricted Payment had been made at the beginning of the most recently ended LTM Period prior to the date of such Restricted Payment, and showing in reasonable detail the calculation of the Consolidated Leverage Ratio, including the arithmetic computation of each component of the Consolidated Leverage Ratio, (ii) the amount of Net Available Cash after giving effect to such Restricted Payment, (iii) the aggregate principal amount outstanding under the Restructured Credit Facilities immediately prior to such Restricted Payment and (iv) the average trading price of the Notes as quoted by Bloomberg Finance LP on the 90 calendar days immediately preceding the date of such Restricted Payment and (b) that no Default or Event of Default has occurred and is continuing or occurred as a result of such Restricted Payment..

If the Parent Guarantor has designated any of its Subsidiaries as Unrestricted Subsidiaries and any such Unrestricted Subsidiary or group of Unrestricted Subsidiaries constitute Significant Subsidiaries of the Parent Guarantor, then the annual and half-yearly information required by clauses (1) and (2) of the preceding paragraph of this Section 4.16 shall include in the footnotes thereto, a summary of the financial condition and results of operations of the Parent Guarantor and the Restricted Subsidiaries separate from the financial condition and results of operations of such Unrestricted Subsidiaries of the Parent Guarantor.

In addition, so long as the Notes remain "restricted securities" within the meaning of Rule 501 under the Securities Act and during any period during which the Parent Guarantor is not subject to Section 13 or 15(d) of the U.S. Exchange Act nor exempt therefrom pursuant to Rule 12g3-2(b), the Parent Guarantor shall furnish to the holders of Notes and to prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

All financial statement information required under this Section 4.16 shall be prepared on a consistent basis in accordance with IFRS.

Contemporaneously with the provision of each report discussed above, the Parent Guarantor will also (1) post such report on the Parent Guarantor's website and (2) for so long as the Notes are admitted to trading on the Global Exchange Market and the rules of such exchange so require, make the above information available through the offices of the Paying Agent in the United Kingdom.

Within two Business Days after release of each annual and semi-annual report, the Parent Guarantor will hold a publicly accessible conference call to discuss such reports and the results of operations for the relevant reporting period (including a reasonable time period for questions and answers). Details regarding access to such conference call will be posted at least 48 hours prior to the commencement of such call on the Parent Guarantor's website.

Section 4.17 *Payment of Additional Amounts.*

All payments made by the Issuer or any Guarantor or a successor of any of the foregoing (each, a **"Payor")** under, or with respect to, the Notes or any Notes Guarantee will be made free and clear of and without withholding or deduction for or on account of any present or future tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and other liabilities related thereto) (collectively, **"Taxes")** imposed, levied, collected or assessed by or on behalf of (1) The Netherlands, the Republic of Cyprus, the United Kingdom, Ukraine or any political subdivision or governmental authority thereof or therein having power to tax, (2) any jurisdiction from or through which payment on the Notes or such Notes Guarantee is made by or on behalf of a Payor, or any political subdivision or governmental authority thereof or therein having the power to tax or (3) any other jurisdiction in which a Payor is organized or otherwise resident for tax purposes, or any political or governmental authority thereof or therein having the power to tax (each of clause (1), (2) and (3), a **"Relevant Taxing Jurisdiction"),** unless the withholding or deduction of such Taxes is then required by law or the interpretation or administration thereof.

If any deduction or withholding for, or on account of, any Taxes of any Relevant Taxing Jurisdiction will at any time be required from any payments made with respect to the Notes or the Notes Guarantees, including payments of principal, redemption price, interest or premium, if any, the Payor will pay (together with such payments) such additional amounts (the **"Additional Amounts")** as may be necessary in order that the net amounts received in respect of such payments by each Holder, after such withholding or deduction (including any such deduction or withholding from such Additional Amounts), will not be less than the amounts which would have been received in respect of such payments in the absence of such withholding or deduction; *provided, however,* that no such Additional Amounts will be payable with respect to:

(1) any Taxes that would not have been so imposed but for the existence of any present or former connection between the relevant Holder or beneficial owner (or between a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of power over, such Holder or beneficial owner, if such Holder or beneficial owner is an estate, trust, partnership or corporation) and the Relevant Taxing Jurisdiction (other than the mere receipt of such payment

or the ownership or holding of such Note or enforcement of rights thereunder or under a Notes Guarantee thereof or the receipt of payments in respect thereof);

(2) any estate, inheritance, gift, sales, excise, transfer, personal property tax or similar tax, assessment or governmental charge;

(3) any Taxes payable otherwise than by deduction or withholding from payments on or in respect of any Note or Note Guarantee;

(4) any Taxes which would not have been imposed, payable or due if the Notes were held in definitive registered form **("Definitive Registered Notes")** and the presentation of Definitive Registered Notes for payment had occurred within 30 days after the date such payment was due and payable or was provided for, whichever is later, except for Additional Amounts with respect to Taxes that would have been imposed had the Holder presented the Note for payment within such 30-day period;

(5) any Taxes that are imposed or withheld by reason of the failure of the Holder or beneficial owner of a Note to comply, at the Payor's reasonable request, with certification, information or other reporting requirements concerning the nationality, residence or identity of the Holder or such beneficial owner if such compliance is required or imposed by a statute, treaty or regulation or administrative practice of the taxing jurisdiction as a precondition to exemption from all or part of such Tax;

(6) any taxes withheld, deducted or imposed on a payment to an individual and required to be made pursuant to the European Council Directive 2003/48/EC (the **"EU Savings Tax Directive"**) or any other directive implementing the conclusions of ECOFIN Council Meeting of 26 and 27 November 2000, or any law implementing or complying with, or introduced to conform to, such directive (including any successor provision);

(7) any Taxes which could have been avoided by the presentation (where presentation is required) of the relevant Note to another Paying Agent in a member state of the European Union;

(8) any taxes withheld or deducted pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code (or any amended or successor version of such Sections), any U.S. Treasury regulations promulgated thereunder, any official interpretations thereof or any agreements entered into in connection with the implementation thereof; or

(9) any combination of the above.

Also, such Additional Amounts will not be payable with respect to any payment of principal of (or premium, if any, on) or interest on such Note to any Holder who is a fiduciary or partnership or any person other than the sole beneficial owner of such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner of such payment would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the actual Holder of such Note.

The Payor will (1) make any required withholding or deduction and (2) remit the full amount deducted or withheld to the Relevant Taxing Jurisdiction in accordance with applicable law. The Payor will use all reasonable efforts to obtain certified copies of tax receipts evidencing the payment of any Taxes so deducted or withheld from each Relevant Taxing Jurisdiction imposing such Taxes and will provide such certified copies to the Trustee. The Payor will attach to each certified copy a certificate stating (x) that the amount of withholding Taxes evidenced by the certified copy was paid in connection with payments in respect of the principal amount of Notes then outstanding and (y) the amount of such withholding Taxes paid per $1,000 principal amount of the Notes. Copies of such documentation will be available for inspection during ordinary business hours at the office

of the Trustee by the holders of Notes upon request and will be made available at the offices of the Paying Agent located in the United Kingdom.

If the Payor conducts business in any jurisdiction (an **"Additional Taxing Jurisdiction"**) other than a Relevant Taxing Jurisdiction and, as a result, is required by the law of such Additional Taxing Jurisdiction to deduct or withhold any amount on account of taxes imposed by such Additional Taxing Jurisdiction from payments under the Notes or any Notes Guarantee thereof, as the case may be, which would not have been required to be so deducted or withheld but for such conduct of business in such Additional Taxing Jurisdiction, the Additional Amounts provision described above shall be considered to apply to such holders as if references in such provision to **"Taxes"** included taxes imposed by way of deduction or withholding by any such Additional Taxing Jurisdiction (or any political subdivision thereof or taxing authority therein).

At least 30 days prior to each date on which any payment under or with respect to the Notes or any Notes Guarantee thereof is due and payable (unless such obligation to pay Additional Amounts arises before or after the 30th day prior to such date, in which case it shall be promptly thereafter), if the Payor will be obligated to pay Additional Amounts with respect to such payment, the Payor will deliver to the Trustee a Director's Certificate stating the fact that such Additional Amounts will be payable, the amounts so payable and will set forth such other information necessary to enable the Paying Agents to pay such Additional Amounts to holders of Notes on the payment date. Each such Director's Certificate shall be relied upon by the Trustee without further enquiry until receipt of a further Director's Certificate addressing such matters. The Issuer will provide the Trustee with documentation reasonably satisfactory to the Trustee evidencing the payment of Additional Amounts. The Issuer will promptly publish a notice in accordance with the procedures set forth in Section 12.01 stating that such Additional Amounts will be payable and describing the obligation to pay such amount.

The Payor will pay any stamp, issue, registration, documentary, value added, excise, property or other similar taxes and other duties (including interest and penalties) imposed by a Relevant Taxing Jurisdiction that are payable in respect of the creation, issue, offering, execution or enforcement of the Notes, or any documentation with respect thereto or the receipt of any payments with respect to the Notes or any Notes Guarantee thereof (limited, in the case of any such Taxes in respect of the receipt of any payments with respect to the Notes or any Note Guarantee, to Taxes not excluded under clauses (1) through (2) or (4) through (8) above).

The foregoing obligations will survive any termination, defeasance or discharge of this Indenture and will apply *mutatis mutandis* to any jurisdiction in which any (1) successor Person to a Payor is organized or (2) Subsidiary of the Parent Guarantor which becomes a Subsidiary Guarantor after the Issue Date is organized or, in each case, any political subdivision or taxing authority or agency thereof or therein.

Whenever in this Indenture there is mentioned, in any context, (1) the payment of principal, premium, if any, or interest, (2) redemption prices or purchase prices in connection with the redemption or purchase of Notes or (3) any other amount payable under or with respect to any Note or Notes Guarantee thereof, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof:

Section 4.18 *Change of Control.*

If a Change of Control occurs, each Holder will have the right to require the Issuer to repurchase all or any part of such Holder's Notes (in principal amount equal to $200,000 or an integral multiples of $1,000 in excess thereof) at a purchase price in cash equal to 101% of the principal amount of the Notes plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Within 30 days following any Change of Control, the Issuer will mail a notice (the **"Change of Control Offer"**) to each holder with a copy to the Trustee stating:

(1) that a Change of Control has occurred and that such Holder has the right to require the Issuer to purchase such Holder's Notes at a purchase price in cash equal to 101% of the principal

amount thereof plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of holders of record on a record date to receive interest on the relevant interest payment date) (the **"Change of Control Payment");**

(2) the repurchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed) (the **"Change of Control Payment Date");** and

(3) procedures determined by the Issuer, consistent with this Indenture, that a Holder must follow in order to have its Notes repurchased.

On the Change of Control Payment Date, the Issuer will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes (in principal amount equal to $200,000 or integral multiples of $1,000 in excess thereof) properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions thereof so tendered; and

(3) deliver or cause to be delivered to the Trustee the Notes so accepted together with a Director's Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Issuer.

The Paying Agent will promptly pay to each Holder of Notes properly tendered and not withdrawn the Change of Control Payment for such Notes and the Registrar will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any. The Issuer will either publicly announce, or mail a notice to each holder (with a copy to the Trustee) confirming, the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment
Date.

If the Change of Control Payment Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest will be payable to holders who tender pursuant to the Change of Control Offer.

The Change of Control provisions of this Section 4.18 will be applicable whether or not any other provisions of this Indenture are applicable.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) notice of redemption has been given pursuant to Section 3.07 unless and until there is a default in payment of the applicable redemption price.

The Issuer will comply, to the extent applicable, with the requirements of Section 14(e) of the U.S. Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this Section 4.18. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this Indenture, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations described in this Indenture by virtue thereof.

The Issuer will publish notices relating to the Change of Control Offer in accordance with Section 11.01.

Section 4.19 *Restrictions on Capital Expenditure*.

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, incur any Capital Expenditures other than:

(a) Business Plan Capital Expenditure;

(b) Additional Regulatory Capital Expenditure;

(c) (i) any Permitted Carry Forward Amounts for the fiscal year in which such Capital Expenditure is incurred and (ii) any unused Permitted Carry Forward Amounts for the immediately preceding fiscal year; and

(d) any Consent Capital Expenditure.

Section 4.20 *Restrictions on Location of Available Cash and Cash Pooling*.

The Parent Guarantor shall ensure, and shall procure that each Restricted Subsidiary shall ensure, that at all times at least 20% of Available Cash shall be deposited in one or more accounts, with commercial banks that are not Affiliates of the Parent Guarantor, outside of Ukraine; *provided*, that the Parent Guarantor shall use its commercially reasonable efforts to make such deposits or to cause such deposits to be made with commercial banks that have one of the three highest rating categories obtainable from Moody's, Fitch or S&P.

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into or maintain any arrangements with any Affiliate of the Parent Guarantor in respect of cash pooling unless each Group member party to such cash pooling arrangements incurs Indebtedness under clause (9) of the second paragraph of Section 4.05 in connection with such arrangements.

APPENDIX 3

FORM OF QUARTERLY OPERATIONAL REPORT

DTEK quarterly operational reporting

	Units	Period name [ ] Total	Previous period name [ ] Total	Movement
Coal Mining				
Run of mine less consumed on site	kT	-	-	-
Raw coal sales to DTEK	kT	-	-	-
Movement in raw coal stocks at mine	kT	-	-	-
Raw coal sent to processing plants	kT	-	-	-
Coal concentrate produced	kT	-	-	-
Movement in concentrate stocks	kT	-	-	-
Coal concentrate sales	**kT**	-	-	-
Coal concentrate recovery percentage	**%**	-	-	-
Coal concentrate Sales				
DTEK sales	kT	-	-	-
Ukrainian 3rd party sales	kT	-	-	-
SCM sales	kT	-	-	-
Export sales	kT	-	-	-
Total coal concentrate sales	kT	-	-	-
Coal imports	KT	-	-	-
Coal stocks at power plants as of the end of the reporting period	KT	-	-	-
Generation				
Electricity output TPPs (excluding Kyivenergo & ATO)	mln kWH	-	-	-
Electtricity for export	mln kWH	-	-	-
Average tariff, accrual method (excluding Kyivenergo & Zuivska)	UAH/ kWH	-	-	-
Pow er generation paid in line w ith contract for electricity supplied during period	%	-	-	-
Heat generation (Kyivenergo)	kGcal	-	-	-
Distribution				
Electicity purchased from pool*	mln kWH	-	-	-
Electrictiy transmission - Household*	mln kWH	-	-	-
Electrictiy transmission - Corporate*	mln kWH	-	-	-
Average tariff received*	UAH/ kWH	-	-	-
Supply paid in line w ith contract*	%	-	-	-

* - excluding non controlled territory

SCHEDULE 7

DESCRIPTION OF THE NOTES

DESCRIPTION OF THE NOTES

The Issuer will issue the notes (the "**Notes**") under an indenture (the "**Indenture**") to be dated as of January [•], 2017 (the "**Issue Date**"), among the Issuer, the Parent Guarantor, the Subsidiary Guarantors (other than the Initial Ukrainian Sureties) and GLAS Trust Corporation Limited, as trustee (the "**Trustee**," which expression will include all Persons for the time being the Trustee or Trustees under the Indenture) and security agent (the "**Security Agent**," which expression will include all Persons for the time being the Security Agent or Security Agents under the Indenture) for the holders of Notes, in a private transaction that is not otherwise subject to the registration requirements of the Securities Act (as defined herein). The Indenture will not be qualified under, incorporate or include terms of, or be subject to any of the provisions of the U.S. Trust Indenture Act of 1939, as amended. For definitions of certain capitalized terms used in the following summary, please see the section entitled "— Certain Definitions" below.

Copies of the Indenture are available upon request to the Issuer at its registered office and, for so long as the Notes are listed on the Global Exchange Market of the Irish Stock Exchange and the rules of that exchange so require, at the office of the listing agent in the United Kingdom. The following is a summary of the material provisions of the Indenture and is subject, and is qualified in its entirety by reference, to all of the provisions of the Notes, the Indenture, the Notes Guarantees (including the Deeds of Surety) and the Security Documents, including the definitions of certain terms contained therein.

For purposes of this description, references to:

- the "**Issuer**" refers to DTEK Finance PLC, a company organized under the laws of England and Wales;
- the "**Parent Guarantor**" refers to DTEK Energy B.V., a company incorporated under the laws of The Netherlands;
- the "**Subsidiary Guarantors**" refers to each Restricted Subsidiary that either guarantees the Notes pursuant to a guarantee under the Indenture (each, a "**Guarantee**") or provides a deed of surety in respect of the Notes in accordance with the terms of the Indenture (each, a "**Deed of Surety**," and collectively, the "**Notes Guarantees**");
- the "**Guarantors**" refers collectively to the Parent Guarantor and the Subsidiary Guarantors; and
- the "**Group**" refers to the Parent Guarantor and its Subsidiaries.

General

The Notes will be issued in registered form and will:

- be general obligations of the Issuer;
- rank equally in right of payment with any existing and future Indebtedness of the Issuer that is not subordinated to the Notes;

- rank senior in right of payment to any existing and future subordinated obligations of the Issuer;

- be guaranteed by each of the Guarantors, as described below under the section entitled "—Guarantees;"

- be effectively subordinated to any existing and future Indebtedness of the Issuer that is secured by property or assets, to the extent of the value of the property and assets securing such Indebtedness; and be structurally subordinated to all liabilities (including trade payables) and preferred stock of any subsidiary of the Parent Guarantor that does not provide a Note Guarantee in respect of the Notes;

- be secured by the Collateral as described under "—Security."

The Notes Guarantees will:

- be a general obligation of such Guarantor;

- rank equally in right of payment with all existing and future Indebtedness of such Guarantor that is not subordinated to such Guarantor's Notes Guarantee;

- rank senior in right of payment to any existing and future subordinated obligations of such Guarantor; and

- be effectively subordinated to any existing and future Indebtedness of such Guarantor that is secured by property or assets, to the extent of the value of the property and assets securing such Indebtedness.

As of the Issue Date, all of the Parent Guarantor's Subsidiaries will be Restricted Subsidiaries. However, under the circumstances described below under the caption "—Certain Covenants—Limitation on Designation of Unrestricted Subsidiaries", the Parent Guarantor will be permitted to designate certain of its Subsidiaries as Unrestricted Subsidiaries. Unrestricted Subsidiaries will not be subject to any of the restrictive covenants in the Indenture. Unrestricted Subsidiaries will not guarantee the Notes or provide surety in respect thereof.

The registered Holder of a Note will be treated as the owner of it for all purposes. Only registered holders will have rights under the Indenture.

Application will be made to have the Notes admitted to trading on the Global Exchange Market of the Irish Stock Exchange.

Principal, Maturity and Interest

The Issuer will issue $[•] in aggregate principal amount of Notes in this offering. The Issuer may issue additional Notes ("**Additional Notes**") under the Indenture from time to time after the offering. Any issuance of Additional Notes is subject to all of the covenants in the Indenture, including the covenant described below under the caption "—Certain Covenants—Limitation on Indebtedness." The Notes and any Additional Notes subsequently issued under the Indenture will be treated as a single class for all purposes under the Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase; *provided*,

however, that unless such Additional Notes are issued under a separate CUSIP and/or ISIN, such Additional Notes are treated as fungible with the Notes for U.S. federal income tax purposes. For the avoidance of doubt, Additional Notes issued as PIK Interest (as defined below) will have identical terms to the originally issued Notes except interest on such Additional Notes issued in payment of PIK Interest will begin to accrue from the date they are issued rather than [•][1].

Notes issued hereunder in reliance on Section 3(a)(10) under the Securities Act will be represented by one or more unrestricted permanent global notes (the "**Global Notes**") which will be deposited with, or on behalf of, the Common Depositary for Euroclear and Clearstream. Record ownership of the Global Notes may be transferred, in whole or in part, only to another nominee of the Common Depositary or to a successor of Common Depositary or its nominee. Investors who hold beneficial interests in the Global Notes may hold such interests only directly through Euroclear and Clearstream, if they are participants in these systems, or indirectly through organizations that are participants in these systems.

The Notes will mature on December 31, 2024 (the "**Maturity Date**"). Interest on the Notes will accrue from [•][2] at the rate of 10.75% per annum and will be payable in the form of cash ("**Cash Interest**") or, at the Issuer's option, in the form of Additional Notes ("**PIK Interest**"). Interest will be payable as Cash Interest or PIK Interest quarterly in arrear on every January 1, April 1, July 1 and October 1 to those persons who were holders of record on every December 15, March 15, June 15 and September 15, as applicable, immediately preceding the applicable interest payment date; provided that the minimum amount of Cash Interest that will be payable will be as follows:

Period	Cash Interest
From the Issue Date until December 31, 2018	5.5% per annum
From January 1, 2019 until December 31, 2019	6.5% per annum
From January 1, 2020 until December 31, 2020	7.5% per annum
From January 1, 2021 until December 31, 2021	8.5% per annum
From January 1, 2022 until December 31, 2023	9.5% per annum
From January 1, 2024 until December 31, 2024	10.75% per annum

Interest on overdue principal and interest will accrue at a rate that is 1% higher than the then applicable interest rate on the Notes. Interest on the Notes will accrue from [•][3] or, if interest has already been paid, from the date it was most recently paid. Interest on the Notes will be computed on the 360-day year comprised of twelve 30-day months.

In making payments of PIK Interest, at the Issuer's option, the Issuer may issue Additional Notes having an aggregate principal amount equal to the amount of PIK Interest then due and owing as follows:

[1] Interest will accrue from the date the Scheme is sanctioned.

[2] Interest will accrue from the date the Scheme is sanctioned.

[3] Interest will accrue from the date the Scheme is sanctioned.

(a) with respect to Notes represented by one or more Global Notes, by increasing the principal amount of the outstanding Global Notes, effective as of the applicable interest payment date, by an amount equal to the amount of Additional Notes for the applicable interest period (rounded up to the nearest $1); and

(b) with respect to Notes represented by definitive Notes, by issuing Additional Notes in the form of definitive Notes dated as of the applicable interest payment date, in an aggregate principal amount equal to the amount of PIK Interest for the applicable interest period (rounded up to the nearest $1).

The Issuer may make any payment of interest as PIK Interest (subject to minimum amounts of Cash Interest set forth in the second preceding paragraph); *provided* that the Issuer delivers a notice to the Trustee and each Paying Agent no later than 20 Business Days prior to the commencement of the relevant interest period, which notice states the total amount of interest to be paid on such interest payment date and the amount of such interest to be paid as PIK Interest. The Trustee or the Paying Agent, as the case may be, shall promptly deliver the same notice to the holders of the Notes. Notwithstanding the foregoing, the delivery of such notices shall not restrict the ability of the Issuer to pay, at its option, a greater portion of interest on the Notes with respect to such interest period as Cash Interest.

Principal of, premium, if any, and Cash Interest on the Notes will be payable in immediately available funds, and the Notes will be exchangeable and transferable, at an office or agency of the Issuer or any Paying Agent; *provided*, *however*, that all Cash Interest on any definitive Note may be paid by check mailed to the person entitled thereto as shown on the register for such definitive Note. No service charge will be made for any registration of transfer or exchange or redemption of Notes, but the Issuer may require payment in certain circumstances of a sum sufficient to cover any transfer tax or other similar governmental charge that may be imposed in connection therewith.

Paying Agent and Registrar for the Notes

The Issuer will maintain a Paying Agent for the Notes in the City of London (the "**Paying Agent**"), initially being The Bank of New York Mellon, London Branch.

The Issuer will also maintain one or more registrars (each, a "**Registrar**") with at least one such Registrar having its offices in Luxembourg, and a transfer agent in the City of London (the "**Transfer Agent**") and New York (the "**U.S. Transfer Agent**" and any such transfer agent so appointed, also being referred to as a "**Transfer Agent**"). The initial Registrar will be The Bank of New York Mellon (Luxembourg S.A.). The initial Transfer Agent will be The Bank of New York Mellon, London Branch. The Registrar in Luxembourg and the Transfer Agent in London will maintain a register reflecting ownership of definitive Notes outstanding from time to time and will make payments on and facilitate transfers of definitive Notes on behalf of the Issuer.

The Issuer may change the Paying Agents or Registrar without prior notice to the Trustee or holders of the Notes, and the Parent Guarantor or any of its Subsidiaries may act as paying agent or registrar. For so long as the Notes are listed on the Global Exchange Market of the Irish Stock Exchange and its rules so require, the Issuer will publish a notice of any change of Paying Agent, Registrar or transfer agent in accordance with the provisions set forth under "—Notices."

Guarantees

The Issuer's obligations under the Notes and the Indenture initially will be guaranteed on a senior basis, pursuant to the Notes Guarantees, jointly and severally, by each of:

- the Parent Guarantor; and
- the Initial Subsidiary Guarantors;

and thereafter by each Restricted Subsidiary that is obligated to issue or otherwise issues a Notes Guarantee pursuant to the covenant described below under the section entitled "—Certain Covenants—Additional Guarantees." Each Guarantor will either (a) execute a Guarantee in accordance with the terms of the Indenture, or (b) if the Issuer is so advised in writing by outside counsel to the Issuer that a Deed of Surety is a more appropriate form of credit support due to local law considerations, execute a Deed of Surety in accordance with the terms of the Indenture. Each of the Initial Subsidiary Guarantors and each future Guarantor, in each case, that is organized under the laws of Ukraine will execute a Deed of Surety in accordance with clause (b) above.

Guarantee Limitations

As a general matter, the obligations of each Subsidiary Guarantor under its Notes Guarantee may be contractually limited in the Indenture or the applicable Guarantee or Deed of Surety (1) under relevant laws applicable to such Subsidiary Guarantor (including laws relating to corporate benefit, capital preservation, financial assistance, *ultra vires* activities, fraudulent conveyance and transfers or transactions under value); and (2) to the maximum amount that can be guaranteed under applicable laws, including laws related to fraudulent conveyance, fraudulent transfer, voidable preference, transactions under value or unlawful financial assistance, as applicable.

Ukraine

In particular, the Deeds of Surety to be executed by each Guarantor that is organized under the laws of Ukraine (each such Guarantor, a "**Ukrainian Surety**," and each such Deed of Surety, a "**Ukrainian Deed of Surety**") will be English law-governed deeds of surety. Below is a summary of certain terms and conditions of the Ukrainian Deeds of Surety; the full terms and conditions of the Ukrainian Deeds of Surety are to be contained in an annex to the Indenture. The Ukrainian Sureties will not be parties to the Indenture.

Under the Ukrainian Deeds of Surety, other than as referenced in the following two sentences, each Ukrainian Surety will unconditionally and irrevocably agree on a joint and several basis that if the Issuer or any other Guarantor (including for the avoidance of doubt, any other Ukrainian Surety) does not pay any sum payable by it under the Indenture or the Notes Guarantees (including for the avoidance of doubt, a Deed of Surety) by the time and on the date specified for such payment (whether on the normal due date, on acceleration or otherwise or, in the case of any extension of time of payment or renewal of any Notes, in accordance with the terms of such extension or renewal), it shall, on written demand of the Trustee, pay that sum, as if it were the Issuer or applicable Guarantor, to, or to the order of, the Trustee (or the relevant agent thereof) before the close of business on that date in the city to which payment is so to be made. Notwithstanding the foregoing, none of DTEK Pavlogradugol PrJSC, DTEK Mine Komsomolets Donbassa PrJSC, DTEK Dniproenergo

PJSC, DTEK Zakhidenergo PJSC, Kyivenergo PJSC, DTEK Energougol Ene PJSC, PJSC DTEK Dniprooblenergo or any other Ukrainian Surety which is a private joint stock company or a public joint stock company will agree to pay any sums in relation to obligations of their direct shareholder. DTEK Holdings Ltd., the Parent Guarantor, DTEK Energy LLC and DTEK Pavlogradugol PrJSC are direct shareholders of all or certain of the Ukrainian sureties.

Without affecting the Issuer's or the Guarantors' obligations under the Indenture or Notes Guarantees, each Ukrainian Surety's liability under its Ukrainian Deed of Surety shall not be affected by (1) any time, indulgence, waiver or consent at any time given to the Issuer or any other Person, (2) the making or absence of any demand on the Issuer or the Guarantor or any other Person for payment, (3) the enforcement or absence of enforcement of the Indenture, the Notes or any Notes Guarantee or of any security or other surety or indemnity, (4) the taking, existence or release of any security, surety, indemnity or guarantee, (5) the dissolution, amalgamation, reconstruction or reorganization of the Issuer or any Guarantor or any other Person, (6) any defect in any provision of the Indenture, the Notes or any Notes Guarantee or any of the Issuer's or Guarantors' obligations under any of them, (7) the bankruptcy or the liquidation of, or any analogous proceedings taken against, the Issuer or any Guarantor, (8) any failure of a Ukrainian Surety to obtain an individual license or any other permission issued by the National Bank of Ukraine or its appropriate department permitting the Ukrainian Surety to comply with all payment conditions under the relevant Deed of Surety which otherwise are restricted by Ukrainian law (an "**NBU License**") or, where an NBU License has been obtained, any inability of a Ukrainian Surety to make payments pursuant to such NBU License due to any additional currency controls restrictions then existing, or (9) any stay, extension or usury laws.

As separate, independent and alternative stipulations, the Ukrainian Sureties will unconditionally and irrevocably agree in the Ukrainian Deeds of Surety:

(a) that any sum that, although expressed to be payable by the Issuer or a Guarantor under the Indenture, Notes or a Notes Guarantee, is for any reason (whether or not now existing and whether or not now known or becoming known to the Issuer, any Guarantor, the Trustee or any holder of Notes and whether or not the Issuer or any Surety or other Guarantor has been dissolved, amalgamated, reconstructed or reorganized) not recoverable, or any provision of the Indenture or a Notes Guarantee or any of the Issuers', Sureties' or other Guarantor's obligations under any of them, is illegal, invalid, defective or unenforceable (and irrespective of any bankruptcy or liquidation of, or any analogous proceedings taken against, the Issuer, any Surety or other Guarantor), it shall nevertheless be recoverable from them as if each of them were the sole principal debtor under the Indenture or a Notes Guarantee and shall be paid by them to the Trustee on demand; and

(b) as a primary obligation, on demand, to indemnify the Trustee and each holder, as the case may be, against any loss suffered by any of them as a result of (i) any sum expressed to be payable by the Issuer or a Guarantor under the Indenture or a Notes Guarantee not being paid on the date and otherwise in the manner specified therein or being or becoming not recoverable; (ii) any obligation to pay the same being or becoming void, voidable or unenforceable for any reason (whether or not now existing and whether or not known or becoming known to the Issuer, any Guarantor, the Trustee, or any holder of Notes and whether or not the Issuer or any Surety or other Guarantor has been dissolved, amalgamated, reconstructed or reorganized); or (iii) any provision of the Indenture or a Notes Guarantee or any of the Issuer's, Sureties' or other

Guarantors' obligations under any of them is illegal, invalid, defective or unenforceable (and irrespective of any bankruptcy or liquidation of, or any analogous proceedings taken against, the Issuer, any Surety or other Guarantor), the amount of that loss being the amount expressed to be payable by the Issuer, a Guarantor or relevant Surety, or in respect of the relevant sum.

The Ukrainian Deeds of Surety will also provide that claims by the Trustee against Ukrainian Sureties on behalf of the holders of Notes will be direct claims on such Ukrainian Sureties. However, the obligations of each Ukrainian Surety under the Ukrainian Deeds of Surety will be limited under relevant laws applicable to such Ukrainian Surety.

Cyprus

In addition, the Notes Guarantee to be provided by each of the Guarantors organized under the laws of Cyprus (each, a "**Cypriot Guarantor**") will contain the following limitations:

The obligations and liabilities of each Cypriot Guarantor in respect of its Notes Guarantee shall not include any obligation which if incurred would constitute a violation of the provisions on financial assistance within the meaning of section 53 of the Cyprus Companies Law Cap. 113.

Guarantee validity and fraudulent preference

Pursuant to the Cyprus Contract Law, Cap 149, if it is found that a guarantee was obtained by means of misrepresentation by the creditor, or a misrepresentation which concerns a material part of the transaction and of which the creditor had knowledge and assent, the guarantee may, if proper findings are made by a court, be rendered invalid.

Cyprus Companies Law, Cap 113 will void any payment or disposition, made from or against a company within six months from its winding up, with the intention of giving a creditor or a surety a preference over its other creditors at a time when such company was unable to pay its debts as they fell due.

Switzerland

The Notes Guarantee to be provided by DTEK Trading SA and any additional Guarantor incorporated under the laws of Switzerland (each, a "**Swiss Guarantor**") will contain the following limitations:

(i) If and to the extent that a Swiss Guarantor becomes liable under this Indenture or otherwise in connection with the Notes for obligations of its affiliates (other than its direct or indirect subsidiaries) and if complying with such obligations would constitute a repayment of capital (*Einlagerückgewähr*), a violation of the legally protected reserves (*gesetzlich geschützte Reserven*) or the payment of a (constructive) dividend (*Gewinnausschüttung*) by a Swiss Guarantor or would otherwise be restricted under then applicable Swiss law (the "**Swiss Restricted Obligations**"), the obligations of any Swiss Guarantor in respect of such Swiss Restricted Obligations shall be limited to the amount of unrestricted equity capital (*frei verfügbares Eigenkapital*) in accordance with Swiss law, presently being the total shareholder equity less the total of (i) the aggregate share capital and (ii) statutory reserves (including reserves for own shares and revaluations as well as agio), to the extent such reserves cannot be transferred

into unrestricted, distributable reserves (the "**Swiss Maximum Amount**"). The Swiss Maximum Amount shall be determined on the basis of an audited annual or interim balance sheet of the Swiss Guarantor *provided* that (i) this limitation shall only apply to the extent it is a requirement under applicable Swiss law at the time the Swiss Guarantor is required to perform under the Swiss Restricted Obligations and (ii) such limitation shall not free the Swiss Guarantor from its obligations in excess of the Swiss Maximum Amount, but merely postpone the performance date therefore until such times as performance is again permitted.

(ii) In the event that the Swiss Guarantor is required to make a payment under the Note Guarantee, this Indenture or otherwise in connection with the Notes and such payment is subject to the limitations set out in paragraph (i) above, the maximum amount that any Swiss Guarantor may be required to pay in respect of its obligations as guarantor under this Indenture shall not exceed the Swiss Maximum Amount (less, if a deduction of Swiss withholding tax is required pursuant to clause (iii)(b)(2)).

(iii) In relation to payments made under the Swiss Restricted Obligations, the Swiss Guarantor shall:

(a) ensure that such payment can be made without deduction of Swiss withholding tax by discharging the liability to withhold such Swiss withholding tax by notification pursuant to applicable law rather than payment of the Swiss withholding tax (and the Swiss Guarantor shall promptly deliver to the Trustee a copy of each such notification made);

(b) if such notification procedure does not apply and if and to the extent required by applicable law and subject to any applicable double tax treaties in force at the relevant time:

(1) deduct Swiss withholding tax at the rate of 35 per cent (or such other rate as is in force at that time) from any such payment;

(2) pay any such deduction to the Swiss federal tax administration; and

(3) notify and provide evidence to the Trustee that the Swiss withholding tax has been paid to the Swiss federal tax administration; and

(4) as soon as possible after a deduction for Swiss withholding tax is made, ensure that any person which is entitled to a full or partial refund of the Swiss withholding tax is in a position to be so refunded, request a refund of such Swiss withholding tax under all applicable laws (including any applicable double tax treaties), and in case it has received any refund of the Swiss withholding tax, pay such refund to the Trustee promptly upon receipt thereof.

(iv) Where a deduction for Swiss withholding tax is required to be made pursuant to clause (iii)(b)(2), the Swiss Guarantor shall have no obligation to gross-up in respect of the amount of the Swiss withholding tax. This clause is without

prejudice to the indemnification obligations of any Obligor other than the Swiss Guarantor in respect of any amounts deducted for the account of Swiss withholding tax.

(v) If and to the extent requested by the Trustee, the Swiss Guarantor shall promptly implement all such measures and/or promptly procure the fulfilment of all prerequisites allowing it to promptly make the requested payment(s) from time to time, including the following:

(a) preparation of an audited annual or interim balance sheet of the Swiss Guarantor to the extent required by Swiss corporate law, on the basis of which the Swiss Maximum Amount will be determined;
(b) confirmation of the auditors of the Swiss Guarantor that the relevant requested amount does not exceed the Swiss Maximum Amount;
(c) approval by a shareholders' meeting of the Swiss Guarantor of the distribution of the relevant requested amount (within the limits of the Swiss Maximum Amount);
(d) if the enforcement of obligations of the Swiss Guarantor were limited due to the effects referred to in this clause and to the extent permitted by applicable Swiss law, write up or realize any of its assets that are shown in its balance sheet with a book value that is lower than the market value of the assets (in case of realization, however, only if such assets are not necessary for the Swiss Guarantor's business (*nicht betriebsnotwendige Aktiven*), and/or convert statutory reserves into freely available reserves to the extent such statutory reserves do not need to be maintained by mandatory law; and
(e) all such other measures necessary or useful, and permitted under applicable Swiss laws, to allow the Swiss Guarantor to make prompt payments or perform promptly Swiss Restricted Obligations with a minimum of limitations.

The Netherlands

In relation to any Guarantor incorporated in the Netherlands and any of its subsidiaries, its Guarantee shall be limited to the extent required to comply with restrictions on financial assistance in Section 2:98c of the Dutch Civil Code (*Burgerlijk Wetboek*) or any other applicable law. When used in this paragraph, "subsidiaries" shall have the meaning as provided in Section 2:24a of the Dutch Civil Code (*Burgerlijk Wetboek*).

Exceptions to Requirements to Provide Notes Guarantees

Notwithstanding the foregoing, the Parent Guarantor shall not be obligated to cause a Restricted Subsidiary to provide a Note Guarantee to the extent that such Note Guarantee would reasonably be expected to give rise to or result in:

(1) any violation of applicable law;
(2) any liability for the officers, directors or shareholders of such Restricted Subsidiary; or
(3) any cost, expense, liability or obligation (including with respect to any taxes, duties, levies, assessments or other governmental charges) other

than reasonable out-of-pocket expenses and other than reasonable governmental expenses incurred in connection with any regulatory filings required as a result of, or any measures pursuant to clause (1) undertaken in connection with, such Note Guarantee,

in each case, which cannot be avoided or otherwise prevented through measures reasonably available to the Parent Guarantor or such Restricted Subsidiary.

Guarantee Release

The Notes Guarantee of a Subsidiary Guarantor will be automatically and unconditionally released (and thereupon shall terminate and be discharged and be of no further force and effect):

(1) upon the full and final payment and performance of all obligations of the Issuer under the Indenture and the Notes;

(2) in connection with any sale or other disposition of all or substantially all of the assets of that Subsidiary Guarantor (including by way of merger or consolidation) to a Person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a Restricted Subsidiary, if the sale or other disposition does not violate the "Asset Sale" provisions of the Indenture;

(3) in connection with any sale or other disposition of Equity Interests of that Subsidiary Guarantor held by the Parent Guarantor and/or its Restricted Subsidiaries to a Person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a Restricted Subsidiary, if (x) such sale or other disposition does not violate the covenant described below under "—Limitation on Sales of Assets and Subsidiary Stock" and (y) such Subsidiary Guarantor ceases to be a Restricted Subsidiary of the Parent Guarantor as a result of such sale or other disposition;

(4) if the Parent Guarantor designates such Subsidiary Guarantor to be an Unrestricted Subsidiary in accordance with the applicable provisions of the Indenture as set forth under "—Limitation or Designation of Unrestricted Subsidiaries";

(5) upon legal defeasance, covenant defeasance or satisfaction and discharge of the Notes and the Indenture as set forth under the heading "—Defeasance" or "—Satisfaction and Discharge" below, as applicable; or

(6) in the case of a Notes Guarantee arising as a result of clause (b) of the first paragraph of the covenant described under "—Additional Guarantees," upon the release of the guarantee or security that gave rise to the obligation to provide the Notes Guarantee, so long as no Event of Default would arise as a result and no other Indebtedness of the Issuer, the Parent Guarantor or Subsidiary Guarantor is at that time guaranteed or secured by such Subsidiary Guarantor, or in respect of which such Subsidiary Guarantor has provided a surety, in a manner which would require the granting of a Notes Guarantee.

Upon any occurrence giving rise to a release of a Note Guarantee as specified above, the Trustee will execute any documents reasonably required in order to evidence or effect such release, discharge and termination in respect of such Note Guarantee. Neither the Issuer nor any Guarantor will be required to make a notation on the Notes to reflect any such Note Guarantee or any such release, termination or discharge.

If a Subsidiary Guarantor is released from its obligations under a Notes Guarantee at a time when the Notes are admitted to trading on the Global Exchange Market of the Irish Stock Exchange, and the rules of such stock exchange so require, the Issuer will notify the Irish Stock Exchange of such release.

Security

The obligations of the Issuer under the Notes will be secured on a first priority basis (subject to Permitted Liens) by a Lien on the collateral (the "**Collateral**") which shall initially consist of:

(i) an English law security assignment granted by the Parent Guarantor of all of its rights in respect of the DTEK O&G Receivable to be granted within 90 days of the Issue Date; and

(ii) an English law bank account charge granted by the Parent Guarantor in respect of the monies credited to the DTEK O&G Receivable Account (as defined below).

The proceeds realizable from the Collateral securing the Notes may be insufficient to satisfy the Issuer's obligations under the Notes, and the Collateral securing the Notes may be reduced or diluted under certain circumstances, including the issuance of Additional Notes, subject to the terms of the Indenture. See "—Release of Security."

DTEK O&G Receivable

Within 90 days of the Issue Date, DTEK Oil & Gas B.V. ("**DTEK O&G**") will transfer 25% of the share capital in PJSC Naftogazydobuvannya ("**NGD**") to NGD Holdings B.V. ("**NGD Holdings**"), a Dutch special purpose vehicle wholly-owned by DTEK O&G. The Parent Guarantor has agreed that NGD Holdings shall become a co-obligor under the DTEK O&G Receivable within 90 days of the Issue Date.

The Parent Guarantor as lender and DTEK O&G, as co-obligor, will amend and restate the documentation relating to the DTEK O&G Receivable (the "**Amended and Restated DTEK O&G Receivable Documentation**") by the Issue Date to, among other things, provide for:

(i) an increase of the applicable interest rate by 1% per annum from January 1, 2020 and by an additional 1% per annum from January 1, 2022 until maturity;

(ii) (a) restrictions on disposals of and the granting of any pledges over NGD Holdings' shareholding in NGD or over DTEK O&G's 100% shareholding in NGD Holdings, (b) limitations on incurrence of indebtedness by NGD Holdings (other than in order to repay or refinance the DTEK O&G Receivable in full, (c) restrictions on the issuance of shares and dilution or changes in the share capital of NGD held by NGD Holdings and DTEK O&G, subject to certain exceptions, and (d) restrictions against NGD Holdings entering into any business activity other than to maintain its shareholding in NGD and as otherwise contemplated under the Amended and Restated DTEK O&G Receivable Documentation;

(iii) a covenant whereby the net debt-to-EBITDA leverage ratio of NGD must be less than 2.5x;

(iv) NGD to maintain certain minimum levels of hydrocarbon reserves;

(v) DTEK O&G and NGD Holdings (once a co-obligor under the DTEK O&G Receivable Documentation) to deliver a compliance certificate, on an annual basis within 120 days following each year-end, to the Trustee confirming compliance with clause (ii) above;

(vi) a requirement that any prepayment or repayment of the DTEK O&G Receivable shall be applied to redeem, repurchase, defease, acquire or otherwise reduce the principal amount of the Notes outstanding;

(vii) a provision that (except for amendments required by applicable law or regulation or of a technical nature that do not adversely affect the rights of any holder of the Notes) no waiver, consent, amendment or variation of any provision of the Amended and Restated DTEK O&G Receivable Documentation may be made without the consent of the Trustee (acting on the instructions of the holders of a majority in principal amount of the outstanding Notes); and

(viii) a provision that the Parent Guarantor shall be required to grant a security assignment of all of its rights in respect of the DTEK O&G Receivable for the benefit of the holders of the Notes all of its rights in respect of the Amended and Restated DTEK O&G Receivable Documentation within 90 days of the Issue Date.

Any breach of any undertakings contained in the Amended and Restated DTEK O&G Receivable Documentation from (i) to (iii) and from (v) to (viii) above, will trigger a default under the Amended and Restated DTEK O&G Receivable Documentation (and a cross-default in the Indenture), subject to any applicable grace and cure periods.

The Amended and Restated DTEK O&G Receivable Documentation will contain no provisions requiring or permitting the acceleration or mandatory prepayment of the DTEK O&G Receivable prior to its maturity.

Security assignment over the DTEK O&G Receivable

The Parent Guarantor has agreed to grant a security assignment of all of its rights in respect of the DTEK O&G Receivable for the benefit of the holders of the Notes, on a first priority basis (subject to Permitted Liens) within 90 days of the Issue Date.

Bank account charge

The Parent Guarantor will open an account with the Security Agent (the "**DTEK O&G Receivable Account**") and all amounts payable under the DTEK O&G Receivable shall be deposited and held in the DTEK O&G Receivable Account. As soon as practicable thereafter, the proceeds of prepayment or repayment (including all amounts in the DTEK O&G Receivable Account) shall be applied to redeem, repurchase, defease, acquire or otherwise reduce the principal amount of the Notes outstanding.

The Parent Guarantor has agreed to pledge for the benefit of the holders of the Notes all of its right, title and interest in and to all amounts on deposit in the DTEK O&G Receivable Account at any time, on a first priority basis (subject to Permitted Liens) within 90 days of the Issue Date.

Enforcement of Security

The first-priority Liens (subject to any Permitted Lien) securing the Notes will be granted to the Security Agent. GLAS Trust Corporation Limited will act as the initial Security Agent under the Security Documents entered into on the Issue Date. The Security Agent will hold such Liens over the Collateral granted pursuant to the Security Documents with sole authority as directed by the written instructions of the holders to exercise remedies under the Security Documents. The Security Agent has agreed to act as secured party under the applicable Security Documents on behalf of the Holders, to follow the instructions provided to it under the Indenture and the Security Documents, and to carry out certain other duties. The Trustee will give instructions to the Security Agent by itself or in accordance with instructions it receives from the holders under the Indenture.

The Indenture and/or the Security Documents will principally provide that, at any time while the Notes are outstanding, the Security Agent has the right to perform and enforce the terms of the Security Documents relating to the Collateral and to exercise and enforce all privileges, rights and remedies thereunder according to its direction, including to take or retake control or possession of such Collateral and to hold, prepare for sale, process, lease, dispose of or liquidate such Collateral only following the occurrence of an Event of Default under the Indenture. In no event will the exercise and enforcement of privileges, rights and remedies under the Security Documents relating to the Collateral result in the acceleration of the DTEK O&G Receivable.

All payments received and all amounts held by the Security Agent in respect of the Collateral under the Security Documents will be applied as follows:

first, to the Trustee and the Security Agent, on a *pari passu* basis, to the extent necessary to reimburse the Trustee and the Security Agent, respectively, and their respective agents, delegates and any receivers for any expenses (including properly incurred expenses of their respective counsels) incurred in connection with the collection or distribution of such amounts held or realized or in connection with expenses incurred in enforcing all available remedies under the Security Documents and preserving the Collateral and all amounts for which the Trustee and the Security Agent, respectively, and their respective agents, delegates and any receivers are entitled to indemnification under the Indenture and the Security Documents;

second, to holders of the Notes, if any, that instructed the Trustee to enforce the security interest(s) under the Security Documents or to declare the Notes to be immediately due and payable in accordance with the provisions described under "— Events of Default" in reimbursement, payment or satisfaction of the costs, charges, expenses and liabilities (including, without limitation, any funds deposited with the Trustee) properly incurred in connection with the enforcement of the rights of the holders of the Notes under the Notes and the Security Documents;

third, to the Trustee for the benefit of the holders of the Notes; and

fourth, any surplus remaining after such payments will be paid to the Issuer or to whomever may be lawfully entitled thereto upon the instructions of the Issuer.

The Security Agent may decline to expend its own funds, foreclose on the Collateral or exercise remedies available if it does not receive indemnity and/or security and/or prefunding to its satisfaction. In addition, the Security Agent's ability to foreclose on the Collateral may be subject to lack of perfection, the consent of third parties, prior Liens and practical problems associated with the realization of the Security Agent's Liens on the Collateral. Neither the Trustee, the Security Agent nor any of their respective officers, directors, employees, attorneys

or agents will be responsible or liable for the existence, genuineness, value or protection of any Collateral securing the Notes, for the legality, enforceability, effectiveness or sufficiency of the Security Documents, for the creation, perfection, continuation, priority, sufficiency or protection of any of the Liens, or for any defect or deficiency as to any such matters, or for any failure to demand, collect, foreclose or realize upon or otherwise enforce any of the Liens or Security Documents or any delay in doing so.

The Indenture will provide that the Issuer will indemnify the Security Agent for all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind imposed against the Security Agent arising out of the Security Documents except to the extent that any of the foregoing are finally judicially determined to have resulted from the gross negligence or willful misconduct of the Security Agent.

Release of Security

The security created in respect of the Collateral granted under the Security Documents may be released in certain circumstances, including:

- upon repayment in full of the Notes;
- upon defeasance and discharge of the Notes as provided below under "—Defeasance" or "—Satisfaction and Discharge"; and
- in whole or in part, with the requisite consent of the Holders (other than as provided in the Indenture and the Security Documents) in accordance with the provisions described under "—Amendment and Waivers."

Mandatory Redemption; Offers to Purchase; Open Market Purchases

Other than as set forth below under "—Scheduled Principal Redemption," the Issuer is not required to make any mandatory redemption or sinking fund payments with respect to the Notes. However, under certain circumstances, the Issuer may be required to offer to purchase the Senior Notes as described under the captions "—Repurchase at the Option of Holders upon a Change of Control" and "—Limitation on Sales of Assets and Subsidiary Stock."

The Parent Guarantor and any Restricted Subsidiary may, however, acquire, or cause to be acquired, the Notes by means other than a redemption, whether pursuant to a tender offer, open market purchase or otherwise, so long as the acquisition does not violate the terms of the Indenture. Any Notes so acquired by the Parent Guarantor or any Restricted Subsidiary shall be delivered to the Trustee for cancellation and cancelled no later than 20 Business Days after the date of their acquisition.

Optional Redemption

At any time prior to December 31, 2019, the Issuer may redeem, in whole or in part, the Notes, upon not less than 30 nor more than 60 days' prior notice mailed by first-class mail to the registered address of each Holder of Notes or otherwise delivered in accordance with the procedures of Euroclear and Clearstream, at a redemption price equal to 105.375% of the principal amount of Notes to be redeemed, subject to the rights of the holders on the relevant record date to receive interest due on the relevant interest payment date.

On or after January 1, 2020, the Issuer may on any one or more occasions redeem all or a part of the Notes at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest, if any, on the Notes redeemed, to the applicable date of redemption, if redeemed during the twelve-month period beginning on January 1 of the years indicated below, subject to the rights of holders of Notes on the relevant record date to receive interest on the relevant interest payment date:

Year	Redemption Price
2020	104.03125%
2021	102.68750%
2022 and thereafter	100.00000%

Optional Tax Redemption

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice (which notice shall be irrevocable and given in accordance with the procedures set forth under the section entitled "—Selection and Notice" below) to the holders of Notes, at their principal amount (together with interest accrued to the date fixed for redemption), if (i) the Issuer (or a Guarantor) satisfies the Trustee immediately prior to the giving of such notice that it (or, if a Notes Guarantee were called, the Guarantor) has or will become obliged to pay Additional Amounts (as defined below under the section entitled "—Payment of Additional Amounts") as a result of any change in, or amendment to, the laws, regulations or treaties of a Relevant Taxing Jurisdiction or Additional Taxing Jurisdiction (each, as defined below under the section entitled "—Payment of Additional Amounts"), or any change in the application or official interpretation or administration of such laws, regulations or treaties, which change or amendment becomes effective on or after the Issue Date, and (ii) such obligation cannot be avoided by the Issuer (or the Guarantor) taking reasonable measures available to it, *provided* that no such notice of redemption will be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor) would be obliged to pay such Additional Amounts were a payment in respect of the Notes (or the Notes Guarantee) then due. Prior to the publication of any notice of redemption pursuant to this provision, the Issuer (or the Guarantor) will deliver to the Trustee a Director's Certificate of the Issuer (or the Guarantor) stating that the Issuer (or a Guarantor) has, or will become obliged, to pay Additional Amounts in the manner set forth in clause (i) of the immediately preceding sentence and that the condition set forth in clause (ii) of such sentence has been met and the Trustee will be entitled to accept such certificate as sufficient evidence of the satisfaction of such conditions in which event it will be conclusive and binding on the holders of Notes, and an opinion of independent tax counsel (the choice of such counsel to be subject to the prior written approval of the Trustee, such approval not to be unreasonably withheld) in form and substance reasonably satisfactory to the Trustee to the effect that the Issuer (or the Guarantor) has, or will become obliged, to pay Additional Amounts (as defined below under the section entitled "—Payment of Additional Amounts") including the reasoning behind such opinion.

Scheduled Principal Redemption

50% of the principal amount of the Notes outstanding on December 29, 2023 will be redeemed at par on such date.

Selection and Notice

If less than all of the Notes are to be redeemed at any time, the Trustee will select Notes for redemption on a *pro rata* basis (or, in the case of Notes issued in global form, based on a method that most nearly approximates a *pro rata* selection) unless otherwise required by law or applicable stock exchange or Common Depositary requirements. The Trustee shall not be liable for any such selections made in accordance with this paragraph.

No Notes of $2,000 or less can be redeemed in part. Notices of redemption will be mailed by first class mail at least 30 but not more than 60 days before the redemption date to each Holder of Notes to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture. For Notes which are represented by the Global Notes held on behalf of Euroclear and Clearstream, notices may be given by delivery of the relevant notices to Euroclear and Clearstream for communication to entitled Holders in substitution for such mailing. Notices of redemption may not be conditional.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount of that Note that is to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder of Notes upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of Notes called for redemption.

For so long as the Notes are admitted to trading on the Global Exchange Market of the Irish Stock Exchange and the rules of such stock exchange shall so require, the Issuer will notify the Irish Stock Exchange of any such notice and publish notice in the Irish Stock Exchange's Daily Official List or as otherwise required by the rules of the Irish Stock Exchange.

Payment of Additional Amounts

All payments made by or on behalf of the Issuer or any Guarantor or a successor of any of the foregoing (each, a **"Payor")** under, or with respect to, the Notes or any Notes Guarantee will be made free and clear of and without withholding or deduction for or on account of any present or future tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and other liabilities related thereto) (collectively, **"Taxes")** imposed, levied, collected or assessed by or on behalf of (1) The Netherlands, the Republic of Cyprus, the United Kingdom, Ukraine or any political subdivision or governmental authority thereof or therein having power to tax, (2) any jurisdiction from or through which payment on the Notes or such Notes Guarantee is made by or on behalf of a Payor, or any political subdivision or governmental authority thereof or therein having the power to tax or (3) any other jurisdiction in which a Payor is organized or otherwise resident for tax purposes, or any political or governmental authority thereof or therein having the power to tax (each of clause (1), (2) and (3), a **"Relevant Taxing Jurisdiction"),** unless the withholding or deduction of such Taxes is then required by law or the interpretation or administration thereof.

If any deduction or withholding for, or on account of, any Taxes of any Relevant Taxing Jurisdiction will at any time be required from any payments made with respect to the Notes or the Notes Guarantees, including payments of principal, redemption price, interest or

premium, if any, the Payor will pay (together with such payments) such additional amounts (the **"Additional Amounts")** as may be necessary in order that the net amounts received in respect of such payments by each Holder, after such withholding or deduction (including any such deduction or withholding from such Additional Amounts), will not be less than the amounts which would have been received in respect of such payments in the absence of such withholding or deduction; *provided, however,* that no such Additional Amounts will be payable with respect to:

(1) any Taxes that would not have been so imposed but for the existence of any present or former connection between the relevant Holder or beneficial owner (or between a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of power over, such Holder or beneficial owner, if such Holder or beneficial owner is an estate, trust, partnership or corporation) and the Relevant Taxing Jurisdiction (other than the mere receipt of such payment or the ownership or holding of such Note or enforcement of rights thereunder or under a Notes Guarantee thereof or the receipt of payments in respect thereof);

(2) any estate, inheritance, gift, sales, excise, transfer, personal property tax or similar tax, assessment or governmental charge;

(3) any Taxes payable otherwise than by deduction or withholding from payments on or in respect of any Note or Note Guarantee;

(4) any Taxes which would not have been imposed, payable or due if the Notes were held in definitive registered form **("Definitive Registered Notes")** and the presentation of Definitive Registered Notes for payment had occurred within 30 days after the date such payment was due and payable or was provided for, whichever is later, except for Additional Amounts with respect to Taxes that would have been imposed had the Holder presented the Note for payment within such 30-day period;

(5) any Taxes that are imposed or withheld by reason of the failure of the Holder or beneficial owner of a Note to comply, at the Payor's reasonable request, with certification, information or other reporting requirements concerning the nationality, residence or identity of the Holder or such beneficial owner if such compliance is required or imposed by a statute, treaty or regulation or administrative practice of the taxing jurisdiction as a precondition to exemption from all or part of such Tax;

(6) any taxes withheld or deducted pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code as of the Issue Date (or any amended or successor version of such Sections), any U.S. Treasury regulations promulgated thereunder, any official interpretations thereof or any agreements entered into in connection with the implementation thereof;

(7) a Swiss Guarantor to the extent and for as long as such Swiss Guarantor has deducted Swiss withholding taxes according to clause (iii)(b) of the section entitled "—Guarantees—Switzerland", above; or

(8) any combination of the above.

Also, such Additional Amounts will not be payable with respect to any payment of principal of (or premium, if any, on) or interest on such Note to any Holder who is a fiduciary or partnership or any person other than the sole beneficial owner of such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner of such payment would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the actual Holder of such Note.

If the Issuer elects to pay an amount of interest as PIK Interest and is required to pay Additional Amounts in respect of PIK Interest, such Additional Amounts shall be paid as PIK Interest. In other cases, such Additional Amounts shall be paid as Cash Interest.

The Payor will (1) make any required withholding or deduction and (2) remit the full amount deducted or withheld to the Relevant Taxing Jurisdiction in accordance with applicable law. The Payor will use all reasonable efforts to obtain certified copies of tax receipts evidencing the payment of any Taxes so deducted or withheld from each Relevant Taxing Jurisdiction imposing such Taxes and will provide such certified copies to the Trustee. The Payor will attach to each certified copy a certificate stating (x) that the amount of withholding Taxes evidenced by the certified copy was paid in connection with payments in respect of the principal amount of Notes then outstanding and (y) the amount of such withholding Taxes paid per $1,000 principal amount of the Notes. Copies of such documentation will be available for inspection during ordinary business hours at the office of the Trustee by the holders of Notes upon request and will be made available at the offices of the Paying Agent located in the United Kingdom.

If the Payor conducts business in any jurisdiction (an "Additional Taxing Jurisdiction") other than a Relevant Taxing Jurisdiction and, as a result, is required by the law of such Additional Taxing Jurisdiction to deduct or withhold any amount on account of taxes imposed by such Additional Taxing Jurisdiction from payments under the Notes or any Notes Guarantee thereof, as the case may be, which would not have been required to be so deducted or withheld but for such conduct of business in such Additional Taxing Jurisdiction, the Additional Amounts provision described above shall be considered to apply to such holders as if references in such provision to "Taxes" included taxes imposed by way of deduction or withholding by any such Additional Taxing Jurisdiction (or any political subdivision thereof or taxing authority therein).

At least 30 days prior to each date on which any payment under or with respect to the Notes or any Notes Guarantee thereof is due and payable (unless such obligation to pay Additional Amounts arises before or after the 30th day prior to such date, in which case it shall be promptly thereafter), if the Payor will be obligated to pay Additional Amounts with respect to such payment, the Payor will deliver to the Trustee a Director's Certificate stating the fact that such Additional Amounts will be payable, the amounts so payable and will set forth such other information necessary to enable the Paying Agents to pay such Additional Amounts to holders of Notes on the payment date. Each such Director's Certificate shall be relied upon by the Trustee without further enquiry until receipt of a further Director's Certificate addressing such matters. The Issuer will provide the Trustee with documentation reasonably satisfactory to the Trustee evidencing the payment of Additional Amounts. The Issuer will promptly publish a notice in accordance with the procedures set forth in the section entitled "—Notices" stating that such Additional Amounts will be payable and describing the obligation to pay such amount.

The Payor will pay any stamp, issue, registration, documentary, value added, excise, property or other similar taxes and other duties (including interest and penalties) imposed by a Relevant Taxing Jurisdiction that are payable in respect of the creation, issue, offering, execution or enforcement of the Notes, or any documentation with respect thereto or the receipt of any payments with respect to the Notes or any Notes Guarantee thereof (limited, in the case of any such Taxes in respect of the receipt of any payments with respect to the Notes or any Note Guarantee, to Taxes not excluded under clauses (1) through (2) or (4) through (8) above).

The foregoing obligations will survive any termination, defeasance or discharge of the Indenture and will apply *mutatis mutandis* to any jurisdiction in which any (1) successor Person to a Payor is organized or (2) Subsidiary of the Parent Guarantor which becomes a Subsidiary Guarantor after the Issue Date is organized or, in each case, any political subdivision or taxing authority or agency thereof or therein.

Whenever in the Indenture there is mentioned, in any context, (1) the payment of principal, premium, if any, or interest, (2) redemption prices or purchase prices in connection with the redemption or purchase of Notes or (3) any other amount payable under or with respect to any Note or Notes Guarantee thereof, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Repurchase at the Option of Holders upon a Change of Control

If a Change of Control occurs, each Holder will have the right to require the Issuer to repurchase all or any part of such Holder's Notes (in principal amount equal to $2,000 or an integral multiples of $1 in excess thereof) at a purchase price in cash equal to 101% of the principal amount of the Notes plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Within 30 days following any Change of Control, the Issuer will mail a notice (the "**Change of Control Offer**") to each holder with a copy to the Trustee stating:

(1) that a Change of Control has occurred and that such Holder has the right to require the Issuer to purchase such Holder's Notes at a purchase price in cash equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of holders of record on a record date to receive interest on the relevant interest payment date) (the "**Change of Control Payment**");

(2) the repurchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed) (the "**Change of Control Payment Date**"); and

(3) the procedures determined by the Issuer, consistent with the Indenture, that a Holder must follow in order to have its Notes repurchased.

On the Change of Control Payment Date, the Issuer will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes (in principal amount equal to $2,000 or integral multiples of $1 in excess thereof) properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions thereof so tendered; and

(3) deliver or cause to be delivered to the Trustee the Notes so accepted together with a Director's Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Issuer.

The Paying Agent will promptly pay to each Holder of Notes properly tendered and not withdrawn the Change of Control Payment for such Notes in accordance with the procedures described in the Indenture and the Registrar will promptly authenticate and mail (or cause to be transferred by book-entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any. The Issuer will either publicly announce

(via notice on its website, the Irish Stock Exchange and Euroclear and Clearstream), or mail a notice to each holder (with a copy to the Trustee) confirming, the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

If the Change of Control Payment Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest will be payable to holders who tender pursuant to the Change of Control Offer.

The Change of Control provisions described above will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control, the Indenture does not contain provisions that permit the holders to require that the Issuer repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) notice of redemption has been given pursuant to the Indenture as described above under the caption "—Optional Redemption," unless and until there is a default in payment of the applicable redemption price.

The Issuer will comply, to the extent applicable, with the requirements of Section 14(e) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**") and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the Indenture, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations described in the Indenture by virtue thereof.

The Issuer's ability to repurchase Notes pursuant to a Change of Control Offer may be limited by a number of factors. Future Indebtedness of the Parent Guarantor and its Subsidiaries may also contain prohibitions of certain events that would constitute a Change of Control or require such Indebtedness to be repurchased upon a Change of Control. Moreover, the exercise by the holders of their right to require the Issuer to repurchase the Notes could cause a default under such Indebtedness, even if the Change of Control itself does not, due to the financial effect of such repurchase on the Issuer. Finally, the Issuer's ability to pay cash to the holders upon a repurchase may be limited by the Issuer's or the Group's then existing financial resources, which could result in a default under the Notes or other Indebtedness thereby resulting in a cross default under the Notes. There can be no assurance that sufficient funds will be available when necessary to make any required repurchases.

Even if sufficient funds were otherwise available, the terms of other Indebtedness of the Parent Guarantor and its Restricted Subsidiaries may prohibit the Issuer's prepayment of Notes prior to their scheduled maturity. Consequently, if the Issuer is not able to prepay any such other Indebtedness containing similar restrictions or obtain requisite consents, as described above, the Issuer will be unable to fulfil its repurchase obligations if holders of Notes exercise their repurchase rights following a Change of Control, thereby resulting in a default under the Indenture. A default under the Indenture may result in a cross-default under other Indebtedness.

The Change of Control provisions described above may deter certain mergers, tender offers and other takeover attempts involving the Issuer by increasing the capital required to effectuate such transactions. The definition of Change of Control includes a disposition of all or substantially all of the property and assets of the Parent Guarantor to any Person other than a Permitted Holder. Although there is a limited body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of all or substantially all of the property or assets of a Person. As a result, it may be unclear as to whether a Change of Control has occurred and whether a Holder of Notes may require the Issuer to make an offer to repurchase the Notes as described above.

The Issuer will publish notices relating to the Change of Control Offer in accordance with "—Notices."

Certain Covenants

The Indenture will contain, among others, the following covenants:

Limitation on Indebtedness

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (individually and collectively, to "**incur**") any Indebtedness (including Acquired Debt).

Notwithstanding the preceding paragraph, the Parent Guarantor and its Restricted Subsidiaries may incur the following items of Indebtedness (collectively, "**Permitted Indebtedness**"):

(1) Indebtedness of the Parent Guarantor owing to and held by any Restricted Subsidiary and Indebtedness of any Restricted Subsidiary owing to and held by any of the Parent Guarantor or any other Restricted Subsidiary; *provided, however*, that:
   (a) in the case of Indebtedness of the Issuer or a Guarantor owing to and held by a non-Guarantor Restricted Subsidiary, such Indebtedness of the Issuer or such Guarantor is expressly subordinated in right of payment (whether at Stated Maturity, acceleration or otherwise) to the prior payment in full in cash of all obligations with respect to the Notes or Notes Guarantees, as applicable; and
   (b) (i) any subsequent issuance or transfer of Equity Interests or any other event which results in any such Indebtedness being beneficially held by a Person other than the Parent Guarantor or a Restricted Subsidiary and (ii) any sale or other transfer of any such Indebtedness to a Person other than the Parent Guarantor or a Restricted Subsidiary shall be deemed, in each case, to constitute an incurrence of such Indebtedness by the issuer or borrower thereof which is not permitted under this clause (1);
(2) Indebtedness of the Issuer and the Guarantors represented by the Notes issued on the Issue Date and the Notes Guarantees, respectively;
(3) Indebtedness outstanding on the Issue Date;

(4) Permitted Refinancing Indebtedness incurred in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted under clauses (2), (3), or (4) of this paragraph;

(5) Hedging Obligations that are incurred for the purpose of fixing, hedging, swapping or managing interest rate, commodity price or foreign currency exchange rate risk, and not for speculative purposes not to exceed $75.0 million at any time outstanding;

(6) Indebtedness in respect of workers' compensation claims, self-insurance obligations, bankers' acceptances, performance, surety or appeal bonds or completion guarantees provided in the ordinary course of business and not in connection with the borrowing of money or the obtaining of advances of credit;

(7) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently (except in the case of daylight overdrafts) drawn against insufficient funds; *provided* that such Indebtedness is extinguished within five Business Days of incurrence;

(8) Indebtedness representing the guarantee by the Parent Guarantor or any Restricted Subsidiary of (i) Indebtedness incurred under clauses (10) and (11) of this paragraph, (ii) Indebtedness under Restructured Credit Facilities; *provided* that in the case of this subclause (ii) such guarantee would have been required by the Existing Guarantor Coverage Ratios and (iii) Permitted Refinancing Indebtedness incurred in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge, any Essential Credit Facilities;

(9) (x) Indebtedness in respect of any customary cash management or netting or setting off arrangements in the ordinary course of business and (y) Indebtedness in respect of customary cash pooling arrangements in the ordinary course of business; *provided*, that, in the case of this subclause (y), (i) such Indebtedness is secured over funds deposited with such financial institution by another member of the Group (the "**Depositor**"), and (ii) the Parent Guarantor or Restricted Subsidiary, as the case may be, and the Depositor are co-obligors in respect of such Indebtedness;

(10) Indebtedness not to exceed $100.0 million in the aggregate at any time outstanding; and

(11) Indebtedness with a maturity of less than one year not to exceed (a) $100.0 million in the aggregate at any time outstanding if on the Transaction Date, and after giving effect to the incurrence of such Indebtedness, on a *pro forma* basis, the Consolidated Leverage Ratio would not be greater than 2.5 to 1.0, or (b) $200.0 million in the aggregate at any time outstanding if on the Transaction Date, and after giving effect to the incurrence of such Indebtedness, on a *pro forma* basis, the Consolidated Leverage Ratio would not be greater than 2.0 to 1.0.

For purposes of determining compliance with this covenant, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Indebtedness described in clauses (1) through (11) above, the Parent Guarantor will be permitted to classify such item of Indebtedness at the time of its incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this covenant.

Accrual of interest, accrual of dividends, amortization of debt discount, the accretion of accreted value, the payment of interest in the form of additional Indebtedness and the payment

of dividends on Preferred Stock or Disqualified Stock in the form of additional shares of Preferred Stock or Disqualified Stock, the obligation to pay a premium in respect of Indebtedness arising in connection with the issuance of a notice of redemption or the making of a mandatory offer to purchase such Indebtedness and the reclassification of preferred stock as Indebtedness due to a change in accounting principles will not be deemed to be an incurrence of Indebtedness for purposes of this covenant.

For purposes of determining compliance with any U.S. dollar denominated restriction on the incurrence of Indebtedness, the U.S. dollar equivalent principal amount of Indebtedness denominated in a currency other than U.S. dollars shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term Indebtedness, or first committed, in the case of revolving credit Indebtedness; *provided* that if such Indebtedness is incurred to refinance other Indebtedness denominated in a currency other than U.S. dollars, and such refinancing would cause the applicable U.S. dollar dominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar dominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced (plus all accrued interest on the Indebtedness being refinanced and the amount of all expenses and premiums incurred in connection therewith), *provided* that if any such Indebtedness denominated in a different currency is subject to a currency agreement (with respect to U.S. dollars) covering principal amounts payable on such Indebtedness, the amount of such Indebtedness expressed in U.S. dollars will be adjusted to take into account the effect of such agreement. The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing. Notwithstanding any other provision of this covenant, other than with respect to Indebtedness under clause (5) of the second paragraph of this covenant, the maximum amount of Indebtedness that the Parent Guarantor or any Restricted Subsidiary may incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

The amount of any Indebtedness outstanding as of any date will be:

(1) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;
(2) the principal amount or liquidation preference of the Indebtedness, in the case of any other Indebtedness;
(3) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:
    (a) the Fair Market Value of such assets at the date of determination; and
    (b) the amount of such Indebtedness of the other Person.

For purposes of determining compliance with this covenant, guarantees of, or obligations in respect of letters of credit relating to, Indebtedness that is otherwise included in the determination of a particular amount of Indebtedness shall not be included in the amount of such Indebtedness; *provided* that the incurrence of the Indebtedness represented by such guarantee or letter of credit, as the case may be, was in compliance with this covenant.

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, incur any Indebtedness that is or purports to be by its terms (or by the terms of any agreement governing such Indebtedness) subordinated to any other Indebtedness

of the Parent Guarantor or of such Restricted Subsidiary, as the case may be, unless such Indebtedness is also by its terms (or by the terms of any agreement governing such Indebtedness) made expressly subordinate to the Notes or the Notes Guarantee, to the same extent and in the same manner as such Indebtedness is subordinated to such other Indebtedness of the Parent Guarantor or such Restricted Subsidiary, as the case may be. For purposes of the foregoing, no Indebtedness will be deemed to be subordinated in right of payment to any other Indebtedness of the Parent Guarantor or any Restricted Subsidiary solely by virtue of being unsecured or secured by a junior priority lien or by virtue of the fact that the holders of such Indebtedness have entered into intercreditor agreements or other arrangements giving one or more of such holders priority over the other holders in the collateral held by them.

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable for, contingently or otherwise, or permit to exist, any Indebtedness of the Parent Guarantor or any Restricted Subsidiary owing to any direct or indirect shareholder or Affiliate of the Parent Guarantor or any Restricted Subsidiary (other than the Parent Guarantor or any Restricted Subsidiary) other than (i) Indebtedness that (x) is Subordinated Indebtedness and (y) by the terms of the agreement or instrument governing such Indebtedness, (1) does not permit any amortization, redemption or other repayment of principal or any sinking fund payment and (2) does not permit payment of cash interest, cash withholding amounts or other cash gross-ups, or any similar cash amounts, in each case for so long as the Notes are outstanding; (ii) Hedging Obligations; (iii) Indebtedness permitted to be incurred under this covenant owing to and held by Affiliates of the Parent Guarantor that are commercial banks; and (iv) any Indebtedness representing the balance deferred and unpaid of the purchase price of any property; *provided*, that the transaction or transactions in which the Parent Guarantor or the relevant Restricted Subsidiary purchases such property is on terms that are no less favorable to the Parent Guarantor or the relevant Restricted Subsidiary than those that would have been obtained in a comparable arm's-length transaction by it with a Person that is not an Affiliate of the Parent Guarantor.

Limitation on Restricted Payments

The Parent Guarantor will not, and will not permit any Restricted Subsidiary, directly or indirectly, to:

(1) declare or pay any dividend or make any other payment or distribution on account of the Parent Guarantor's or any Restricted Subsidiaries' Equity Interests of (including, without limitation, any payment in connection with any merger or consolidation involving the Parent Guarantor or any Restricted Subsidiary) or to the direct or indirect holders of Equity Interests of the Parent Guarantor or any Restricted Subsidiary in their capacity as such, in each case, other than dividends, payments or distributions payable in Equity Interests (other than Disqualified Stock) of the Parent Guarantor or payable to the Parent Guarantor or any Restricted Subsidiary;

(2) purchase, redeem, defease or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Parent Guarantor or any Restricted Subsidiary) any Equity Interests of the Parent Guarantor, any Parent, or any Restricted Subsidiary (other than, in each case, any such Equity Interests owned by the Parent Guarantor or any Restricted Subsidiary);

(3) make any payment on or with respect to, or purchase, redeem, defease, set-off or otherwise acquire or retire for value, any Indebtedness (excluding (x) intercompany Indebtedness between or among the Parent Guarantor and any Restricted Subsidiary or (y) payments, purchases, redemptions, set-off or other acquisition or retirement for value of (i) the Existing Credit Facilities (including any capitalized interest); *provided*, that any such payment, purchase, redemption, defeasance, set-off, acquisition or retirement is made solely for purposes of refinancing such Existing Credit Facilities as Restructured Credit Facilities, (ii) the Existing Credit Facilities, to the extent required by the Existing Credit Facilities Standstill Agreement, (iii) the Restructured Credit Facilities, (iv) the Essential Credit Facilities, (v) Deleveraging Transaction Indebtedness and (vi) Indebtedness under clauses (2), (5), (6), (7), (8), (9), (10) or (11) of the second paragraph of the covenant under "—Limitation on Indebtedness"); or

(4) make any Restricted Investment,

(all such payments and other actions set forth in clauses (1) through (4) of this paragraph being collectively referred to as "**Restricted Payments**"), unless, at the time and after giving effect to such Restricted Payment,

(I) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment;

(II) the Restricted Payment Conditions are satisfied; and

(III) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Parent Guarantor and the Restricted Subsidiaries after the Issue Date (excluding Restricted Payments permitted by clauses (2), (3)(ii), (4) and (5) of the second paragraph of this covenant), shall not exceed the sum (the "**Restricted Payments Basket**") (without duplication) of:

(a) 50% of the Consolidated Net Income of the Parent Guarantor for the period (taken as one accounting period) beginning on January 1, 2017 and ending at the end of the Parent Guarantor's then most recently ended fiscal six-month period for which internal financial statements are available prior to the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit);

(b) 100% of the aggregate net cash proceeds (including Cash Equivalents) received by the Parent Guarantor from the issue or sale (other than to a Subsidiary of the Parent Guarantor) of, or from capital contributions with respect to, Equity Interests of the Parent Guarantor (other than Disqualified Stock) after the Issue Date, other than any such proceeds or assets received from a Subsidiary of the Parent Guarantor;

(c) 100% of the aggregate principal amount of Indebtedness (other than Subordinated Indebtedness) of the Parent Guarantor or any Restricted Subsidiary incurred subsequent to the Issue Date (other than to a Subsidiary of the Parent Guarantor) that has been converted or exchanged into Equity Interests (other than Disqualified Stock) of the Parent Guarantor (less the amount of any cash, or other property, distributed by the Parent Guarantor upon such exchange or conversion);

(d) 100% of the aggregate net cash and Cash Equivalents received by the Parent Guarantor or any Restricted Subsidiary since the Issue Date (to the extent not included in Consolidated Net Income) from a Restricted

Investment made after the Issue Date (up to the amount of such Restricted Investment), whether through interest payments, principal payments, dividends or other distributions and payments or the sale or other disposition thereof (other than a sale as disposition made to a Subsidiary of the Parent Guarantor);

(e) to the extent that any Restricted Investment that was made after the Issue Date and reduced the Restricted Payments Basket is made in an entity that subsequently becomes a Restricted Subsidiary or is subsequently sold for cash, the amount of such Restricted Investment;

(f) to the extent that any Unrestricted Subsidiary of the Parent Guarantor designated as such after the Issue Date is redesignated as a Restricted Subsidiary after the Issue Date, the lesser of (x) the Fair Market Value of the Parent Guarantor's interest in such Subsidiary as of the date of such redesignation and (y) the aggregate amount of the Restricted Investments in such Subsidiary prior to such redesignation to the extent such investments reduced the Restricted Payments Basket (less any return on such investment received by the Parent Guarantor and/or any Restricted Subsidiaries prior to such redesignation, to the extent such return on investment increased the Restricted Payments Basket); and

(g) 100% of any dividends received in cash by the Parent Guarantor or a Restricted Subsidiary after the Issue Date from an Unrestricted Subsidiary of the Parent Guarantor, to the extent that such dividends were not otherwise included in the Consolidated Net Income of the Parent Guarantor for such period.

The first paragraph of this covenant will not prohibit:

(1) the payment of any dividend or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or the giving of the redemption notice, as the case may be, if at the date of declaration or notice the dividend or redemption payment would have complied with the provisions of the Indenture;

(2) (x) the redemption, repurchase, retirement or other acquisition for value of any Indebtedness of the Parent Guarantor or any Restricted Subsidiary (a) in exchange for, on a cashless basis, Equity Interests (other than Disqualified Stock) of the Parent Guarantor or from the substantially concurrent contribution to the common equity capital of the Parent Guarantor (*provided* that such increase in equity shall not be taken into account for purposes of clause (III)(b) of the first paragraph of this covenant) or (b) in exchange for, on a cashless basis, Permitted Refinancing Indebtedness which refinances such Indebtedness permitted to be incurred under the covenant described under "—Limitation on Indebtedness," or (y) the redemption, repurchase, retirement or other acquisition for value of any Equity Interests of the Parent Guarantor or any Restricted Subsidiary in exchange for, on a cashless basis, Equity Interests (other than Disqualified Stock) of such Person (*provided* that such newly issued equity shall not be taken into account for purposes of clause (III)(b) of the first paragraph of this covenant);

(3) the payment of any dividend (or in the case of a partnership or limited liability company, any similar distribution) by a Restricted Subsidiary (i) to the holders of its Equity Interests on a pro rata basis and (ii) as required by Ukrainian law

to minority shareholders or the Ukrainian Government (represented by any relevant authority or agency);

(4) the repurchase of Equity Interests deemed to occur upon the exercise of stock options to the extent such Equity Interests represent a portion of the exercise price of those stock options;

(5) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Parent Guarantor or any preferred stock of any Restricted Subsidiary issued on or after the Issue Date in accordance with the covenant described under "—Limitation on Indebtedness;" and

(6) payments of cash, dividends, distributions, advances or other Restricted Payments by the Parent Guarantor or any of its Subsidiaries to allow the payment of cash in lieu of the issuance of fractional shares upon (i) the exercise of options or warrants or (ii) the conversion or exchange of Capital Stock of any such Person.

The amount of all Restricted Payments (other than cash) shall be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be paid, transferred or issued by the Parent Guarantor or such Restricted Subsidiary, as the case may be, pursuant to such Restricted Payment.

Limitation on Sales of Assets and Subsidiary Stock

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, make any Asset Sale unless:

(1) the Parent Guarantor or such Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value (including as to the value of all non-cash consideration), measured as of the date of the definitive agreement with respect to such Asset Sale, of the assets or Equity Interests issued or sold or otherwise disposed of;

(2) (i) with respect to any Asset Sale involving Equity Interests or other property or assets involving aggregate consideration in excess of $25.0 million, the Parent Guarantor delivers to the Trustee a Director's Certificate certifying that such Asset Sale complies with clause (1) above and (x) a resolution of the majority of the Disinterested Directors of the Parent Guarantor's board of directors with respect to such Asset Sale resolving that such Asset Sale complies with clause (1) above, (y) if there are no Disinterested Directors of the Parent Guarantor's board of directors with respect to such Asset Sale or there are insufficient Disinterested Directors of the Parent Guarantor's board of directors with respect to such Asset Sale to form a quorum for passing a resolution as required under the articles of association of the Parent Guarantor, a resolution of the majority of the Disinterested Directors of the Parent Guarantor's supervisory board with respect to such Asset Sale (or in the event that there is only one such Disinterested Director, by the resolution of such Disinterested Director) resolving that such Asset Sale complies with (1) above, and (z) if there are no such Disinterested Directors of the Parent Guarantor's supervisory board with respect to such Asset Sale, a written opinion issued by an Independent Appraiser that such Asset Sale complies with (1) above, (ii) with respect to any Asset Sale involving Equity Interests or other property or assets involving aggregate consideration in excess of $50.0 million, the Parent Guarantor

delivers to the Trustee a written opinion issued by an Independent Appraiser that such Asset Sale complies with clause (1) above and (iii) with respect to any Asset Sale involving Equity Interests or other property or assets involving aggregate consideration in excess of $100.0 million, the Holders of at least 40% of the aggregate principal amount of the then outstanding Notes (including Additional Notes, if any), voting as a single class, consent to and approve such Asset Sale; and

(3) at least 75% of the consideration thereof received in the Asset Sale by the Parent Guarantor or such Restricted Subsidiary, as the case may be, is in the form of cash or Cash Equivalents. For purposes of this provision, each of the following will be deemed to be cash:

a. any liabilities, as shown on the Parent Guarantor's most recent consolidated balance sheet, of the Parent Guarantor or any Restricted Subsidiary (other than contingent liabilities and liabilities that are Subordinated Indebtedness) that is assumed by the transferee of any such assets pursuant to a customary novation, set-off or indemnity agreement that releases the Parent Guarantor or such Restricted Subsidiary from or indemnifies against further liability;

b. any securities, notes or other obligations received by the Parent Guarantor or any such Restricted Subsidiary from such transferee that are contemporaneously, subject to ordinary settlement periods, converted by the Parent Guarantor or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion; and

c. any Equity Interests or assets of the kind referred to in clause (1) of the next paragraph of this covenant.

Within 180 days after the receipt of any Net Available Cash from an Asset Sale, the Parent Guarantor (or the applicable Restricted Subsidiary, as the case may be) may apply such Net Available Cash to:

(1) invest in properties and assets to replace the properties and assets that were the subject of the Asset Sale or in properties and assets that will be used or are useful in a Permitted Business or in Equity Interests of a Person engaged in a Permitted Business;

(2) make a capital expenditure permitted under the covenant described under "— Restrictions on Capital Expenditure;"

(3) repay in whole or in part Restructured Credit Facilities or the Essential Credit Facilities;

(4) make an Asset Sale Offer in accordance with the procedures described below; and/or

(5) do any combination of the foregoing clauses.

Pending the final application of any such Net Available Cash, the Parent Guarantor or any Restricted Subsidiary may temporarily reduce revolving credit borrowing or otherwise invest such Net Available Cash in any manner that is not prohibited by the terms of the Indenture.

If any a legally binding agreement to invest such Net Available Cash is terminated or the performance of such agreement is delayed for reasons outside the control of the Parent Guarantor or any Restricted Subsidiary, then the Parent Guarantor or relevant Restricted Subsidiary may, within 90 days of such termination or delay or within six months of such

Asset Sale, whichever is later, invest such net cash proceeds as provided in the second paragraph of this covenant.

Any Net Available Cash from Asset Sales that is not applied or invested as provided in the preceding paragraph will be deemed to constitute **"Excess Proceeds."** If the aggregate amount of Excess Proceeds exceeds $50.0 million, the Issuer will be required to make an offer (an **"Asset Sale Offer")** to all holders of Notes to purchase, prepay or redeem the maximum principal amount of Notes that may be purchased, prepaid or redeemed out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount thereof plus accrued and unpaid interest to the date of purchase, prepayment or redemption and the amount of all fees and expenses, including premiums incurred in connection therewith, in accordance with the procedures set forth in the Indenture. Upon receiving notice of the Asset Sale Offer, holders may elect to tender their Notes in whole or in part in integral multiples of $1 (*provided* that no Note of less than $2,000 may remain outstanding thereafter), in exchange for cash. To the extent that the aggregate amount of Notes so validly tendered and not properly withdrawn pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Issuer may use any remaining Excess Proceeds for any purpose not prohibited by the Indenture. If the aggregate principal amount of Notes surrendered by holders thereof exceeds the amount of Excess Proceeds, the Trustee shall select the Notes to be purchased on a pro rata basis on the basis of the aggregate principal amount of Notes tendered or required to be prepaid. Upon completion of such Asset Sale Offer, the amount of Excess Proceeds shall be reset at zero.

The Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the "Limitation on Sales of Assets and Subsidiary Stock" provisions of the Indenture, the Issuer shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under the "Limitations on Sales of Assets and Subsidiary Stock" provisions of the Indenture by virtue thereof.

Limitation on Affiliate Transactions

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, make any payment to, or sell, lease, transfer or otherwise dispose of any of their properties or assets to, or purchase any properties or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Parent Guarantor (each, an "**Affiliate Transaction**"), unless:

(1) such Affiliate Transaction is on terms that are no less favorable to the Parent Guarantor or the relevant Restricted Subsidiary than those that would have been obtained in a comparable arm's-length transaction by it with a Person that is not an Affiliate of the Parent Guarantor; and'

(2) with respect to any Affiliate Transaction or series of related Affiliate Transactions by the Parent Guarantor or any Restricted Subsidiary involving aggregate consideration in excess of $25.0 million, the Parent Guarantor delivers to the Trustee a Director's Certificate certifying that such transaction or transactions comply with clause (1) above and (a) a resolution of the majority of the Disinterested Directors of the Parent Guarantor's board of directors with respect to such transaction or transactions resolving that such

transaction or transactions comply with clause (1) above, (b) if there are no Disinterested Directors of the Parent Guarantor's board of directors with respect to such transaction or transactions or there are insufficient Disinterested Directors of the Parent Guarantor's board of directors with respect to such transaction or transactions to form a quorum for passing a resolution as required under the articles of association of the Parent Guarantor, a resolution of the majority of the Disinterested Directors of the Parent Guarantor's supervisory board with respect to such transaction or transactions (or in the event that there is only one such Disinterested Director, by the resolution of such Disinterested Director) resolving that such transaction or transactions comply with clause (1) above, and (c) if there are no Disinterested Directors of the Parent Guarantor's supervisory board with respect to such transaction or transactions, a written opinion issued by an Independent Appraiser that such sale, lease, transfer or other disposal of assets is fair to the Parent Guarantor or the relevant Restricted Subsidiary from financial point of view; and

(3) with respect to any Affiliate Transaction or series of related Affiliate Transactions by the Parent Guarantor or any Restricted Subsidiary involving aggregate consideration in excess of $50.0 million, the Parent Guarantor will deliver to the Trustee a written opinion issued by an Independent Appraiser that such Affiliate Transaction is fair to the Parent Guarantor or the relevant Restricted Subsidiary from a financial point of view; and

(4) with respect to any Affiliate Transaction or series of related Affiliate Transactions by the Parent Guarantor or any Restricted Subsidiary involving aggregate consideration in excess of $100.0 million, Holders of at least 40% of the aggregate principal amount of then outstanding Notes (including without limitation, Additional Notes, if any) voting as a single class, consent to and approve such Affiliate Transaction or series of related Affiliate Transactions.

The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the first paragraph of this covenant:

(1) customary directors' fees, indemnification and similar arrangements (including the payment of directors' and officers' insurance premiums), consulting fees, employee salaries, bonuses, employment agreements and arrangements, compensation or employee benefit arrangements, including stock options or legal fees of officers, directors, employees or consultants of the Parent Guarantor or any Restricted Subsidiary in the ordinary course of business, and payments with respect thereto;

(2) issuances or sales of Equity Interests (other than Disqualified Stock) of the Parent Guarantor;

(3) any transactions between or among the Parent Guarantor and/or the Restricted Subsidiaries;

(4) Restricted Payments that are permitted by the covenant described under "— Limitation on Restricted Payments" or Permitted Investments;

(5) transactions pursuant to written agreements existing on the Issue Date or any amendment, modification or supplement thereto or replacement thereof, *provided* that following such amendment, modification, supplement or replacement the terms of any such agreement or arrangement so amended, modified, supplemented or replaced are not, taken as a whole, more disadvantageous to the holders of Notes and to the Parent Guarantor and the

Restricted Subsidiaries, as applicable, than the original agreement or arrangement as in effect on the Issue Date; and

(6) transactions with customers, clients, suppliers or purchasers or sellers of goods or services, in each case in the ordinary course of business and otherwise in compliance with the Indenture, which are fair to the Parent Guarantor or the relevant Restricted Subsidiary in the reasonable determination of the Board of Directors of the Parent Guarantor or the senior management of the Parent Guarantor or the relevant Restricted Subsidiary, as applicable, or are on terms no less favorable than those that could reasonably have been obtained at such time from an unaffiliated party.

Merger, Consolidation or Sale of Assets

The Issuer may not, directly or indirectly, merge, consolidate, amalgamate or otherwise combine with or into another Person (whether or not the Issuer is the surviving Person), or sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Issuer in one or more related transactions, to another Person (including by means of a scheme of arrangement pursuant to which the Issuer becomes a wholly owned Restricted Subsidiary of another Person), unless:

(1) either the Issuer is the surviving Person or the Person formed by or surviving any such merger, consolidation, amalgamation or other combination (if other than the Issuer) or to which such sale, assignment, transfer, conveyance or other disposition has been made is a corporation, joint stock company, limited liability company or partnership (or substantially similar legal entity) organized, incorporated or existing under the laws of Ukraine, Cyprus, The Netherlands, Switzerland, the United Kingdom, the United States of America, any state thereof or the District of Columbia and any Member State of the European Union;

(2) (a) the Person formed by or surviving any such merger, consolidation, amalgamation or other combination (if other than the Issuer) or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made assumes all the obligations of the Issuer under the Notes, the Security Documents and the Indenture pursuant to a supplemental Indenture and/or other documents as may reasonably be required by, and delivered to, the Trustee; and (b) each Guarantor shall, by way of such documentation as the Trustee shall reasonably deem appropriate, confirm their respective obligations under the relevant Notes Guarantee and the Indenture;

(3) immediately after such transaction, no Default or Event of Default exists; and

(4) the Parent Guarantor:

(a) will, immediately after giving *pro forma* effect to such transaction, be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Consolidated Leverage Ratio test set forth in the first paragraph of the covenant described under "—Certain Covenants—Limitation on Indebtedness;" and

(b) furnishes to the Trustee a Director's Certificate (attaching the computations to demonstrate compliance with paragraph (a) above) and a written opinion, in form and substance reasonably satisfactory to the Trustee, of counsel confirming that the transaction does not violate the applicable terms of the Indenture and that all conditions precedent in the Indenture relating to such

transaction have been satisfied and that the Indenture and the Notes constitute legal, valid and binding obligations of the Issuer (or Person formed by, or surviving, any such merger, consolidation, amalgamation or other combination) enforceable in accordance with their terms.

In addition, notwithstanding the foregoing provisions of this covenant, the Issuer may not, directly or indirectly, lease all or substantially all of its properties and assets, in one or more related transactions, to any other Person.

The Parent Guarantor may not, directly or indirectly, merge, consolidate, amalgamate or otherwise combine with or into another Person (whether or not the Parent Guarantor is the surviving Person), or sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Parent Guarantor in one or more related transactions, to another Person, unless:

(1) either the Parent Guarantor is the surviving Person or the Person formed by or surviving any such merger, consolidation, amalgamation or other combination (if other than the Parent Guarantor) or to which such sale, assignment, transfer, conveyance or other disposition has been made is a corporation, joint stock company, limited liability company or partnership organized, incorporated or existing under the laws of Ukraine, Cyprus, The Netherlands, Switzerland the United Kingdom, the United States of America, any state thereof or the District of Columbia and any Member State of the European Union;

(2) the Person formed by or surviving any such merger, consolidation, amalgamation or other combination (if other than the Parent Guarantor) or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made assumes all the obligations of the Parent Guarantor under the Parent Guarantee pursuant to a supplemental Indenture and/or other documents as may reasonably be required by, and delivered to, the Trustee;

(3) immediately after such transaction, no Default or Event of Default exists; and

(4) the Parent Guarantor or the Person (as applicable) formed by or surviving any such merger, consolidation, amalgamation or other combination (if other than the Parent Guarantor), or to which such sale, assignment, transfer, conveyance or other disposition has been made:

(a) will, immediately after giving *pro forma* effect to such transaction, be permitted to incur at least $1.00 of additional Indebtedness (other than Permitted Indebtedness) pursuant to the Consolidated Leverage Ratio test set forth in the covenant described under "—Certain Covenants—Limitation on Indebtedness;" and

(b) furnishes to the Trustee a Director's Certificate (attaching the computations to demonstrate compliance with paragraph (a) above) and a written opinion, in form and substance reasonably satisfactory to the Trustee, of counsel confirming that the transaction does not violate the applicable terms of the Indenture and that all conditions precedent in the Indenture relating to such transaction have been satisfied and that the Indenture and the Parent Guarantee constitute legal, valid and binding obligations of the Parent Guarantor (or Person formed by, or surviving, any such merger, consolidation, amalgamation or other combination) enforceable in accordance with their terms.

In addition, notwithstanding the foregoing provisions of this paragraph, the Parent Guarantor may not, directly or indirectly, lease all or substantially all of the properties or assets

of it and its Restricted Subsidiaries, taken as a whole, in one or more related transactions, to any other Person.

The Parent Guarantor will not permit any Subsidiary Guarantor to:

(1) directly or indirectly consolidate or merge with or into another Person (whether or not such Subsidiary Guarantor is the surviving Person); or

(2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of its assets, taken as a whole, in one or more related transactions, to another Person unless:

(a) immediately after such transaction, no Default or Event of Default exists; and

(b) either:

(i) such Subsidiary Guarantor is the surviving Person; or the Person formed by or surviving any such consolidation or merger (if other than such Subsidiary Guarantor) or to which such sale, assignment, transfer, conveyance or other disposition has been made is a corporation, joint stock company, limited liability company or partnership organized, incorporated or existing under the laws of Ukraine, Cyprus, The Netherlands, Switzerland, the United Kingdom and, immediately after such transaction, the surviving Person assumes all the obligations of that Subsidiary Guarantor under the relevant Notes Guarantee pursuant to an assumption agreement or other agreement to such effect delivered to the Trustee, along with a Director's Certificate (attaching the computations to demonstrate compliance with paragraph (a) above) and a written opinion, in form and substance reasonably satisfactory to the Trustee, of counsel confirming that the transaction does not violate the applicable terms of the Indenture and that all conditions precedent in the Indenture relating to such transaction have been satisfied and that the Indenture and the relevant Notes Guarantee constitute legal, valid and binding obligations of such Subsidiary Guarantor (or Person formed by or surviving any such merger, consolidation, amalgamation or other combination) enforceable in accordance with their terms; or

(ii) the net cash proceeds of such sale or other disposition are applied in accordance with the covenant described below under "—Limitation on Sales of Assets and Subsidiary Stock."

The provisions of this covenant shall not apply to a merger, consolidation, amalgamation or other combination or sale, sale of assets, assignment, transfer, conveyance, lease, change of form of incorporation or other disposition between or among any of the Issuer, the Parent Guarantor and any Restricted Subsidiary or between or among any Restricted Subsidiaries; *provided, however*, if the Issuer, the Parent Guarantor or any Subsidiary Guarantor merges with or into, or consolidates with, a Restricted Subsidiary that is not a Guarantor, and such Restricted Subsidiary is the surviving entity or transfers all or substantially all of its assets to a restricted subsidiary that is not a Guarantor, then such Restricted Subsidiary must assume the predecessors' obligations under the Notes and must be organized, incorporated or existing under the laws of Ukraine, Cyprus, The Netherlands, Switzerland, the United Kingdom, the United States of America, any state thereof or the District of Columbia and any Member State of the European Union.

In the event of any demerger, internal reorganization, separation, or split of any Subsidiary Guarantor, each of the successor Persons formed as a result of such demerger, internal reorganization, separation, or split assumes all the obligations of the preceding Subsidiary Guarantor under the relevant Notes Guarantee pursuant to an assumption agreement, supplemental indenture or deed of surety or other agreement to such effect delivered to the Trustee, along with a Director's Certificate and a written opinion, in form and substance reasonably satisfactory to the Trustee, of counsel confirming that the transaction does not violate the applicable terms of the Indenture and that all conditions precedent in the Indenture relating to such transaction have been satisfied and that the Indenture and the Notes Guarantees of such successor Persons constitute legal, valid and binding obligations of such successor Persons enforceable in accordance with their terms.

Limitation on Lines of Business

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, engage in any business other than a Permitted Business.

Limitations on Activities of the Issuer

The Issuer will not engage in any business activity or undertake any other activity or obligations except activities and obligations relating to or required by the issuance of the Notes (including Additional Notes, if any); the issuance of other debt securities on the international capital markets by the Issuer, the Parent Guarantor or any Restricted Subsidiary; the raising of bank financing in the international loan markets by the Issuer, the Parent Guarantor or any Restricted Subsidiary; and actions incidental thereto, including without limitation lending or otherwise advancing the proceeds thereof to the Parent Guarantor or any Restricted Subsidiary, paying dividends and making other payments to the Parent Guarantor or any Restricted Subsidiary, making payments in respect of the Notes and establishing and maintaining its legal existence and otherwise take actions to comply with the terms of the Indenture and the Security Documents.

Listing

The Issuer will use its reasonable best efforts to effect and, if the Issuer so succeeds, maintain the listing of the Notes on the Global Exchange Market of the Irish Stock Exchange or another international securities exchange for so long as the Notes are outstanding.

Limitation on Restrictions on Distributions from Restricted Subsidiaries

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or permit to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any such Restricted Subsidiary to:

(1) pay dividends, in cash or otherwise, or make any other distributions on or in respect of its Capital Stock or any other interest or participation in, or measured by, its profits, in each case, to the Parent Guarantor or any Restricted Subsidiary;

(2) pay any Indebtedness owed to the Parent Guarantor or any Restricted Subsidiary;
(3) make loans or advances to the Parent Guarantor or any Restricted Subsidiary; or
(4) transfer any of its properties or assets to the Parent Guarantor or any Restricted Subsidiary.

The provisions referred to in the first paragraph of this covenant will not apply to:

(1) encumbrances and restrictions imposed by the Notes, the Indenture, any Notes Guarantee, or the Security Documents;
(2) encumbrances or restrictions contained in any agreement in effect on the Issue Date and any amendments, modifications, restatements, renewals, extensions, supplements, refundings, replacements or refinancings thereof, *provided* that the encumbrances and restrictions in any such amendments, modifications, restatements, renewals, extensions, supplements, refundings, replacements or refinancings are no more restrictive, taken as a whole, than those contained in such agreement as in effect on the Issue Date;
(3) encumbrances and restrictions: (i) that restrict in a customary manner the subletting, assignment or transfer of any properties or assets that are subject to a lease, license, conveyance or other similar agreement to which the Parent Guarantor or any Restricted Subsidiary is a party; and (ii) contained in operating leases for real property and restricting only the transfer of such real property upon the occurrence and during the continuance of a default in the payment of rent;
(4) encumbrances or restrictions contained in any agreement or other instrument of a Person acquired by the Parent Guarantor or any Restricted Subsidiary in effect at the time of such acquisition (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired;
(5) customary encumbrances or restrictions contained in contracts for sales of Capital Stock or assets with respect to the Capital Stock (including distributions in respect thereof) or assets to be sold pursuant to such contract;
(6) Liens permitted to be incurred under the provisions of the covenant described below under the caption "— Limitation on Liens" that limit the right of the debtor to dispose of the assets subject to such Liens;
(7) encumbrances or restrictions imposed by applicable law or regulation or by governmental licenses, concessions, franchises or permits;
(8) encumbrances or restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;
(9) any encumbrance or restriction arising by reason of customary non-assignment provisions in agreements;
(10) encumbrances and restrictions under agreements governing other Indebtedness permitted to be incurred under the covenant described under "—Certain Covenants—Limitations on Indebtedness" and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements (i) if the restrictions therein are not materially more restrictive, taken as a whole, than those contained in the Indenture, the Notes and the Note Guarantees or (ii) if such encumbrances or restrictions are not materially more disadvantageous to the holders of Notes than is customary in

comparable financings (as determined in good faith by the Parent Guarantor) and either (x) the Parent Guarantor determines that such encumbrance or restriction will not materially affect the Parent Guarantor's or the Issuer's ability to make principal or interest payments on the Notes as and when they come due or (y) such encumbrance or restriction applies only if a default occurs in respect of a payment or financial covenant prescribed under the terms of such Indebtedness;

(11) encumbrances or restrictions limiting the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements (including agreements entered into in connection with a Restricted Investment) entered into with the approval of the Parent Guarantor's Board of Directors, which limitation is applicable only to the assets that are the subject of such agreements; and

(12) encumbrances or restrictions contained in any agreement or document related to Permitted Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced.

Limitation on Liens

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, create or permit to exist any Lien (other than a Permitted Lien) upon the whole or any part of its property, assets or revenues, present or future, to secure payment of any sum due in respect of any Indebtedness of any Person.

Limitation on Designation of Unrestricted Subsidiaries

The Board of Directors of the Parent Guarantor may designate any Restricted Subsidiary other than the Issuer to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Parent Guarantor and the Restricted Subsidiaries in the Subsidiary so designated will be deemed to be an Investment made as of the time of such designation and will reduce the amount available for Restricted Payments under the first paragraph of the covenant described under "—Limitations on Restricted Payments" or reduce the amount available for Investments under one or more clauses of the definition of Permitted Investments, as the Parents Guarantor shall determine. That designation will only be permitted if such Investment would be permitted at that time and if such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors of the Parent Guarantor may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if the redesignation would not cause a Default.

Restrictions on Capital Expenditure

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, incur any Capital Expenditures other than:

(1) Business Plan Capital Expenditure;

(2) Additional Regulatory Capital Expenditure;

(3) (i) any Permitted Carry Forward Amounts for the fiscal year in which such Capital Expenditure is incurred and (ii) any unused Permitted Carry Forward Amounts for the immediately preceding fiscal year; and

(4) any Consent Capital Expenditure.

Restrictions on Location of Available Cash and Cash Pooling.

The Parent Guarantor shall ensure, and shall procure that each Restricted Subsidiary shall ensure, that at all times at least 20% of Available Cash shall be deposited in one or more accounts, with commercial banks that are not Affiliates of the Parent Guarantor, outside of Ukraine; *provided*, that the Parent Guarantor shall use its commercially reasonable efforts to make such deposits or to cause such deposits to be made with commercial banks that have one of the three highest rating categories obtainable from Moody's, Fitch or S&P.

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into or maintain any arrangements with any Affiliate of the Parent Guarantor in respect of cash pooling unless each Group member party to such cash pooling arrangements incurs Indebtedness under clause (9) of the second paragraph of the covenant described under "Limitation on Indebtedness" in connection with such arrangements.

Restrictions on Repayments of the Intercompany Loan.

The Parent Guarantor shall not permit any prepayment or repayment, in whole or in part, of the DTEK O&G Receivable, at maturity or otherwise, unless the proceeds of such prepayment or repayment are applied to redeem, repurchase, defease, acquire or otherwise reduce the principal amount of the Notes outstanding. Pending application of the proceeds for redemption, repurchase, defeasance, acquisition or other reduction of principal amount of the Notes outstanding, such proceeds will be deposited and held in the DTEK O&G Receivable Account.

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, amend, waive or modify the provisions of the DTEK O&G Receivable, except for amendments (i) required by applicable law or regulation or the terms of the Indenture or; (ii) of a technical nature that do not adversely affect the rights of any holder of the Notes.

For so long as the Notes are outstanding, the Parent Guarantor will not sell or dispose of, including by way transfer, assignment or subparticipation, all or any part of the DTEK O&G Receivable to any Person.

Additional Guarantees

If, after the Issue Date, (a) any Restricted Subsidiary that was not a Guarantor on the Issue Date is or becomes a Significant Subsidiary (whether or not such Restricted Subsidiary existed on the Issue Date or was created or acquired thereafter), (b) any Restricted Subsidiary (including any newly formed or newly acquired Restricted Subsidiary (unless, otherwise already a Subsidiary Guarantor)) guarantees or provides surety or credit support in respect of any Indebtedness of the Parent Guarantor or any other Restricted Subsidiary, or (c) the Parent Guarantor otherwise elects to cause any Restricted Subsidiary to become a Guarantor, then, in each case, the Parent Guarantor shall cause such Restricted Subsidiary to:

(1) execute and deliver to the Trustee a Notation of Guarantee or Deed of Surety, as applicable, in respect of its Note Guarantee and a supplemental indenture, in each case, as and to the extent required by the Trustee; and

(2) deliver to the Trustee one or more opinions of counsel in form and substance reasonably satisfactory to the Trustee that such supplemental indenture, notation of guarantee and/or deed of surety (a) has been duly authorized, executed and delivered by such Restricted Subsidiary and (b) constitutes a valid and legally binding obligation of such Restricted Subsidiary enforceable in accordance with its terms;

provided, however, that (i) the foregoing provisions of this paragraph will not apply to any guarantee or surety given to a bank or trust company organized in Ukraine, any member state of the European Union or any commercial banking institution that is a member of the U.S. Federal Reserve System, (or any branch, subsidiary or Affiliate thereof), in each case, having combined capital and surplus and undivided profits of not less than $500 million, whose indebtedness has a rating, at the time such guarantee was given, of at least "A" or the equivalent thereof by S&P and at least "A2" or the equivalent thereof by Moody's, in connection with the operation of cash management programs established for its benefit or that of the Parent Guarantor or any Restricted Subsidiary and (ii) with respect to the requirements of clause (a) of this paragraph only, the failure by such Restricted Subsidiary to execute and deliver to the Trustee a Notation of Guarantee or Deed of Surety and deliver to the Trustee one or more opinions of counsel shall not be a Default under the Indenture if (a) such Notation of Guarantee or Deed of Surety is executed and delivered and such opinions of counsel are delivered within 90 calendar days of the issuance of the audited consolidated balance sheet and audited consolidated income statements of the Parent Guarantor as of and for the most recent fiscal year, (b) the Parent Guarantor and the Restricted Subsidiaries have used their reasonable best efforts to provide such Notation of Guarantee or Deed of Surety or (c) such Restricted Subsidiary cannot provide a guarantee of the Notes as a result of applicable law, rule or regulation.'

The provisions described above under "Guarantees—Guarantee Limitations" and "—Exceptions to Requirements to Provide Notes Guarantees" shall apply with respect to the provisions of this "—Additional Guarantees" covenant.

Any Notes Guarantee by a Restricted Subsidiary shall provide by its terms that it shall be automatically and unconditionally released and discharged in the circumstances described under the heading "—Guarantees—Guarantee Release" above.

Reports to Holders

The Parent Guarantor will furnish the Trustee with the following:

(1) within 120 days after the end of each of the Parent Guarantor's fiscal years beginning with the fiscal year ended December 31, 2016, an annual report containing:
   a. information with a level of detail that is substantially comparable in all material respects to the section in the Offering Memorandum entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," and
   b. the audited consolidated balance sheet of the Parent Guarantor as of the end of the most recent fiscal year and audited consolidated income statements and statements of cash flow of the Parent Guarantor for the

most recent two fiscal years, including appropriate footnotes to such financial statements, and the report of the Auditors on the financial statements;

(2) within 90 days following the end of the first half of each fiscal year of the Parent Guarantor beginning with the six-months ended June 30, 2017, half-year financial statements containing the Parent Guarantor's unaudited condensed consolidated balance sheet as of the end of such half-year and unaudited condensed consolidated income statements and statements of cash flow for the most recent half-year and the comparable period in the prior year, together with condensed footnote disclosure (*provided* that if Parent Guarantor provides similar information to its shareholders on a quarterly basis it shall also provide such quarterly information to the Trustee);

(3) within 60 days following the end of each fiscal quarter of the Parent Guarantor, quarterly reports in the form attached to the Indenture as Appendix B (*Form of Quarterly Operational Report*) and Appendix C (*Form of Quarterly Financial Report*);

(4) as soon as practicable after their date of publication, every balance sheet, profit and loss account, report or other notice, statement or circular issued (or which under any legal or contractual obligation should be issued) to the members or holders of debentures or creditors (or any class of them) of the Issuer in their capacity as such at the time of the actual (or legally or contractually required) issue or publication thereof and procure that the same are made available for inspection by Noteholders at the specified offices of the Agents as soon as practicable thereafter;

(5) promptly after the occurrence of any material acquisition, disposition, restructuring affecting the Issuer, Parent Guarantor or any Significant Subsidiary, senior management changes at the Parent Guarantor, incurrence of debt for borrowed money or Equity Offering or change in Auditors, a report containing a description of such event or transaction, including in the case of any such debt incurrence or Equity Offering, an as adjusted or *pro forma* statement of capitalization giving effect thereto; and

(6) promptly after the making of any Restricted Payment under clause (III) of the first paragraph of the covenant under "Limitation on Restricted Payments," an Officer's Certificate stating (a)(i) the Consolidated Leverage Ratio after giving *pro forma* effect to such Restricted Payment as if such Restricted Payment had been made at the beginning of the most recently ended LTM Period prior to the date of such Restricted Payment, and showing in reasonable detail the calculation of the Consolidated Leverage Ratio, including the arithmetic computation of each component of the Consolidated Leverage Ratio, (ii) the amount of Net Available Cash after giving effect to such Restricted Payment, (iii) the aggregate principal amount outstanding under the Restructured Credit Facilities immediately prior to such Restricted Payment and (iv) the average trading price of the Notes as quoted by Bloomberg Finance LP on the 90 calendar days immediately preceding the date of such Restricted Payment and (b) that no Default or Event of Default has occurred and is continuing or occurred as a result of such Restricted Payment.

If the Parent Guarantor has designated any of its Subsidiaries as Unrestricted Subsidiaries and any such Unrestricted Subsidiary or group of Unrestricted Subsidiaries constitute Significant Subsidiaries of the Parent Guarantor, then the annual and half-yearly information required by clauses (1) and (2) of the preceding paragraph of this covenant shall

include in the footnotes thereto, a summary of the financial condition and results of operations of the Parent Guarantor and the Restricted Subsidiaries separate from the financial condition and results of operations of such Unrestricted Subsidiaries of the Parent Guarantor.

In addition, so long as the Notes remain "restricted securities" within the meaning of Rule 501 under the Securities Act and during any period during which the Parent Guarantor is not subject to Section 13 or 15(d) of the U.S. Exchange Act nor exempt therefrom pursuant to Rule 12g3-2(b), the Parent Guarantor shall furnish to the holders of Notes and to prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

All financial statement information required under this covenant shall be prepared on a consistent basis in accordance with IFRS.

Contemporaneously with the provision of each report discussed above, the Parent Guarantor will also (1) post such report on the Parent Guarantor's website and (2) for so long as the Notes are admitted to trading on the Global Exchange Market of the Irish Stock Exchange and the rules of such exchange so require, make the above information available through the offices of the Paying Agent in the United Kingdom.

Within two Business Days after release of each annual and semi-annual report, the Parent Guarantor will hold a publicly accessible conference call to discuss such reports and the results of operations for the relevant reporting period (including a reasonable time period for questions and answers). Details regarding access to such conference call will be posted at least 48 hours prior to the commencement of such call on the Parent Guarantor's website.

Currency Indemnity

The U.S. dollar is the sole currency of account and payment for all sums payable by the Issuer and the Guarantors under the Notes, the related Notes Guarantees and the Indenture. Any amount received or recovered in currency other than the U.S. dollar in respect of the Notes or the related Notes Guarantees (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding up or dissolution of the Issuer, any Guarantor, any Subsidiary or otherwise) by the Holder in respect of any sum expressed to be due to it from the Issuer or any Guarantor will constitute a discharge of the Issuer or the Guarantors only to the extent of the U.S. dollar amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that U.S. dollar amount is less than the U.S. dollar amount expressed to be due to the recipient under any Note or a related Notes Guarantee, the Issuer and the Guarantors will indemnify the recipient against any loss sustained by it as a result. In any event, the Issuer and the Guarantors will indemnify the recipient against the cost of making any such purchase.

Events of Default

Each of the following is an Event of Default under the Indenture:

(1) default for 30 days in any payment of interest on any Note when due;
(2) default in the payment of principal of or premium, if any, on any Note when due at its Stated Maturity, upon optional redemption, upon required repurchase or otherwise;

(3) (a) failure to comply after notice with the covenant described under "—Certain Covenants—Merger, Consolidation or Sale of Assets" with respect to the Parent Guarantor or the Issuer or (b) failure to comply for 15 Business Days after notice with (x) the covenant described under "—Certain Covenants—Merger, Consolidation or Sale of Assets" in respect of a Subsidiary Guarantor, (y) the covenant described under "—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock," or (z) the provisions under "Repurchase at the Option of holders upon a Change of Control;"

(4) failure to comply for 45 days after notice with any other agreements contained in the Indenture;

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Parent Guarantor or any Restricted Subsidiary (or the payment of which is guaranteed by the Parent Guarantor or any Restricted Subsidiary), whether such Indebtedness or guarantee now exists, or is created after the Issue Date, which default:

(a) is caused by a failure to pay principal of such Indebtedness at maturity prior to the expiration of the grace period provided in such Indebtedness ("**payment default**"); or

(b) results in the acceleration of such Indebtedness prior to its Stated Maturity (the "**cross acceleration provision**"),

and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been such a payment default or the maturity of which has been so accelerated, aggregates $50.0 million or more, provided that payment defaults under the Existing Credit Facilities shall not constitute a default for the purposes of this clause (5);

(6) certain events of bankruptcy, insolvency or reorganization, as more fully described in the Indenture, of the Parent Guarantor or a Restricted Subsidiary that is a Significant Subsidiary or group of Restricted Subsidiaries that, taken together (as of the latest audited consolidated financial statements for the Parent Guarantor and its Restricted Subsidiaries), would constitute a Significant Subsidiary (the "**bankruptcy provisions**");

(7) one or more judgments in an aggregate amount in excess of $50.0 million shall have been rendered against the Parent Guarantor or any Restricted Subsidiary and are not covered by indemnities or third party insurance as to which the Person giving such indemnity or such insurer has not disclaimed coverage and such judgments remain undischarged, unpaid or unstayed for a period of 60 days after such judgment or judgments become final and non-appealable (and, in the case of a Ukrainian judgment, no longer eligible to be the subject of a petition of cassation), *provided* that, this paragraph shall not apply to:

a. any judgment in favor of the Ministry of Energy and Coal Mining of Ukraine and/or NJSC "Naftogaz of Ukraine" against any member of the Group relating to indebtedness in respect of natural gas purchased from NJSC "Naftogaz of Ukraine"; or

b. any judgment in favor of State Enterprise "Energorynok" against any member of the Group relating to indebtedness in respect of electric power purchased in the wholesale market

provided further that the relevant judgments made in one or more of the proceedings set out in subparagraphs (a) and (b) above do not exceed $100 million in the aggregate;

(8) any Notes Guarantee fails to become or ceases to be in full force and effect (except as permitted by its terms or the terms of the Indenture) or is declared null and void in a judicial proceeding or any Guarantor denies or disaffirms its obligations under its Notes Guarantee;

(9) the ability of the Parent Guarantor or a Restricted Subsidiary that is a Significant Subsidiary or group of Restricted Subsidiaries that, taken together (as of the latest audited consolidated financial statements for the Parent Guarantor and its Restricted Subsidiaries), would constitute a Significant Subsidiary to conduct its or their business is wholly or substantially curtailed by any seizure, expropriation, nationalization or compulsorily acquisition of all or substantially all the assets of the Parent Guarantor, such Restricted Subsidiary or such group of Restricted Subsidiaries by, or any other action of, any governmental or regulatory authority or agency with authority over the Parent Guarantor, such Restricted Subsidiary or such group of Restricted Subsidiaries or their respective assets;

(10) it is or will become unlawful for the Issuer or any Guarantor to perform or comply with any one or more of its obligations under any of the Notes, the Indenture, any Notes Guarantee;

(11) (i) the occurrence of any "Event of Default" under the DTEK O&G Receivable; (ii) the Amended and Restated DTEK O&G Receivable Documentation fails to become or ceases to be in full force and effect or is declared null and void in a judicial proceeding or DTEK O&G or NGD Holdings deny or disaffirm their respective obligations under the DTEK O&G Receivable; or (iii) any default by the Parent Guarantor or any Restricted Subsidiary of its obligations under the Deed of Undertaking;

(12) any Security Document fails to become or ceases to be in full force and effect (except as permitted by its terms or the terms of the Indenture or the Security Document) or is declared null and void in a judicial proceeding or the Issuer denies or disaffirms its obligations under the Security Documents; or

(13) any default by the Issuer in the performance of any of its obligations under the Security Documents that adversely affects the enforceability, validity, perfection or priority of the applicable Lien on the Collateral or that adversely affects the condition or value of the Collateral, taken as a whole, in any material respect.

However, a default under clauses (3) and (4) of this paragraph that has occurred and is continuing will not constitute an Event of Default until holders of at least 25% in aggregate principal amount of the Notes then outstanding voting as a single class notify the Issuer (with a copy of such notice to be sent to the Trustee) of the default and the Issuer does not cure such default within the time specified in clauses (3) and (4) of this paragraph after receipt of such notice.

If an Event of Default (other than an Event of Default described in clause (6) above) occurs and is continuing, the Trustee by notice to the Issuer, or the holders of at least 25% in principal amount of the outstanding Notes by notice to the Issuer and the Trustee, may, and Trustee at the written request of such holders shall, declare the principal of, premium, if any, and accrued and unpaid interest, if any, on all the Notes to be due and payable. Upon such a declaration, such principal, premium and accrued and unpaid interest will be due and payable

immediately. In the event of a declaration of acceleration of the Notes because an Event of Default described in clause (5) under "Events of Default" has occurred and is continuing, the declaration of acceleration of the Notes shall be automatically annulled if the event of default or payment default triggering such Event of Default pursuant to clause (5) shall be remedied or cured by the Parent Guarantor or a Restricted Subsidiary or waived by the holders of the relevant Indebtedness within 10 Business Days after the declaration of acceleration with respect thereto and if (1) the annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, except non-payment of principal, premium or interest on the Notes that became due solely because of the acceleration of the Notes, have been cured or waived. If an Event of Default described in clause (6) above occurs and is continuing, the principal of, premium, if any, and accrued and unpaid interest on all the Notes will become and be immediately due and payable without any declaration or other act on the part of the Trustee or any holders. The holders of a majority in principal amount of the outstanding Notes may waive all past defaults (except with respect to non- payment of principal, premium or interest) and rescind any acceleration with respect to the Notes and its consequences if (1) rescission would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, other than the non-payment of the principal of, premium, if any, and interest on the Notes that have become due solely by such declaration of acceleration, have been cured or waived.

Upon becoming aware of a Default or an Event of Default, the Issuer shall deliver to the Trustee, promptly and in any event within 15 Business Days thereafter, written notice of any events which would constitute a Default or an Event of Default, their status, and what action the Issuer is taking or proposes to take in respect thereof.

Subject to the provisions of the Indenture relating to the duties of the Trustee, if an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the holders unless such holders have offered the Trustee an indemnity and/or security and/or prefunding satisfactory to the Trustee in its sole discretion against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium, if any, or interest when due, no holder may pursue any remedy with respect to the Indenture or the Notes or Notes Guarantees or the Security Documents unless:

(1) such holder has previously given the Trustee written notice that an Event of Default is continuing;
(2) holders of at least 25% in principal amount of the outstanding Notes have requested the Trustee in writing to pursue the remedy;
(3) such holders have agreed to fully indemnify and/or secure and/or prefund the Trustee to its satisfaction in relation thereto;
(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security and/or indemnity and/or prefunding; and
(5) the holders of a majority in principal amount of the outstanding Notes have not given the Trustee a direction that, in the opinion of the Trustee, is inconsistent with such request within such 60-day period.

Holders of Notes may not enforce the Indenture, the Notes, the Notes Guarantees or the Security Documents except as provided in the Indenture or the Security Documents. Subject to certain restrictions, the holders of a majority in principal amount of the outstanding Notes are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee,

subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction. The Indenture and the Security Documents will provide that in the event an Event of Default has occurred and is continuing, the Trustee will be required in the exercise of its powers to use the degree of care that a prudent person would use in the conduct of its own affairs. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or the Security Documents or that the Trustee determines is unduly prejudicial to the rights of any other holder or that would involve the Trustee in personal liability. Prior to taking any action under the Indenture or the Security Documents, the Trustee will be entitled to indemnification and/or security satisfactory to it in its sole discretion against all losses, liabilities, fees and expenses caused by taking or not taking such action.

The Indenture provides that if a Default occurs and is continuing and is known to the Trustee, the Trustee must mail to each holder notice of the Default within 90 days after it is known to the Trustee. Except in the case of a Default in the payment of principal of, premium, if any, or interest on any Note, the Trustee may withhold notice if and so long as the Trustee in good faith determines that withholding notice is in the interests of the holders. The Parent Guarantor shall deliver to the Trustee, within 120 days after the end of each fiscal year, a Director's Certificate stating that a review of the activities of the Parent Guarantor and the Restricted Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Directors with a view to determining whether it has kept, observed, performed and fulfilled its obligations under the Indenture and further stating, as to each such Director signing such certificate that, to the best of such signing Director's knowledge, the Parent Guarantor and the Issuer during such preceding fiscal year has kept, observed, performed and fulfilled each and every such covenant contained in the Indenture and the Security Documents and no Default occurred during such year and at the date of such certificate there is no Default which has occurred and is continuing or, if such signers do know of any such Default, the certificate shall describe its status, with particularity and that, to the best of such signing Director's knowledge, no event has occurred and remains by reason of which payments on the account of the principal of or interest, if any, on the Notes is prohibited or if such event has occurred, a description of the event and what action each is taking or proposes to take with respect thereto. The Trustee will not be responsible for monitoring any of the covenants or restrictions or obligations contained in the Notes or in the Indenture and shall be entitled to rely on any such certificate without further enquiry.

Amendments and Waivers

Except as set forth in the next two succeeding paragraphs, the Indenture, the Notes, the Notes Guarantees and the Security Documents may be amended or supplemented with the consent of the holders of a majority in aggregate principal amount of the Notes then outstanding voting as a single class (including without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes) and any past or existing Default or Event of Default or compliance with any provision of the Indenture, the Notes, the Notes Guarantees and the Security Documents may be waived (other than Default in respect of the payment of principal, interest or Additional Amounts due on the Notes) with the consent of the holders of a majority in aggregate principal amount of the Notes then outstanding voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes).

However, without the consent of holders of Notes holding not less than 90% of the aggregate principal amount of the Notes then outstanding, no amendment may, among other things:

(1) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver;
(2) reduce the stated rate of or extend the stated time for payment of interest on any Note;
(3) reduce the principal of or extend the Stated Maturity of any Note;
(4) reduce the premium payable upon the redemption or repurchase of any Note or change the time at which any Note may be redeemed or repurchased as described above under the section entitled "—Optional Redemption," "—Repurchase at the Option of holders upon a Change of Control" and "—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock," whether through an amendment, waiver of provisions in the covenants, definitions or otherwise;
(5) make any Note payable in currency other than that stated in the Note;
(6) impair the right of any Holder to receive payment of, premium, if any, principal of, interest on such Holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such Holder's Notes;
(7) waive a Default or Event of Default in the payment of principal of, or interest or premium, if any, on, the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);
(8) make any change in the provisions of the Indenture described under the section entitled "Payment of Additional Amounts" that adversely affects the rights of any Holder of such Notes in any material respect or amends the terms of such Notes in a way that would result in a loss of an exemption from any of the Taxes described thereunder or an exemption from any obligation to withhold or deduct Taxes so described thereunder unless the Payor agrees to pay Additional Amounts, if any, in respect thereof;
(9) make any change in the provisions of the Indenture affecting the ranking of the Notes or any Guarantee in a manner adverse to the Holders;
(10) release any of the Notes Guarantees other than in accordance with the terms of the Indenture or such Note Guarantee;
(11) make any change in the preceding amendment and waiver provisions;
(12) make any change in the definition of "Unrestricted Subsidiary;"
(13) release any Collateral, except as provided in the Indenture and the Security Documents; or
(14) amend, change or modify any provision of any Security Document or any provision of the Indenture relating to the Collateral, in a manner that adversely affects the Holders, except in accordance with the other provisions of the Indenture or such Security Document.

Notwithstanding the foregoing, without the consent of any Holder, the Issuer, the Guarantors and the Trustee may amend the Indenture, the Notes and the Notes Guarantees to:

(1) cure any ambiguity, omission, defect or inconsistency;
(2) provide for the assumption by a successor entity of the obligations of the Issuer's or Guarantor's obligations to holders of Notes and Notes Guarantees in the case of a merger or consolidation or sale of all or substantially all of the Issuer's or such Guarantor's assets, as applicable, in accordance with the Indenture;

(3) provide for uncertificated Notes in addition to or in place of certificated Notes (*provided*, that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the U.S. Internal Revenue Code of 1986, as amended);

(4) add Notes Guarantees with respect to the Notes or release a Subsidiary Guarantor upon its designation as an Unrestricted Subsidiary or as otherwise permitted by the Indenture; *provided*, *however*, that the release complies with the applicable provisions of the Indenture;

(5) add to the covenants of the Issuer or the Guarantors for the benefit of the holders or surrender any right or power conferred upon the Issuer or any Guarantor;

(6) conform the text of the Indenture, the Notes or the Notes Guarantees to any provision of this Description of the Notes to the extent that such provision in this Description of the Notes was intended to be a verbatim recitation of a provision of the Indenture, the Notes or the Notes Guarantees;

(7) provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture;

(8) comply with the rules of any applicable securities depository;

(9) to mortgage, pledge, hypothecate or grant a Lien in favor of the Trustee for the benefit of the holders of Notes, as security for the payment and performance of the Issuer's or any Guarantor's obligations under the Notes, the Indenture or the relevant Notes Guarantee;

(10) evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee pursuant to the requirements thereof; or

(11) add additional Collateral to secure the Notes.

The consent of the holders is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment. A consent to any amendment or waiver under the Indenture by any Holder of Notes given in connection with a tender of such Holder's Notes will not be rendered invalid by such tender.

In formulating its opinion on such matters, the Trustee shall be entitled to rely absolutely on such evidence as it deems appropriate, including an opinion of counsel and a Directors' Certificate.

In determining whether the holders of the requisite principal amount of Notes have given any request, demand, authorization, consent, vote or waiver in connection with the Indenture and the Notes, Notes owned by the Parent Guarantor or the Issuer or any Affiliate of the Parent Guarantor or the Issuer shall be disregarded and deemed not to be outstanding for these purposes, except that in determining whether the Trustee shall be protected in relying upon such request, demand, authorization, consent, vote or waiver, only Notes which the Trustee knows to be so owned shall be so disregarded.

The Issuer will publish a notice of any amendment, supplement or waiver in accordance with the provisions of the Indenture described under the section entitled "— Notices," and for so long as the Notes are admitted to trading on the Global Exchange Market of the Irish Stock Exchange and the rules of such exchange so require, the Issuer will notify the Irish Stock Exchange of any such amendment, supplement and waiver.

Defeasance

The Issuer may, at its option and at any time, elect to have its obligations and the obligations of the Guarantors discharged with respect to the outstanding Notes ("**Legal Defeasance**"). Legal Defeasance means that the Issuer and the Guarantors shall be deemed to have paid and discharged the entire indebtedness represented by the Notes and the Notes Guarantees, and the Indenture and the Security Documents shall cease to be of further effect as to all outstanding Notes and Notes Guarantees, except as to:

(1) rights of Holders to receive payments in respect of the principal of and interest on the Notes when such payments are due from the trust funds referred to below;
(2) the Issuer's obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes, and the maintenance of an office or agency for payment and money for security payments held in trust;
(3) the rights, powers, trust, duties, and immunities of the Trustee, and the Issuer's obligation in connection therewith; and
(4) the Legal Defeasance provisions of the Indenture.

In addition, the Issuer may, at its option and at any time, elect to have its obligations and the obligations of the Guarantors released with respect to most of the covenants under the Indenture, except as described otherwise in the Indenture ("**Covenant Defeasance**"), and thereafter any omission to comply with such obligations shall not constitute a Default. In the event Covenant Defeasance occurs, certain Events of Default (not including non-payment, bankruptcy, receivership, rehabilitation and insolvency events (each an "**Excluded Event of Default**")) will no longer apply. If an Excluded Event of Default has occurred and is continuing, then the Covenant Defeasance will not be effective until each such Excluded Events of Default are no longer continuing. The Issuer may exercise its Legal Defeasance option regardless of whether it previously exercised Covenant Defeasance.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Issuer must irrevocably deposit with the Trustee, as trust funds, in trust solely for the benefit of the Holders, U.S. legal tender, U.S. Government Obligations or a combination thereof, in such amounts as will be sufficient (without consideration of any reinvestment of interest) in the opinion of an internationally recognized firm of independent public accountants selected by the Issuer and approved by the Trustee (such approval not to be unreasonably withheld), to pay the principal of and interest on the Notes on the stated date for payment or on the redemption date of the principal or installment of principal of or interest on the Notes;
(2) in the case of Legal Defeasance, the Issuer shall have delivered to the Trustee an Opinion of Counsel in the United States confirming that:
    (a) the Issuer has received a ruling from, or a ruling has been published by the Internal Revenue Service, or
    (b) since the date of the Indenture, there has been a change in the applicable U.S. federal income tax law,

    in either case to the effect that, and based thereon this Opinion of Counsel shall confirm that, the Holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner

and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Issuer shall have delivered to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee confirming that the Holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if the Covenant Defeasance had not occurred;

(4) no Default shall have occurred and be continuing on the date of such deposit (other than a Default resulting from the borrowing of funds to be applied to such deposit);

(5) the Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of or under any material agreement or instrument to which the Issuer or any of its Subsidiaries is a party or by which the Issuer or any of its Subsidiaries is bound (other than any such Default or default resulting solely from the borrowing of funds to be applied to such deposit);

(6) the Issuer shall have delivered to the Trustee a Directors' Certificate stating that the deposit was not made by it with the intent of preferring the Holders over any other of its creditors or with the intent of defeating, hindering, delaying or defrauding any other of its creditors or others; and

(7) the Issuer shall have delivered to the Trustee a Directors' Certificate and an Opinion of Counsel, each stating that the conditions provided for in, in the case of the Directors' Certificate, clauses (1) through (6) and, in the case of the opinion of counsel, clauses (2) and/or (3) and (5) of this paragraph have been complied with.

If the funds deposited with the Trustee to effect Covenant Defeasance are insufficient to pay the principal of and interest on the Notes when due, then the Issuer's obligations and the obligations of Guarantors under the Indenture will be revived and no such defeasance will be deemed to have occurred.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect (except as to rights of registration of transfer or exchange of Notes which shall survive until all Notes have been cancelled) as to all outstanding Notes when either:

(1) all the Notes that have been authenticated and delivered (except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has been deposited in trust or segregated and held in trust by the Issuer and thereafter repaid to the Issuer or discharged from this trust) have been delivered to the Trustee for cancellation; or

(2) (a) all Notes not delivered to the Trustee for cancellation (i) have become due and payable by reason of the mailing of notice of redemption or otherwise, or (ii) will become due and payable within one year and, in any case, the Issuer has irrevocably deposited or caused to be deposited with the Trustee (or its designee) as trust funds, in trust solely for the benefit of the Holders, U.S. legal tender, U.S. Government Obligations or a combination thereof, in such amounts as will be sufficient (without consideration of any reinvestment of

interest) to pay and discharge the entire Indebtedness (including all principal and accrued interest, Additional Amounts and premium, if applicable) on the Notes not theretofore delivered to the Trustee for cancellation,

(b) the Issuer has paid all sums payable by it under the Indenture,

(c) and the Issuer has delivered irrevocable instructions to the Trustee to apply the deposited money toward the payment of the Notes at maturity or on the date of redemption, as the case may be.

In addition, the Issuer must deliver a Directors' Certificate and an Opinion of Counsel stating that all conditions precedent to satisfaction and discharge have been complied with.

No Personal Liability of Directors, Officers, Employees and Stockholders

No past, present or future director, officer, employee, incorporator, promoter, advisor or stockholder of the Issuer or any Guarantor, as such, will have any liability for any obligations of the Issuer or the Guarantors under the Notes, the Indenture or the Notes Guarantees or the Proceeds Loan or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under U.S. federal securities laws.

Concerning the Trustee

GLAS Trust Corporation Limited will be the Trustee under the Indenture and the Security Agent with regard to the Collateral under the Security Documents.

The Issuer shall deliver written notice to the Trustee promptly and in any event within 15 Business Days of becoming aware of a Default or an Event of Default.

The Indenture directly or by reference, contains limitations on the rights of the Trustee under the Indenture in the event the Trustee becomes a creditor of the Issuer, any Guarantor or any Subsidiary. These include limitations on the Trustee's rights to obtain payment of claims in certain cases or to realize on certain property received by it in respect of any such claims, as security or otherwise. The Trustee will be permitted to engage in other transactions.

The Indenture provides that, except during the continuance of an Event of Default, the Trustee will perform only such duties as are set forth specifically in the Indenture. During the existence of an Event of Default of which a Responsible Officer of the Trustee has actual knowledge, the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent man in the conduct of his own affairs. The Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of Notes, unless such holder has offered the Trustee security and/or indemnity and/or prefunding satisfactory to it in its sole discretion against any loss, liability or expense. The Trustee will not be responsible for any unsuitability, inadequacy or unfitness of any Collateral as security in relation to the Notes and shall not be obliged to make any investigation into, and shall be entitled to assume, the suitability, adequacy and fitness of any Collateral as security for the Notes. The Trustee will not be responsible for any loss, expense or liability which may be suffered as a result of any Collateral being uninsured or inadequately insured.

In all instances under the Indenture, the Trustee will be entitled to rely on any instructions, certificates, statements or opinions delivered pursuant to the Indenture absolutely

and will not be obliged to inquire further regarding the circumstances then existing and will not be responsible for any loss or damage to the holders or any other person for so relying.

The Indenture sets out the terms under which the Trustee may retire or be removed, and replaced. Such terms will include, among others, (1) that the Trustee may be removed at any time by the holders of a majority in principal amount of the then outstanding Notes, or may resign at any time by giving written notice to the Issuer and (2) that if the Trustee at any time (a) has or acquires a conflict of interest that is not eliminated or (b) becomes incapable of acting as Trustee or becomes insolvent or bankrupt, then the Issuer may remove the Trustee, or any holder who has been a *bona fide* holder for not less than 180 days may petition any court for removal of the Trustee and appointment of a successor Trustee.

Any removal or resignation of the Trustee shall not become effective until the acceptance of appointment by the successor Trustee.

The Indenture provides for the indemnification of the Trustee and for its relief from responsibility in connection with its actions under the Indenture. The Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of Notes, unless such holder has offered the Trustee security and/or indemnity and/or prefunding satisfactory to it against any loss, liability or expense. The Indenture provides that the Trustee is entitled (in its capacity as trustee of the Notes and as security agent) to be paid amounts in respect of their fees, costs and expenses and claims under any indemnity in priority to payments to other creditors, including holders of the Notes.

Governing Law

The Indenture provides that it, the Notes and the Guarantees will be governed by, and construed in accordance with, the laws of the State of New York. The Ukrainian Deeds of Surety will be governed by and construed in accordance with, the laws of England and Wales.

Consent to Jurisdiction, Dispute Resolution and Service of Process

Any legal action or proceedings arising out of or in connection with the Indenture, the Notes or the Notes Guarantees will be settled by arbitration in accordance with the rules of arbitration (the "**LCIA Rules**") of the London Court of International Arbitration ("**LCIA**"), as then in effect. The seat of any arbitration shall be in the Borough of Manhattan in the City of New York. The language of the arbitration shall be English.

In addition, the Indenture provides that if any dispute or difference of whatever nature arises from or in connection with the Indenture, the Notes, or the Notes Guarantees (other than the Deeds of Surety, which shall be subject to arbitration only) (each a "**Dispute**"), the Trustee may elect, by notice in writing to the Issuer, to have such Dispute brought and heard in, and each of the Issuer and the Guarantors will irrevocably submit to the jurisdiction of, the federal and state courts in the Borough of Manhattan in the City of New York, County and State of New York, United States of America.

Notices

In the event the Notes are in the form of definitive Notes, notices will be sent, by first-class mail, with a copy to the Trustee and to each Holder at such Holder's address as it appears on the registration books of the registrar. If and so long as such Notes are admitted to trading

on the Global Exchange Market of the Irish Stock Exchange, notices will also be given in accordance with any applicable requirements of such securities exchange. Any such notices delivered to the Global Exchange Market of the Irish Stock Exchange will be published on the Daily Official List of the Irish Stock Exchange' so long as the rules so require. If and so long as any Notes are represented by the Global Notes and ownership of Book-Entry Interests therein are shown on the records of Euroclear and Clearstream or any successor clearing agency appointed by the Common Depositary for Euroclear and Clearstream at the request of the Issuer, notices will be delivered to such clearing agency for communication to the owners of such Book-Entry Interests. Notices given by publication will be deemed given on the first date on which publication is made and notices given by first-class mail, postage prepaid, will be deemed given five calendar days after mailing.

Certain Definitions

"**Acquired Debt**" means, with respect to any specified Person, Indebtedness of any other Person existing at the time such other Person is merged, consolidated, amalgamated or otherwise combined with or into, or becomes a Restricted Subsidiary of, such specified Person.

"**Additional Amounts**" has the meaning ascribed thereto under the section entitled "— Payment of Additional Amounts."

"**Additional Regulatory Capital Expenditure**" means any Capital Expenditure (other than any Business Plan Capital Expenditure) that is required to be incurred by the Parent Guarantor or any Restricted Subsidiary:

(1) under privatization, concession, asset lease or similar agreements between the Parent Guarantor or such Restricted Subsidiary and Ukraine (directly or through any authorized agency or instrumentality thereof);

(2) by applicable law, regulation or any other regulatory act;

(3) by any written order, demand, regulation, claim, request or communication by any regulatory authority; or

(4) that is or will be directly or indirectly compensated by the Ukrainian Government or any other regulatory or administrative authority (including, but not limited to, by way of tariff and financial support) within a period of not more than five years from the date of such Capital Expenditure.

"**Additional Notes**" has the meaning ascribed thereto under the section entitled "— General."

"**Affiliate**," in respect of any specified Person, means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person, and, in the case of a natural Person, any immediate family member of such Person. For purposes of this definition, "control," as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; *provided* that (a) for purposes of the covenant entitled "Limitation on Affiliate Transactions" beneficial ownership of 10% or more of the Voting Stock of a Person shall be deemed to be control and (b) for purposes of this definition, the terms "controlling;" "controlled by" and "under common control with" shall have correlative meanings.

"**Affiliate Transaction**" has the meaning ascribed thereto in the covenant described above under "—Certain Covenants—Limitation on Affiliate Transactions."

"**Agent**" means any Registrar, co-registrar, Transfer Agent, U.S. Transfer Agent, Paying Agent, Paying Agent or additional paying agent.

"**Asset Sale**" means any sale, lease, transfer or other disposal in a transaction or series of related transactions by the Parent Guarantor or any Restricted Subsidiary of all or any of the Equity Interests of any Subsidiary of the Parent Guarantor or any other property or assets of the Parent Guarantor or any Restricted Subsidiary and the issuance by any Restricted Subsidiary of Equity Interests; *provided* that "Asset Sale" shall not include:

(1) sales, leases, transfers or other disposals of inventory, stock-in-trade, goods, services and other current assets (including accounts receivable) in the ordinary course of business;
(2) dispositions by the Parent or any Restricted Subsidiary of assets or Equity Interests in a single transaction or a series of related transactions with an aggregate Fair Market Value of less than $5.0 million;
(3) any transfers of assets or transfer or issuances of Equity Interests to, between or among the Parent Guarantor and/or any Restricted Subsidiary;
(4) a disposition by the Parent or any Restricted Subsidiary of damaged, obsolete or worn-out equipment or equipment that is no longer useful in the conduct of business of the Parent or any Restricted Subsidiary and that is disposed in each case in the ordinary course of business (including the abandonment or other disposition of intellectual property that is, in the reasonable judgment of the Parent Guarantor, no longer economically practicable to maintain or useful in the conduct of the business of the Group);
(5) the granting of any Lien not prohibited by the Indenture and dispositions in connection with a Permitted Lien;
(6) dispositions in accordance with a transaction governed by the first and third paragraphs of the covenant described under "—Certain Covenants—Merger, Consolidation or Sale of Assets" or the section entitled "—Repurchase at the Option of holders upon a Change of Control;"
(7) a Restricted Payment that is permitted by the covenant described under "—Certain Covenants—Limitation on Restricted Payments" and any Permitted Investment;
(8) the sale or other disposition of cash and Cash Equivalents;
(9) licenses and sublicenses by the Parent or any Restricted Subsidiary of software or intellectual property in the ordinary course of business so long as such licenses or sublicenses do not prohibit the licensor or sublicensor from using such software or intellectual property;
(10) any surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business; and
(11) any lease of assets without a transfer of title corresponding to such assets (*orenda*) in the ordinary course of business.

"**Attributable Indebtedness**" means, with respect to any Sale and Leaseback Transaction at the time of determination, the present value (discounted at the interest rate implicit in the lease determined in accordance with IFRS or, if not known, at the Parent Guarantor's incremental borrowing rate) of the total obligations of the lessee of the property subject to such lease for rental payments during the remaining term of the lease included in

such Sale and Leaseback Transaction, including any period for which such lease has been extended or may, at the option of the lessor, be extended, or until the earliest date on which the lessee may terminate such lease without penalty or upon payment of penalty (in which case the rental payments shall include such penalty), after excluding from such rental payments all amounts required to be paid on account of maintenance and repairs, insurance, taxes, assessments, water, utilities and similar charges; *provided*, that if such Sale and Leaseback Transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of Capital Lease Obligation.

"**Auditors**" means the independent auditors of the Parent Guarantor from time to time.

"**Available Cash**" means the amount of bank balances payable on demand that would appear on a consolidated balance sheet of the Parent Guarantor prepared in accordance with IFRS on the date of determination, excluding any restricted cash as determined in accordance with IFRS.

"**Board of Directors**" means (a) with respect to a corporation, the board of directors of the corporation and, in the case of any corporation having both a supervisory board and an executive or management board, either the supervisory board or the executive or management board, and any authorized committee of any of the foregoing, (b) with respect to a partnership, the board of directors of the general partner of the partnership, and (c) with respect to any other Person, the board or committee of such Person serving a similar function.

"**Business Day**" means a day (other than a Saturday or Sunday) 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 each of London, New York City, Ukraine, The Netherlands and the cities in which the specified office of the Paying Agent, Transfer Agent and the Registrar are located and, in the case of presentation or surrender of a Note, in the place of the specified office of the relevant Paying Agent and Transfer Agent to whom the relevant Note is presented or surrendered.

"**Business Plan Capital Expenditure**" for any fiscal year means any Capital Expenditure in an amount not to exceed the aggregate amount in UAH equivalent based on the average exchange rate for such fiscal year calculated using daily official exchange rates of the National Bank of Ukraine during that fiscal year indicated below (with such split of UAH and USD being indicative):

For the fiscal year ending:	Business Plan Capital Expenditure:
December 31, 2017	UAH 6,621.2 million, plus USD 238.7 million
December 31, 2018	UAH 6,630.8 million, plus USD 234.3 million
December 31, 2019	UAH 6,326.9 million, plus USD 221.2 million
December 31, 2020	UAH 6,196.5 million, plus USD 215.0 million
December 31, 2021	UAH 8,206.1 million, plus USD 282.3 million
December 31, 2022	UAH 9,203.0 million, plus USD 308.1 million
December 31, 2023	UAH 10,309.5 million, plus USD 335.8 million
December 31, 2024	UAH 10,845.5 million, plus USD 343.7 million

"**Capital Expenditure**" means any expenditure (excluding VAT) which would be treated as capital expenditure under IFRS or any obligation in respect of such expenditure.

"**Capital Lease Obligation**" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet in accordance with IFRS, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"**Capital Stock**" means (a) in the case of a corporation, corporate stock, (b) in the case of a company, share capital, (c) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock, (d) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited), and (e) any other interest or participation in the nature of an equity interest in the issuing Person or that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"**Cash Equivalents**" means:

(1) Ukrainian Hryvnia, Russian Roubles, euro, U.S. dollars and British pound sterling;

(2) securities issued or directly and fully guaranteed or insured by the government of any of the United States of America or any member state of the European Union or Ukraine or any agency or instrumentality of any of the foregoing (*provided* that the full faith and credit of the relevant jurisdiction is pledged in support thereof) or by any European Union central bank, and in each case having maturities of not more than one year from the date of acquisition;

(3) certificates of deposit, time deposits and money market deposits denominated in Hryvnia, Russian Roubles, euro, U.S. dollars or British pound sterling with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding six months and overnight bank deposits, in each case, with a commercial bank or trust company (or with any Ukraine-based Subsidiary of such commercial bank or trust company) which commercial bank or trust company has one of the three highest rating categories obtainable from Moody's, Fitch or S&P, or with any Ukrainian commercial bank or trust company having one of the two highest rating categories obtainable by Ukrainian banks from Moody's, Fitch or S&P;

(4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in paragraphs (2) and (3) above entered into with any commercial bank or trust company (or with any Ukraine-based Subsidiary of such commercial bank or trust company) which commercial bank or trust company has one of the three highest rating categories obtainable from Moody's, Fitch or S&P, or with any Ukrainian commercial bank or trust company having one of the two highest rating categories obtainable by Ukrainian banks from Moody's, Fitch or S&P;

(5) commercial paper having a rating at the time of the investment of at least "P-1" from Moody's or "A-1" from S&P (or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term debt obligations, an equivalent rating) and in each case maturing within one year after the date of acquisition; and'

(6) money market funds at least 95.0% of the assets of which constitute Cash Equivalents of the kinds described in paragraphs (1) through (5) of this definition.

"**Clearstream**" means Clearstream Banking, *société anonyme*, and its successors.

"**Change of Control**" means the occurrence of any of the following events:

(1) the Permitted Holders (taken together as a group) cease to own (directly or beneficially), or to have the power to vote or direct the voting of, Voting Stock representing more than 50% of the voting power of the total outstanding Voting Stock of the Parent Guarantor;

(2) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Parent Guarantor and the Restricted Subsidiaries taken as a whole to any Person (including any "person" or "group" (as such terms are used in Sections 13(d)(3) and 14(d)(3) of the Exchange Act)) other than a Permitted Holder;

(3) the adoption a plan of liquidation or dissolution the of Parent Guarantor or the Issuer, other than in a transaction which complies with the covenant described under "—Certain Covenants—Merger, Consolidation or Sale of Assets;" or

(4) the Parent Guarantor consummates any transaction (including, without limitation, any merger, consolidation, amalgamation or other combination) pursuant to which the Parent Guarantor's outstanding Voting Stock is converted into or exchanged for cash, securities or other property, other than any such transaction where the Voting Stock of the Parent Guarantor outstanding immediately prior to such transaction is converted into or exchanged for Voting Stock of the surviving or transferee Person constituting a majority of the outstanding shares of such Voting Stock of such surviving or transferee Person immediately after giving effect to such Issuance; or

(5) the Parent Guarantor ceases to own 100% of the Equity Interests of the Issuer.

"**Collateral**" means all collateral securing, or purporting to be securing, directly or indirectly, the Notes pursuant to the Security Documents, and shall initially consist of the collateral as set forth in "—Security."

"**Common Depositary**" means, with respect to the Notes issuable or issued in whole or in part in global form, [•], as a depositary common to Euroclear and Clearstream, including any and all successors thereto appointed as Common Depositary and having become such pursuant to the applicable provision(s) of the Indenture.

"**Consent Capital Expenditure**" means any Capital Expenditure consented to by the Holders of at least 25% of the aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class.

"**Consolidated Cash Flow**" means, for any period, (A) the Consolidated Net Income of such the Parent Guarantor plus (B) the following to the extent deducted in calculating such Consolidated Net Income (without duplication):

(1) all taxes (including deferred taxes and social charges on employee salaries) of the Parent Guarantor and the Restricted Subsidiaries paid or accrued as determined on a consolidated basis in accordance with IFRS for such period;

(2) Consolidated Interest Expense of the Parent Guarantor and the Restricted Subsidiaries;

(3) Consolidated Non-Cash Charges of the Parent Guarantor and the Restricted Subsidiaries less any non-cash items increasing Consolidated Net Income of the Parent Guarantor, in each case, for such period;

(4) any expenses or charges (other than depreciation or amortization expense) related to any equity offering, Permitted Investment, acquisition, disposition, recapitalization, listing or the incurrence of Indebtedness or issuances of Preferred Stock permitted to be incurred under the covenant described under "—Certain Covenants—Limitation on Indebtedness" (including refinancing thereof) whether or not successful, including (i) such fees, expenses or charges related to any incurrence of Indebtedness issuance and (ii) any amendment or other modification of any incurrence Indebtedness; and

(5) any minority interest expense consisting of income attributable to minority equity interests of third parties in such period or any prior period, except to the extent of dividends declared or paid on, or other cash payments in respect of Capital Stock held by such third parties.

Notwithstanding the foregoing, clauses (1) and (3) relating to amounts of a Restricted Subsidiary shall be added to Consolidated Net Income to compute Consolidated Cash Flow only to the extent (and in the same proportion) that the net income of such Restricted Subsidiary was included in calculating Consolidated Net Income and (other than with respect to a Subsidiary Guarantor) only to the extent that a corresponding amount would be permitted at the date of determination to be dividended or distributed, directly or indirectly, to the Parent Guarantor by such Restricted Subsidiary, without breaching or violating a restriction, directly or indirectly, applicable to such Restricted Subsidiary.

"**Consolidated Interest Expense**" means, with respect to the Parent Guarantor for any period, the sum (without duplication) of:

(1) the consolidated interest expense of the Parent and the Restricted Subsidiaries for such period, whether paid or accrued (including, without limitation, amortization of original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to Attributable Indebtedness, commissions, discounts and other fees and charges incurred in respect of a letter of credit or bankers' acceptance financings, and including amortization of debt issuance costs, the net costs under interest rate swap agreements, interest rate cap agreements, interest rate collar agreements and other agreements or arrangements with respect to interest rates;

(2) the product of (i) all dividends, whether paid or accrued and whether or not in cash, on any series of Preferred Stock of the Parent Guarantor or any Restricted Subsidiary, other than dividends on Equity Interests payable solely in Equity Interests of the Parent Guarantor (other than Disqualified Stock) or to the Parent Guarantor or a Restricted Subsidiary, times (ii) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined national, state and local statutory tax rate of such Person, expressed as a decimal, in each case, determined on a consolidated basis in accordance with IFRS;

(3) any interest on Indebtedness of another Person that is guaranteed by the Parent Guarantor or a Restricted Subsidiary or secured by a Lien on assets of the Parent Guarantor or a Restricted Subsidiary, whether or not such guarantee or Lien is called upon;

(4) net costs associated with Hedging Obligations; and

(5) any consolidated interest expense of the Parent Guarantor and the Restricted Subsidiaries that was capitalized during such period.

"**Consolidated Leverage Ratio**" means, with respect to the Parent Guarantor and on any Transaction Date, the ratio of (a) the outstanding Indebtedness of the Parent Guarantor and the Restricted Subsidiaries on a consolidated basis on such Transaction Date (but not giving effect to any Permitted Indebtedness to be incurred on such Transaction Date), to (b) the Consolidated Cash Flow of the Parent Guarantor and the Restricted Subsidiaries for the LTM Period and, for purposes of calculating Consolidated Cash Flow for such period, if, as of such date of determination:

(1) since the beginning of such period through such Transaction Date the Parent Guarantor or any Restricted Subsidiary has disposed of any company, any business, or any group of assets constituting an operating unit of a business (any such disposition, a "**Sale**") or if the transaction giving rise to the need to calculate the Consolidated Leverage Ratio is such a Sale, Consolidated Cash Flow for such period will be reduced by an amount equal to the Consolidated Cash Flow (if positive) attributable to the assets which are the subject of such Sale for such period or increased by an amount equal to the Consolidated Cash Flow (if negative) attributable thereto for such period;

(2) since the beginning of such period through such Transaction Date the Parent Guarantor or any Restricted Subsidiary (by merger or otherwise) has made an Investment in any Person that thereby becomes a Restricted Subsidiary, or otherwise has acquired any company, any business, or any group of assets constituting an operating unit of a business (any such Investment or acquisition, a "**Purchase**"), including any such Purchase occurring in connection with a transaction causing a calculation to be made hereunder, Consolidated Cash Flow for such period will be calculated after giving *pro forma* effect thereto as if such Purchase occurred on the first day of such period;

(3) since the beginning of such period through such Transaction Date any Person that became a Restricted Subsidiary or was merged or otherwise combined with or into the Parent Guarantor or any Restricted Subsidiary since the beginning of such period will have made any Sale or any Purchase that would have required an adjustment pursuant to clause (1) or (2) of this definition if made by the Parent Guarantor or any Restricted Subsidiary since the beginning of such period, Consolidated Cash Flow for such period will be calculated after giving *pro forma* effect thereto as if such Sale or Purchase occurred on the first day of such period; and

(4) since the beginning of such period through such Transaction Date, the Parent Guarantor or any Restricted Subsidiary incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings), Consolidated Cash Flow will be calculated after giving *pro forma* effect to such incurrence, assumption, Guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness and the use of the proceeds therefrom as if the same occurred on the first day of such period.

For purposes of this definition, whenever *pro forma* effect is to be given to any transaction or calculation under this definition, the *pro forma* calculations shall be determined in good faith by the Chief Financial Officer of the Parent Guarantor on the basis of reasonable assumptions, *provided* that, in calculating "Consolidated Interest Expense" for purposes of the calculation of "Consolidated Leverage Ratio," interest determined on a fluctuating basis (including Indebtedness actually incurred on the date of the transaction giving rise to the need to calculate the Consolidated Leverage Ratio) and which will continue to be so determined

thereafter shall be deemed to have accrued at a fixed rate per annum equal to the rate of interest on such Indebtedness as in effect on the Transaction Date.

"**Consolidated Net Income**" means, with respect to the Parent Guarantor for any period, the aggregate of the consolidated net profit (or loss) of the Parent Guarantor and the Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with IFRS; *provided* that there shall be excluded therefrom:

(1) any net gain (or loss) realized upon the sale or other disposition of any asset, disposed operations or abandonments or reserves relating thereto of the Parent Guarantor or any Restricted Subsidiaries including pursuant to any Sale and Leaseback Transaction) which is not sold or otherwise disposed of in the ordinary course of business;

(2) any extraordinary, exceptional, unusual or non-recurring gain, loss or charge;

(3) solely for purposes of determining compliance with the covenant described under "—Certain Covenants—Limitation on Restricted Payments," the net income of any Restricted Subsidiary to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that net income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its shareholders (other than (i) restrictions that have been waived or otherwise released, (ii) restrictions pursuant to the Notes or the Indenture, (iii) restrictions in effect on the Issue Date with respect to a Restricted Subsidiary and other restrictions with respect to such Restricted Subsidiary that taken as a whole are not materially less favorable to the holders of Notes than such restrictions in effect on the Issue Date and (iv) restrictions specified in clause (10) of the second paragraph of the covenant described under "—Certain Covenants—Limitation on Restrictions on Distributions from Restricted Subsidiaries"); *provided* that Consolidated Net Income will be increased by the amount of dividends or distributions or other payments actually paid in cash (or to the extent converted into cash) to the Parent Guarantor or a Restricted Subsidiary in respect of such period, to the extent not already included therein (*provided* that the Parent Guarantor's equity in a net loss of any such Restricted Subsidiary for such period shall be included in determining Consolidated Net Income);

(4) the net income or loss of any Person that is not a Restricted Subsidiary of the Parent Guarantor or that is accounted for by the equity method of accounting, except to the extent of the amount of dividends or distributions actually paid in cash by such Person to the Parent Guarantor or a Restricted Subsidiary;

(5) any restoration to income of any contingency reserve, except to the extent that provision for such reserve was made out of Consolidated Net Income accrued at any time following the Issue Date;

(6) non-cash gains or losses with respect to Hedging Obligations attributable to mark-to-market valuation of Hedging Obligations;

(7) any goodwill or other intangible asset impairment charge;

(8) any non-cash compensation charge arising from any grant of stock, stock options or other equity based awards; and

(9) the cumulative effect of a change in accounting principles during such period.

"**Consolidated Non-Cash Charges**" means, with respect to the Parent Guarantor for any period, the aggregate depreciation, amortization (including amortization of intangibles) and any other non-cash charges and expenses of the Parent Guarantor and the Restricted Subsidiaries for such period determined on a consolidated basis in accordance with IFRS (excluding any such charge that represents either an accrual of or a reserve for a cash expense in any future period or amortization of a prepaid cash expense that was paid in a prior period).

"**Consolidated Tangible Assets**" of the Parent Guarantor as of any date means the total assets of the Parent Guarantor and its Restricted Subsidiaries as of the end of the most recently ended fiscal six month period for which internal financial statements are available, minus intangible assets of the Parent Guarantor and its Restricted Subsidiaries reflected in such financial statements, all calculated on a consolidated basis in accordance with IFRS.

"**continuing**" means, with respect to any Default or Event of Default, that such Default or Event of Default has not been cured or waived.

"**Control**" shall have the meaning provided in the definition of "Affiliate" and "controlled" shall be construed accordingly.

"**Deed of Undertaking**" means a deed of undertaking entered into by the Company in favor of the holders dated [●].[4]

"**Default**" means an event or circumstance which, with the giving of notice or lapse of time, would constitute an Event of Default.

"**Deleveraging Transaction Indebtedness**" means the Indebtedness described in Appendix D (*Deleveraging Transaction Indebtedness*) to the Indenture.

"**Director's Certificate**" means, as applied to any Person, a certificate executed on behalf of such Person by a member of the Board of Directors of such Person (or, if such Person is the Issuer, two members of its Board of Directors); *provided* that every Director's Certificate with respect to the compliance with the Indenture shall include (a) a statement that each signer making or giving such Director's Certificate has read such condition requiring the Certificate and any definitions or other provisions contained in the Indenture relating thereto, (b) a statement that, in the opinion of such signer, he has made or has caused to be made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such condition has been complied with, and (c) a statement as to whether, in the opinion of such signer, such condition has been complied with.

"**Disinterested Director**" means, with respect to any transaction or series of related transactions, a member of the Parent Guarantor's Board of Directors who does not have any material direct or indirect financial interest in or with respect to such transaction or series of related transactions or is not an Affiliate, or an officer, director, or employee of any Person (other than the Parent Guarantor) who has any direct or indirect financial interest in or with respect to such transaction or series of related transactions.

"**Disqualified Stock**" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to the date that is 91 days after the date on which the Notes mature; *provided* that any Capital Stock that would constitute Disqualified Stock solely because the holders thereof have the right to require the repurchase of such

[4] This will relate to the post-bank restructuring modification undertaking.

Capital Stock upon the occurrence of a change of control or an asset sale shall not constitute Disqualified Stock if the terms of such Capital Stock provide that any such Capital Stock may not be repurchased or redeemed pursuant to such provisions unless such repurchase or redemption complies with the covenant described under "—Certain Covenants—Limitation on Restricted Payments."

"**DTEK Holdings Ltd.**" means DTEK Holdings Limited, a limited liability company organized under the laws of the Republic of Cyprus.

"**DTEK O&G Receivable**" (i) the USD 316 million 7% revolving credit facility due December 2023 among DTEK O&G, as obligor, and the Parent Guarantor, as lender (outstanding principal amount of USD 315,520,000.00); and (ii) the €160 million 7% revolving credit facility due December 2024 among DTEK O&G, as obligor, and the Parent Guarantor, as lender (outstanding principal amount of €79,652,135.75), in each case as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time in accordance with the provisions of the Indenture.

"**DTEK Trading Ltd.**" means DTEK Trading Limited, a limited liability company organized under the laws of the Republic of Cyprus.

"**Essential Credit Facilities**" means (i) the EUR 9,921,598.68 Export Credit Facility Agreement dated 9 November 2011 between DTEK Holdings Ltd and the lender thereto, in an aggregate principal amount not to exceed EUR 9,921,598.68 (including any refinancings thereof), (ii) the USD 5,086,299.88 Facility Agreement dated 26 February 2013 between DTEK Holdings Ltd and the lender thereto, in an aggregate principal amount not to exceed USD 5,086,299.88 (including any refinancings thereof) and (iii) the UAH 800,000,000 Facility Agreement dated 4 September 2015 between DTEK Zakhidenergo PJSC and the lender thereto, in an aggregate principal amount not to exceed UAH 800,000,000 (including any refinancings thereof), in each case as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time (subject in each case to the limitations on aggregate principal amount of each such facility (including any replacements or refinancings thereof) set forth in this definition).

"**Equity Interests**" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"**Equity Offering**" means a public or private offering and sale of either (1) of Equity Interests of the Parent Guarantor by the Parent Guarantor (other than Disqualified Stock and other than to a Subsidiary of the Parent Guarantor) or (2) of Equity Interests of a direct or indirect parent entity of the Parent Guarantor (other than to the Parent Guarantor or a Subsidiary of the Parent Guarantor) to the extent that the net proceeds therefrom are contributed to the common equity capital of the Parent Guarantor.

"**European Union**" means the European Union, including the countries of Austria, Belgium, Denmark, France, Finland, Germany, Greece, Ireland, Italy, Luxembourg, The Netherlands, Portugal, Spain, Sweden and the United Kingdom but (unless explicitly stated herein) not including any country which became a member of the European Union after May 6, 2003.

"**Event of Default**" has the meaning ascribed thereto under the section entitled "—Events of Default."

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder;

"**Exchanged Credit Facilities Amounts**" means the principal amount of Indebtedness under Existing Credit Facilities that is exchanged for Notes.

"**Existing Credit Facilities**" means, as amended from time to time on or prior to November 16, 2016 and as in effect on November 17, 2016 (i) $25,605,236.5 facility agreement dated 2 April 2015 between DTEK Holdings Limited (as borrower) and the lenders party thereto; (ii) $375,000,000 facility agreement dated 7 August 2013 between, among others, DTEK Trading S.A. (as borrower) and the lenders party thereto; (iii) €416,000,000 facility agreement dated 5 October 2012 between, among others, DTEK Holdings Limited (as borrower) and the lenders party thereto; (iv) €30,000,000 facility agreement dated 30 September 2011 between DTEK Holdings Limited (as borrower) and the lenders party thereto; (v) RUB 10,000,000,000 facility agreement dated 28 September 2011 between, among others, DTEK Holdings Limited (as borrower) and the lenders party thereto; (vi) $100,000,000 facility agreement dated 23 December 2013 between DTEK Trading LLC, DTEK Pavlogradugol PJSC, DTEK Skhidenergo LLC and the lenders party thereto; (vii) UAH 529,375,000 facility agreement dated 29 November 2012 between DTEK Skhidenergo LLC (as borrower) and the lenders party thereto; (viii) ISDA master agreement dated 19 December 2011 between Party A thereunder and DTEK Holdings Ltd as Party B and three cross currency swap transactions thereunder, evidenced separately by a confirmation dated 21 December 2011, a confirmation dated 18 January 2012 and a confirmation dated 31 January 2012 as amended by the Swap Amendment Agreement (as defined in the consent solicitation memorandum dated 17 June 2016) between DTEK Holdings Ltd and Party A thereunder; (ix) €13,845,115 termination agreement dated 2 July 2015 between DTEK Investments Limited (as borrower) and the lenders party thereto; and (x) up to RUB 5,350,000,000 facility agreement (Facility A) dated 7 August 2013 between DTEK Investments Limited (as borrower) and the lenders party thereto.

"**Existing Credit Facility Standstill Agreement**" means the standstill agreement dated September 21, 2016 between the Parent Guarantor and the lenders party thereto, as may be extended, as in effect on September 21, 2016.

"**Existing Guarantor Coverage Ratios**" means provisions of the Existing Credit Facilities requiring the provision of guarantees:

(i) to maintain specified guarantor coverage ratios, or

(ii) if any individual Person that is a member of the Group exceeds specified thresholds of revenue, assets or other metrics;

provided, that if any Restricted Subsidiary that is not a Subsidiary Guarantor is required to become a Subsidiary Guarantor under the provisions of the covenant described under "—Additional Guarantees," as a result of such Restricted Subsidiary representing greater than five percent (5%) but not greater than ten percent (10%) of the total consolidated assets, proportionate share of total assets or consolidated income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principle referred to in the definition of "Significant Subsidiary", then

(x) each such specified guarantor coverage ratio shall be deemed to be increased in proportion to the proportion of the Parent Guarantor's revenue, assets or other metric that is used for the calculation of such specified guarantor coverage ratio that is represented by such Restricted Subsidiary, and

(y) each such specified threshold shall be deemed to be decreased to one-half of the amount or percentage of such specified threshold.

"**Fair Market Value**" means, with respect to any property, asset or Investment, the fair market value of such property, asset or Investment at the time of the event requiring such determination, as determined in good faith by the senior management of the Parent Guarantor or of the relevant Subsidiary of the Parent Guarantor, as applicable, or, with respect to any property, asset or Investment in excess of $5.0 million (other than cash or Cash Equivalents), as determined in good faith by the Board of Directors of the Parent Guarantor.

"**Fitch**" means Fitch Ratings Inc.

"**Global Notes**" has the meaning ascribed thereto in the section entitled "—General."

"**Group**" means collectively the Parent Guarantor and its consolidated Subsidiaries from time to time, taken as a whole.

"**guarantee**" means a direct or indirect guarantee by any Person of any Indebtedness of any other Person and includes any obligation, direct or indirect, contingent or otherwise, of such Person (1) to purchase or pay (or advance or supply funds for the purchase or payment of) Indebtedness of such other Person (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services (unless such purchase arrangements are on arm's-length terms and are entered into in the ordinary course of business), to take-or-pay, or to maintain financial statement conditions or otherwise), or (2) entered into for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part); "guarantee," when used as a verb, and "guaranteed" have correlative meanings.

"**Hedging Obligations**" means, with respect to any Person, the obligations of such Person under:

(1) interest rate swap agreements, interest rate cap agreements, interest rate collar agreements and other agreements or arrangements with respect to interest rates;
(2) commodity swap agreements, commodity option agreements, forward contracts and other agreements or arrangements with respect to commodity prices; and
(3) foreign exchange contracts, currency swap agreements and other agreements or arrangements with respect to foreign currency exchange rates.

"**holder**" or "**Holder**" or "**Noteholder**" means the Person in whose name a Note is registered on the Registrar's books.

"**IFRS**" means International Financial Reporting Standards, as in effect from time to time, and which are consistent with the accounting principles and practices then applied by the Parent Guarantor, and any variation to such accounting principles and practices which is not material.

"**Incur**" has the meaning ascribed thereto in the covenant described above under "—Certain Covenants—Limitation on Indebtedness."

"**Indebtedness**" means, without duplication, with respect to any specified Person, any indebtedness of such Person, whether or not contingent (including, without limitation, guarantees):

(1) in respect of moneys borrowed or raised;
(2) evidenced by bonds, notes, debentures, loan stock or similar instruments or letters of credit (or reimbursement agreements in respect thereof), excluding letters of credit or similar instruments supporting (i) trade payables (including any financial liabilities that constitute restructured trade payables) or (ii) obligations funding the acquisition of equipment or other tangible assets, in

each case in the ordinary course of business that are not overdue by 45 days or more or are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted;

(3) in respect of bankers' acceptances;

(4) in respect of the balance deferred and unpaid of the purchase price of any property, except any such balance that constitutes an accrued expense or trade payable (including any financial liabilities that constitute restructured trade payables);

(5) representing Capital Lease Obligations or Attributable Indebtedness;

(6) representing net obligations under Hedging Obligations (the amounts of any such obligations to be equal at any time to the termination value of such agreement or arrangement giving rise to such obligation that would be payable by such Person at such time);

(7) all Disqualified Stock of such Person valued at the greater of its voluntary maximum fixed repurchase price and involuntary maximum fixed repurchase price but excluding accrued dividends; and

(8) Preferred Stock of any Subsidiary of the Parent Guarantor, excluding accrued dividends;

if and to the extent any of the preceding items (other than letters of credit, Attributable Debt and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with IFRS and, in addition, the term "Indebtedness" of a specified Person includes all indebtedness of any other Person secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, any guarantee by the specified Person of any Indebtedness of any other Person, and the amount of any Indebtedness outstanding as of any date shall be the accreted value thereof, in the case of any Indebtedness issued with original issue discount and the principal amount thereof, in the case of any other Indebtedness; *provided* that for the avoidance of doubt the term "Indebtedness" does not include trade payables, current liabilities (other than short-term debt and the current portion of long-term debt), retirement benefit obligations or investment obligations pursuant to concession or long-term lease agreements entered into with respect to assets leased by the Group from the Ukrainian Government.

'"**Independent Appraiser**" means any independent investment banking, accountancy or appraisal firm of internationally recognized standing or external audit firm of the Parent Guarantor selected by the Parent Guarantor in good faith, *provided* it is not an Affiliate of the Parent Guarantor.

"**Initial Subsidiary Guarantors**" means [DTEK Holdings Ltd., DTEK Trading Ltd., DTEK Trading SA, DTEK Investments Limited and each Initial Ukrainian Surety].

"**Initial Ukrainian Sureties**" means DTEK Trading LLC, DTEK Skhidenergo LLC, DTEK Pavlogradugol PrJSC, DTEK Mine Komsomolets Donbassa PrJSC, Tehrempostavka LLC, DTEK Power Grid LLC, DTEK Energy LLC, DTEK Dobropolyeugol LLC, DTEK Rovenkyanthracite LLC, DTEK Sverdlovanthracite LLC, DTEK Dniproenergo PJSC, DTEK Zakhidenergo PJSC, Kyivenergo PJSC, DTEK Energougol Ene PJSC, and PJSC DTEK Dniprooblenergo, each of the foregoing being organized under the laws of Ukraine (and each of the foregoing an "**Initial Ukrainian Surety**").

"**Investments**" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the form of (a) Equity Interests and the making of capital contributions, corporate bonds, promissory notes, commercial paper,

certificates of deposit and other securities, the granting of loans and the making of advances (excluding commission, travel, housing, transportation and similar advances to officers and employees made in the ordinary course of business), the extension of credit (including, without limitation, commodity credits) and (e) the acquisition, as creditor, of any Indebtedness (including guarantees, indemnities or other like obligations), together with all items that are or would be classified as investments on a balance sheet prepared in accordance with IFRS. If (a) the Parent Guarantor or any Restricted Subsidiary sells or otherwise disposes of any Equity Interests of any Restricted Subsidiary of the Parent Guarantor or such Restricted Subsidiary issues any Equity Interests, in each case, such that, after giving effect to any such sale, disposition or issuance, as the case may be, such Person is no longer a Restricted Subsidiary, or (b) such Restricted Subsidiary for any other reason ceases to be a Restricted Subsidiary, the Parent Guarantor shall be deemed to have made an Investment on the date of any such sale, disposition, issuance or cessation, as the case may be, equal to the Fair Market Value of the Equity Interests of such Restricted Subsidiary held directly or indirectly by the Parent Guarantor (immediately following such sale, disposition, issuance or cessation, as the case may be). Except as otherwise provided in the Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"**Issue Date**" means the initial date on which Notes are issued pursuant to the Indenture.

"**Lien**" means any mortgage, charge, pledge, lien or other form of encumbrance or security interest.

"**LTM Period**" means, as of any Transaction Date, the most recently ended two consecutive six-month fiscal periods prior to such Transaction Date for which IFRS consolidated financial statements have been provided to the Trustee in accordance with the covenant described under "—Reports to Holders."

"**Maturity Date**" means December 31, 2024.

"**Moody's**" means Moody's Investors Service, Inc.

"**Net Available Cash**" from an Asset Sale means cash payments received (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise, but only as and when received, but excluding any other consideration received in the form of assumption by the acquiring person of Indebtedness or other obligations relating to the properties or assets that are the subject of such Asset Sale or received in any other non-cash form) therefrom, in each case net of:

(1) all legal, accounting, investment banking, title and recording tax expenses, commissions and other fees and expenses incurred, and all Taxes paid or required to be paid or accrued as a liability under IFRS, as a consequence of such Asset Sale;
(2) all payments made on any Indebtedness which is secured by any assets subject to such Asset Sale, in accordance with the terms of such Indebtedness or any Lien upon such assets, or which must by its terms, or in order to obtain a necessary consent to such Asset Sale, or by applicable law, be repaid out of the proceeds from such Asset Sale;
(3) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures as a result of such Asset Sale; and
(4) the deduction of appropriate amounts required to be provided by the seller as a reserve or indemnification obligation, in accordance with IFRS, against any

liabilities associated with the assets disposed of in such Asset Sale and retained by the Parent Guarantor or any Restricted Subsidiary after such Asset Sale.

"**Offering Memorandum**" means the final offering memorandum dated April 28, 2015, relating to the offer by the Issuer of its 10.375% Senior Notes due 2018.

"**Opinion of Counsel**" means a written opinion from legal counsel satisfactory to the Trustee. The counsel may be an employee of or external counsel to the Issuer.

"**Parent**," with respect to any Person, any direct or indirect parent entity of such Person.

"**Parent Guarantee**" means the Parent Guarantor's guarantee of the Issuer's obligations under the Indenture.

"**Parent Guarantor**" means DTEK Energy B.V., a company organized under the laws of The Netherlands.

"**Permitted Business**" means any business which is the same as any of the following businesses of the Parent Guarantor and Restricted Subsidiaries on the Issue Date: (i) coal mining and related coal exploration and development, (ii) heat and power generation, (iii) electricity transmission and distribution and (iv) any business related, ancillary or complementary to the foregoing.

"**Permitted Carry Forward Amounts**" for any fiscal year means the lesser of (x) the Business Plan Capital Expenditure for the immediately preceding fiscal year less the actual Capital Expenditure incurred in the immediately preceding fiscal year (other than any Additional Regulatory Capital Expenditure and any Consent Capital Expenditure) and (y) the amount of Permitted Carry Forward Capital Expenditure indicated below in UAH equivalent based on the average exchange rate for such fiscal year calculated using daily official exchange rates of the National Bank of Ukraine during that fiscal year (with such splits of UAH and USD being indicative).

For the fiscal year ending:	Permitted Carry Forward Capital Expenditure:
December 31, 2017	UAH 1,036.6 million, plus USD 37.4 million
December 31, 2018	UAH 1,655.3 million, plus USD 58.5 million
December 31, 2019	UAH 994.6 million, plus USD 34.8 million
December 31, 2020	UAH 949.0 million, plus USD 32.9 million
December 31, 2021	UAH 619.6 million, plus USD 21.3 million
December 31, 2022	UAH 820.6 million, plus USD 27.5 million
December 31, 2023	UAH 920.3 million, plus USD 30.0 million
December 31, 2024	UAH 1,030.9 million, plus USD 32.7 million

"**Permitted Holders**" means Mr. Rinat Akhmetov, Mrs. Liliya Akhmetova, any Affiliate of Mr. Rinat Akhmetov that is controlled, directly or indirectly, by Mr. Rinat Akhmetov and/or any Affiliate of Mrs. Liliya Akhmetova that is controlled, directly or indirectly, by Mrs. Liliya Akhmetova and (b) any Person acting in the capacity as an underwriter in connection with any public or private offering of the Parent Guarantor's or any of its Affiliates' Capital Stock. Any person or group whose acquisition of beneficial ownership constitutes a Change of Control in respect of which a Change of Control Offer is made in

accordance with the requirements of the Indenture will thereafter, together with its or their Affiliates, constitute an additional Permitted Holder.

"**Permitted Investments**" means:

(1) any Investment in the Parent Guarantor or in a Restricted Subsidiary (including in any Equity Interests of a Restricted Subsidiary);
(2) any Investment in cash or in Cash Equivalents;
(3) any Investment by the Parent Guarantor or a Restricted Subsidiary in a Person if as a result of such Investment such Person becomes a Restricted Subsidiary or such Person, in one transaction or a series of substantially concurrent related transactions, is merged, consolidated or amalgamated with or into, transfers or conveys substantially all of its assets to, or is liquidated into, the Parent Guarantor or a Restricted Subsidiary;
(4) Investments in stock, obligations or securities received in settlement of debts created in the ordinary course of business and owing to the Parent Guarantor or any Restricted Subsidiary or in satisfaction of judgments or administrative or tribunal decisions or pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of a debtor;
(5) Investments in receivables owing to the Parent Guarantor or any Restricted Subsidiary, if created or acquired in the ordinary course of business;
(6) Investments represented by Hedging Obligations that are incurred for the purpose of fixing, hedging, swapping or managing interest rate, commodity price or foreign currency exchange rate risk, and not for speculative purposes;
(7) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made in compliance with the covenant described under "—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock;"
(8) any purchases or repurchases of Notes;
(9) advances, loans or extensions of credit to suppliers in the ordinary course of business;
(10) Investments received in satisfaction of judgments;
(11) extensions of credit in the nature of accounts receivable or notes receivable arising in the sale or lease of goods in the ordinary course of business;
(12) any guarantee of Indebtedness permitted to be incurred by the covenant described under "—Certain Covenants—Limitation on Indebtedness;" and
(13) any Investment or cash payment in an amount not to exceed $4.0 million in the aggregate in any calendar month (when taken together with all other Investments made pursuant to this clause (13) in such calendar month); and
(14) Investments acquired after the Issue Date as a result of the acquisition by the Parent Guarantor or any Restricted Subsidiary of another Person, including by way of a merger, amalgamation or consolidation with or into any member of the Group in a transaction that is not prohibited by Article 5 after the Issue Date; provided that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation.

"**Permitted Lien**" means:

(1) any Lien in respect of Indebtedness created by a Person prior to it becoming a Subsidiary of the Parent Guarantor or a Restricted Subsidiary, provided that such Lien was not created in contemplation thereof or in connection therewith;

(2) any Lien on property (including Capital Stock) existing at the time of acquisition of such property by the Parent Guarantor or any Restricted Subsidiary, provided that such Lien was not created in contemplation of such acquisition or in connection therewith;

(3) any Lien in favor of the Parent Guarantor or any Restricted Subsidiary;

(4) any Lien created to secure liabilities under letters of credit or bank guarantees issued in connection with the acquisition and disposal of inventory, stock in trade, goods, services and other current assets (and, in each case, the proceeds thereof) in the ordinary course of business;

(5) any Lien in respect of Hedging Obligations that are incurred under clause (5) of the second paragraph of the covenant described under "—Certain Covenants—Limitation on Indebtedness" for the purpose of fixing, hedging or swapping interest rate, commodity price or foreign currency exchange rate risk, and not for speculative purposes, and that do not increase the Indebtedness of the obligor outstanding at any time other than as a result of fluctuations in interest rates, commodity prices or foreign currency exchange rates or by reason of fees, indemnities and compensation payable thereunder;

(6) any Lien arising in the ordinary course of banking transactions (including, without limitation, sale and repurchase transactions and share, loan and bond lending transactions), *provided* that the Lien is limited to the assets which are the subject of the relevant transaction, and any netting or set-off arrangements entered into by the Parent Guarantor or any Restricted Subsidiary for the purpose of netting debit and credit balances;

(7) any Lien in existence on the Issue Date;

(8) judgment or attachment liens against the Parent Guarantor or any Restricted Subsidiary not giving rise to an Event of Default;

(9) any Lien securing Permitted Refinancing Indebtedness, *provided* such Lien shall be limited to (a) all or part of the same property and assets that secured the Indebtedness being refinanced or (b) property and assets having an aggregate book value less than or equal to the property and assets which originally secured the Indebtedness being refinanced;

(10) any Lien for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; provided that any reserve or other appropriate provision as is required in conformity with IFRS has been made therefor;

(11) any Lien imposed by law, such as carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business;

(12) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(13) any Lien on insurance policies and proceeds thereof, or other deposits, to secure insurance premium financings;

(14) any Lien on cash, Cash Equivalents or other property or assets used to defease or to satisfy and discharge Indebtedness; provided that such defeasance or satisfaction and discharge is not prohibited by the Indenture;

(15) any Lien to secure the performance of statutory obligations, insurance, surety or appeal bonds, workers compensation obligations, performance bonds or other obligations of a like nature incurred in the ordinary course of business (including Liens to secure letters of credit issued to assure payment of such obligations);

(16) any encumbrance or restriction with respect to Capital Stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

(17) any extension, renewal or replacement in whole or in part of any Lien referred to in the foregoing paragraphs (1) through (16), inclusive, provided, however, that (i) the principal amount of Indebtedness secured thereby shall not exceed the principal amount of Indebtedness so secured at the time immediately preceding the time of such extension, renewal or replacement, and (ii) such extension, renewal or replacement shall be limited to all or a part of the assets which were covered by the Lien so extended, renewed or replaced;

(18) any Lien securing Indebtedness under clauses (10) or (11) of the second paragraph of the covenant described under "—Certain Covenants—Limitation on Indebtedness"; *provided* that, the aggregate book value of the assets (as reflected in the audited consolidated balance sheet for the Parent Guarantor as of the end of the most recent fiscal year or, if any such assets have been acquired since the date of such balance sheet, the cost of such acquired assets) subject to Liens incurred or existing pursuant to this clause (18) does not in the aggregate exceed 200.0% of the aggregate principal amount of Indebtedness secured by such Liens;

(19) any Lien securing Indebtedness under clause (9) of the second paragraph of the covenant described under "—Certain Covenants—Limitation on Indebtedness";

(20) any Liens securing Indebtedness under the Restructured Credit Facilities on "cash sweep" deposit accounts into which the Parent Guarantor and any Restricted Subsidiary may be required to deposit excess cash under the terms of the Restructured Credit Facilities; and

(21) Liens under the Security Documents securing the Notes and the Notes Guarantees;

provided that with respect to the Collateral, Permitted Liens shall mean Liens described in clauses (6), (8), (10), and (11).

"**Permitted Refinancing Indebtedness**" means any Indebtedness of the Parent Guarantor or any Restricted Subsidiary issued in exchange for, or the net proceeds of which are used to renew, refund, extend, refinance, replace, defease or discharge other Indebtedness of the Parent Guarantor or any of its Subsidiaries (other than intercompany Indebtedness); *provided* that:

(1) the principal amount (or accreted value) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness extended, refinanced, renewed, replaced, defeased, refunded or discharged (plus all accrued interest on the Indebtedness and the amount of all expenses and premiums incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has (a) a final maturity date equal to or later than (i) the final maturity date of the Indebtedness being extended, refinanced, renewed, replaced, defeased, refunded or discharged or (ii) 91 days

after the maturity date of the Notes and (b) a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being extended, refinanced, renewed, replaced, defeased, refunded or discharged;

(3) if the Indebtedness being extended, refinanced, renewed, replaced, defeased, refunded or discharged is subordinated in right of payment to the Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Notes on terms at least as favorable to the holders of Notes as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; and

(4) if the Indebtedness being extended, refinanced, renewed, replaced, defeased, refunded or discharged is Indebtedness of the Issuer or a Guarantor, such Permitted Refinancing Indebtedness is incurred only by the Issuer or a Guarantor.

"**Person**" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity.

"**Preferred Stock**" of any Person means any Capital Stock of such Person that has preferential rights in relation to any other Capital Stock of such Person with respect to dividends or redemptions or upon liquidation.

"**Responsible Officer**," when used with respect to the Trustee, means any vice president, assistant vice president, senior trust officer, trust officer or any other officer within the Corporate Trust department of the Trustee (or any successor group of the Trustee) or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers, and when used with respect to a particular corporate trust matter, also means, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject, and, in each case, who shall have direct responsibility for the administration of the Indenture.

"**Restricted Investment**" means any Investment other than a Permitted Investment.

"**Restricted Payment Conditions**" means, at the time of such Restricted Payment, (a) after giving *pro forma* effect to such Restricted Payment as if such Restricted Payment had been made at the beginning of the most recently ended LTM Period prior to the date of such Restricted Payment, the Consolidated Leverage Ratio would not be greater than 1.5 to 1.0, (b) after giving *pro forma* effect to such Restricted Payment, Available Cash would be greater than $110.0 million, (c) (x) the Existing Credit Facilities have been exchanged, or renewed, refunded, refinanced, replaced, defeased or discharged, in full and (y) Restructured Credit Facilities have been repaid (and commitments thereunder terminated, if applicable) in an amount equal to or greater than 50% of the sum of (i) the aggregate principal amount of Indebtedness funded under Restructured Credit Facilities plus (ii) the Exchanged Credit Facilities Amounts and (d) the average trading price of the Notes as quoted by Bloomberg Finance LP has been at least 93.0% of the par value (including, for the avoidance of doubt, capitalized interest) of the Notes on 75% of the 90 calendar days immediately preceding the date of such Restricted Payment.

"**Restricted Payments**" has the meaning ascribed thereto in the covenant described under "—Certain Covenants—Limitation on Restricted Payments."

"**Restricted Subsidiary**" means any Subsidiary of the Parent Guarantor other than an Unrestricted Subsidiary.

"**Restructured Credit Facilities**" means any Permitted Refinancing Indebtedness (other than Additional Notes) issued in exchange for, or the net proceeds of which are used to renew, refund, extend, refinance, replace, defease or discharge, the Existing Credit Facilities, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time.

"**S&P**" means Standard & Poor's, a division of The McGraw-Hill Companies, Inc. and any successor thereto.

"**Sale and Leaseback Transaction**" means any arrangement relating to property owned or hereafter acquired by the Parent Guarantor or any Restricted Subsidiary whereby the Parent Guarantor or such Restricted Subsidiary transfers such property to a Person and the Parent Guarantor or any Restricted Subsidiary leases such asset from such Person.

"**Securities Act**" means the U.S. Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

"**Security Documents**" means, collectively, the pledge or charge agreements and any other agreements or instruments that, including the Indenture, may evidence or create any security interest in favor of the Trustee, the Security Agent and/or any holders in any or all of the Collateral.

"**Significant Subsidiary**" means any Restricted Subsidiary which meets any of the following conditions:

(1) the Parent Guarantor and the Restricted Subsidiaries' investments in and advances to such Subsidiary exceed five percent (5%) of the total consolidated assets of the Parent Guarantor and the Restricted Subsidiaries as of the end of the most recently completed financial year; or the Parent Guarantor and the Restricted Subsidiaries' proportionate share of the total assets (after intercompany eliminations) of such Restricted Subsidiary exceeds five percent (5%) of the total consolidated assets of the Parent Guarantor and the Restricted Subsidiaries as of the end of the most recently completed financial year; or

(2) the Parent Guarantor and the Restricted Subsidiaries' equity in the consolidated income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principle of such Restricted Subsidiary exceeds five percent (5%) of such consolidated income of the Parent Guarantor and the Restricted Subsidiaries for the most recently completed financial year.

"**Stated Maturity**" means, with respect to any installment of interest or principal on any Indebtedness, the date on which such payment of interest or principal was scheduled to be paid in the original documentation governing such Indebtedness, and shall not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for payment thereof.

"**Subordinated Indebtedness**" means any Indebtedness of the Issuer or any Guarantor that is subordinate or junior in right of payment to the Notes or the relevant Notes Guarantee, as the case may be, pursuant to a written agreement.

"**Subsidiary**" means:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power)

to vote in the election of directors, managers or Trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership or limited liability company of which (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and 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 (b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"**Transaction Date**" means, with respect to any incurrence of Indebtedness by any Person, the date such Indebtedness is to be incurred.

"**Ukrainian Government**" means the official government of Ukraine.

"**Unrestricted Subsidiary**" means any Subsidiary of the Parent Guarantor and its direct or indirect Subsidiaries that is designated at any time by the Board of Directors of the Parent Guarantor as an Unrestricted Subsidiary, but only if such designation and the related Investment of the Parent Guarantor in such Subsidiary complies with the limitations of the covenant described under "—Certain Covenants—Limitation on Restricted Payments," and if:

(1) no Default or Event of Default will have occurred and be continuing or would otherwise result therefrom;

(2) after giving effect to such designation, the Consolidated Leverage Ratio would not be greater than 3.0 to 1.0;

(3) all the Indebtedness of such Subsidiary and its Subsidiaries shall, at the date of designation and at all times thereafter, consist of non-recourse debt to the Parent Guarantor or any Restricted Subsidiary (other than recourse to the Equity Interests of an Unrestricted Subsidiary);

(4) neither such Subsidiary nor any of its Subsidiaries are party to any agreement, contract, arrangement or understanding with the Parent Guarantor, the Issuer or any Restricted Subsidiary unless the terms of any such agreement, contract, arrangement or understanding (a) are no less favorable to the Parent Guarantor or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Parent Guarantor or (b) are (or at the time of entering into the contract, agreement, arrangement, understanding or obligation would have been) otherwise permitted under the covenant described under "—Certain Covenants—Limitation on Affiliate Transactions;"

(5) each of such Subsidiary and its Subsidiaries is a Person with respect to which neither the Parent Guarantor nor any Restricted Subsidiary has any direct or indirect obligation (A) to subscribe for additional Equity Interests of such Person or (B) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results;

(6) neither such Subsidiary nor any of its Subsidiaries owns any Equity Interests or Indebtedness of, or has any Investment in or owns or holds any Lien on any property of, the Parent Guarantor or any other Subsidiary of the Parent

Guarantor which is not a Subsidiary of the Subsidiary to be so designated or otherwise an Unrestricted Subsidiary; and

(7) such designation is consented to by the Holders of at least 90% of the aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes).

"**U.S. dollar equivalent**" means, with respect to any monetary amount in a currency other than the U.S. dollar, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the spot rate for the purchase of U.S. dollars with the applicable foreign currency as quoted by Reuters at approximately 11:00 a.m. (New York time) on the date not more than two Business Days prior to the date of the determination.

"**U.S. dollars**," "**USD**," "**$**" or "**dollars**" means such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

"**U.S. Government Obligations**" means direct non-callable obligations of, or guaranteed by, the United States of America for the payment of which guarantee or obligations the full faith and credit of the United States is pledged.

"**Voting Stock**" of any person means the Capital Stock of such Person that is ordinarily entitled to vote in the election of the Board of Directors of such Person.

"**Weighted Average Life to Maturity**" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the date of the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

SCHEDULE 8

FORM OF PAYING AGENT INSTRUCTION LETTER

From: DTEK Finance plc (the "Company") on behalf of each of the Scheme Creditors (as defined in the Scheme (as defined below)); and

To: The Bank of New York Mellon, New York Branch (acting as "**Paying Agent**")

2017

Dear Sirs,

1. (The Company proposed a scheme of arrangement (the "**Scheme**") under Part 26 of the Companies Act 2006 between the Company and the Scheme Creditors which is set out in the scheme document provided by the Company on or around 2 December 2016 to the Scheme Creditors pursuant to Section 897 of the Companies Act (the "**Scheme Document**") and which was sanctioned by the Court on [21] December 2016.

2. Terms used but not defined in this Instruction Letter shall, unless otherwise stated, have the meanings given to them in the Scheme Document.

3. Pursuant to clause 6 of the Scheme Document, each of the Noteholders has irrevocably instructed and authorised the Company from the Scheme Effective Date to execute this Instruction Letter and deliver it to the Paying Agent on behalf of the Scheme Creditors.

4. The undersigned (being the Company on behalf of each of the Noteholders pursuant to the authority granted by Clause 6 of the Scheme Document) hereby instructs the Paying Agent (to the extent applicable) pursuant to the terms of the Scheme to execute all of the New Notes Documents (to which it is a party) (as set out in Appendix 1) that will implement the Notes Restructuring on the terms set out in the Noteholder Term Sheet.

5. Each signatory hereto shall at the cost of the Company do and execute or procure to be done and executed all necessary acts, deeds, documents and things reasonably within its power to give effect to this Instruction Letter.

6. The Company hereby irrevocably and unconditionally agrees to indemnify, and keep fully and effectively indemnified, the Paying Agent against all actions, proceedings, claims, demands, losses, damages, liabilities, calls, assessments, costs, charges and expenses which may be brought against or incurred by the Paying Agent in connection with or arising out of any actions taken in accordance with paragraphs 4 and 5 of this Instruction Letter.

7. This Instruction Letter may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this letter.

8. This Instruction Letter and any non-contractual obligations arising out of or in connection with this Instruction Letter shall be governed by, and construed in accordance with, the laws of England and Wales and each of the Noteholders hereby agrees that the Court shall have the exclusive jurisdiction to hear and determine any claim, action, proceeding or dispute (whether contractual or non-contractual) arising out of or in connection with this Instruction Letter and, for such purposes, each of the Noteholders irrevocably submits to the jurisdiction of the Court.

Yours faithfully,

Signed:……..

For and on behalf of
THE SCHEME CREDITORS (other than the Trustee) by
The Company
pursuant to the irrevocable instructions and authorisations of the Scheme Creditors (other than the Trustee) under Clause 6 of the Scheme Document and without personal liability

Signed:……..

For and on behalf of
DTEK FINANCE PLC

Agreed and accepted by:

Signed:……..

For and on behalf of
THE BANK OF NEW YORK MELLON, NEW YORK BRANCH

APPENDIX

NEW NOTES DOCUMENTS FOR EXECUTION BY THE PAYING AGENT

SCHEDULE 9

FORM OF DEBV DEED OF UNDERTAKING

This **DEED OF UNDERTAKING** is executed on _____ 2016 by DTEK Energy B.V. (**"DEBV"**) on its own behalf.

Terms used but not defined in this undertaking shall, unless otherwise stated, have the meanings given to them in the scheme of arrangement under Part 26 of the Companies Act 2006 between DTEK Finance plc ("**DFPLC**") and its Scheme Creditors (the "**Scheme**") as set out in the explanatory statement lodged by DFPLC on or around 30 November 2016 with the court and furnished to the Scheme Creditors pursuant to section 897 of the Companies Act (the "**Explanatory Statement**")

Subject to the conditions set forth below having been satisfied, DEBV **hereby irrevocably** undertakes to DFPLC, to each of the Scheme Creditors and to the court to:

(a) agree to be bound by the terms of the Scheme;

(b) execute, deliver and complete and be bound by the New Notes Documents to which it is a party and procure, to the extent legally permitted, that each other Transaction Party (which for the avoidance of doubt includes DTEK Oil & Gas B.V. and NGD Holdings B.V.) executes, delivers and completes and is bound by the New Notes Documents to which they are a party;

(c) to the extent legally permitted, negotiate, settle and/or execute any other agreement, letter or other document and do or procure to be done all such acts and things as may be necessary or desirable for the purposes of giving effect to the Scheme and/or implementing the Notes Restructuring; and

(d) procure that each PJSC and PrJSC Undertaking Transaction Party enters into individual Deeds of Undertaking, pursuant to which they will undertake and agree to, amongst other things, be bound by the terms of the Scheme and execute each New Notes Document to which they are to be a party.

If the Scheme Settlement Date does not occur on or before the Scheme Longstop Date, this Deed shall automatically terminate, upon which any and all obligations and liabilities of DEBV under this Deed shall be released and discharged in full and none of the Scheme Creditors or the Court or any other party shall be entitled thereafter to enforce any of the terms of this Deed against DEBV or the Undertaking Party

DEBV enters into the obligations in this Deed for the benefit of the Scheme Creditors and the obligations in this Deed shall be enforceable by the Scheme Creditors.

This Deed shall be governed by and construed in accordance with English law.

IN WITNESS whereof this document has been executed as a deed and delivered on the date first stated above.

EXECUTION PAGE

Executed and delivered as a deed by
DTEK ENERGY B.V. on its own behalf

By:

in the presence of:

_____
Signature of Witness

Name: _____

Address: _____

Occupation: _____

APPENDIX 1

DEFINITIONS AND INTERPRETATION

In this Explanatory Statement, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

2010 Notes means the US$ 500 million 9.50% Guaranteed Senior Notes due 2015 issued by DTEK Finance B.V. in 2010 pursuant to an indenture in order to repay certain existing bank and other secured debt.

2013 Notes has the meaning given to that term in Clause 1.1 of the Scheme.

2015 Notes has the meaning given to that term in Clause 1.1 of the Scheme.

2015 Scheme means the scheme of arrangement sanctioned by the Court on 27 April 2015 whereby the 2010 Notes were exchanged for the 2015 Notes with a maturity date of 28 March 2018.

Account Holder Letter means the account holder letter substantially in the form set out in Appendix 3 (*Form of Account Holder Letter*) of this Explanatory Statement.

Advisor Released Party has the meaning given to that term in Schedule 2 (*Form of Deed of Release*) of the Scheme.

April Coupon means the interest payment due on the 2013 Notes on 4 April 2016 in the amount of US$ 29.5 million.

ATO Zone means the non-controlled territory in Eastern Ukraine.

Bank Committee means the co-ordinating committee of Bank Lenders appointed pursuant to the letter dated 26 July 2016 between the Parent, Deutsche Bank AG, ING Bank N.V., PJSC ING Bank Ukraine, Sberbank of Russia, Eastal Holdings Ltd and Gazprombank (Joint-Stock Company).

Bank Facilities has the meaning given to that term in Clause 1.1 of the Scheme.

Bank Facilities Restructuring has the meaning given to that term in Clause 1.1 of the Scheme.

Bank Lenders has the meaning given to that term in Clause 1.1 of the Scheme.

Bank Standstill Agreement means the standstill agreement dated 21 September 2016 between the Parent and certain Bank Lenders.

Business Day means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in Kiev, Amsterdam, London and New York.

Chairman means the chairman appointed by the Court to act as chairman of the Scheme Meeting and to report the result of the Scheme Meeting to the Court.

Clearing System has the meaning given to that term in Clause 1.1 of the Scheme.

Clearstream, Luxembourg means Clearstream Banking, *société anonyme*, Luxembourg.

Companies Act means the Companies Act 2006.

Company means DTEK Finance plc, a legal entity incorporated under the laws of England and Wales as a public company limited by shares with registration number 08422508 on 27 February 2013.

Court means the High Court of Justice of England and Wales.

Custody Instruction Deadline means 5 p.m. (New York time) on 15 December 2016

DEBV Deed of Undertaking has the meaning given to that term in Clause 1.1 of the Scheme.

Deed of Release has the meaning given to that term in Clause 1.1 of the Scheme.

Deed of Undertaking has the meaning given to that term in Clause 1.1 of the Scheme.

Deed of Undertaking No.2 has the meaning given to that term in Clause 1.1 of the Scheme.

Description of the Notes means the description of the terms of the New Notes as set out in Schedule 7 to the Scheme.

DTEK O&G means at any time DTEK Oil & Gas B.V. and all of its Subsidiaries.

DTEK O&G Receivable has the meaning given to that term in Clause 1.1 of the Scheme.

DTEK O&G Receivable Account has the meaning given to that term in Clause 1.1 of the Scheme.

Deloitte means Deloitte LLP.

DTC means The Depository Trust Company.

DTC Custodian has the meaning given to that term in Clause 1.1 of the Scheme.

Eligible Institution means a recognised participant in the Securities Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Program or the Stock Exchanges Medallion Program.

EPA Report means the entity priority analysis report prepared by Grant Thornton UK LLP.

Euroclear means Euroclear Bank S.A./N.V. as operator of the Euroclear clearing system.

Essential Credit Lines has the meaning given to that term in Clause 1.1 of the Scheme.

Event of Default has the meaning given to that term in the Indentures, as applicable.

Existing Bank Debt has the meaning given to that term in the Clause 1.1 of the Scheme.

Explanatory Statement has the meaning given to that term in Clause 1.1 of the Scheme.

FSMA has the meaning given to that term on page 1 of this Explanatory Statement.

Global Notes has the meaning given to that term in Recital (B)(ii) of the Scheme.

Group means DTEK Energy B.V. and its consolidated Subsidiaries, including for the avoidance of doubt the Company.

Guarantee has the meaning given to that term in Clause 1.1 of the Scheme.

Guarantors has the meaning given to that term in Clause 1.1 of the Scheme.

Indebtedness has the meaning given to that term in the Indentures, as applicable.

Indentures has the meaning given to that term in Clause 1.1 of the Scheme.

Intermediary means any person holding an interest at the Record Date in any Notes, on behalf of another person or others persons and not holding that interest as an Account Holder.

Liability or **Liabilities** has the meaning given to that term in Clause 1.1 of the Scheme.

Lock-up Agreement means the lock-up agreement in connection with the Scheme dated 18 November 2016 and entered into between the Company and various Noteholders.

March Coupon means the interest payment due on the 2015 Notes on 28 March 2016 in the amount of US$ 8.3 million.

New Notes has the meaning given to that term in Clause 1.1 of the Scheme.

New Notes Indenture means the indenture pursuant to which the New Notes will be issued.

Noteholder has the meaning given to that term in Clause 1.1 of the Scheme.

Noteholder Term Sheet means the binding heads of terms for a restructuring of the Notes agreed between the Group and the Steering Committee on 18 November 2016 and set out in Schedule 6 (*Noteholder Term Sheet*) of the Scheme.

Notes means the 2013 Notes and the 2015 Notes.

Notes Restructuring has the meaning given to that term in Clause 1.1 of the Scheme.

Parent means DTEK Energy B.V.

Payment Defaults means the non-payment of the March Coupon and April Coupon, certain capitalised interest under the Standstill Scheme, and the non-payment of interest on the 2015 Notes and the 2013 Notes on 28 September 2016 and 4 October 2016 respectively.

Practice Statement Letter means the practice statement letter issued in relation to the Scheme by the Company on 18 November 2016.

Proceeding has the meaning given to that term in Clause 1.1 of the Scheme.

Prospectus Directive has the meaning given to that term on page 9 of this Explanatory Statement.

Record Date means 5 p.m. (New York time) on 15 December 2016.

Registrar of Companies means the Registrar of Companies of England and Wales.

Released Parties has the meaning given to that term in Schedule 2 (*Form of Deed of Release*) to the Scheme.

Restructuring.

Scheme means the scheme of arrangement in respect of the Company under Part 26 of the Companies Act in the form set out in Part 11 (*The Scheme*) of this Explanatory Statement (with or subject to any modification, addition or condition approved or imposed by the Court or approved in accordance with the terms of the Scheme).

Scheme Claim has the meaning given to that term in Clause 1.1 of the Scheme.

Scheme Consideration has the meaning given to that term in Clause 1.1 of the Scheme.

Scheme Creditor has the meaning given to that term in Clause 1.1 of the Scheme.

Scheme Effective Date has the meaning given to that term in Clause 1.1 of the Scheme.

Scheme Longstop Date has the meaning given to that term in Clause 1.1 of the Scheme.

Scheme Meeting means the meeting of the Scheme Creditors to vote on the Scheme convened pursuant to an order of the Court (and any adjournment of such meeting), anticipated to be held at 10 a.m. (London time) on 19 December 2016.

Scheme Sanction Hearing means the hearing of the Court for the purpose of sanctioning the Scheme pursuant to the order of the Court under Section 899 of the Companies Act, anticipated to be held on 21 December 2016.

Scheme Settlement Date has the meaning given to that term in Clause 1.1 of the Scheme.

Scheme Settlement Date Notice has the meaning given to that term in Clause 1.1 of the Scheme.

Scheme Website means http://www.lucid-is.com/dtek.

Securities Act has the meaning given to that term on page 8 of this Explanatory Statement.

Standstill Scheme means the scheme of arrangement under English law proposed by Company, which was sanctioned by the Court on 26 April 2016.

Steering Committee has the meaning given to that term in Clause 1.1 of the Scheme.

Subsidiaries has the meaning given to that term in the Indentures.

Sureties has the meaning given to that term in Clause 1.1 of the Scheme.

Suretyship has the meaning given to that term in Clause 1.1 of the Scheme.

Tabulation and Information Agent means Lucid Issuer Services Limited.

Trustee has the meaning given to that term in Clause 1.1 of the Scheme.

VAT means value added tax.

Voting Instruction Deadline means 5 p.m. (New York time) on 16 December 2016.

In this Explanatory Statement, unless the context otherwise requires or otherwise expressly provides for:

(a) references to a person include a reference to an individual, firm, partnership, company, corporation, unincorporated body of persons or any state or state agency;

(b) references to any person shall include references to his successors, transferees and assigns and any person deriving title under or through him;

(c) a reference to this Explanatory Statement includes a reference to the preliminary sections and appendices of this Explanatory Statement;

(d) references to a statute, statutory provision or regulatory rule or guidance include references to the same as subsequently modified, amended or re-enacted from time to time;

(e) references to an agreement, deed or document shall be deemed also to refer to such agreement, deed or document as amended, supplemented, restated, verified, replaced and/or novated (in whole or in part) from time to time and to any agreement, deed or document executed pursuant thereto;

(f) the singular includes the plural and vice versa and words importing one gender shall include all genders;

(g) references to "including" shall be construed as references to "including without limitation" and "include", "includes" and "included" shall be construed accordingly;

(h) references to a period of days shall include Saturdays, Sundays and public holidays and where the date which is the final day of a period of days is not a Business Day, that date will be adjusted so that it is the first following day which is a Business Day;

(i) references to "U.S." and "United States" are to the United States of America;

(j) references to "U.S. dollar", to "US$" or to "$" are references to the lawful currency from time to time of the Unites States of America;

(k) references to the "UK" and "United Kingdom" are to the United Kingdom of Great Britain and Northern Ireland;

(l) references to "Sterling", "sterling", or to "£" are references to the lawful currency from time to time of the United Kingdom;

(m) references to the "EU" are to the European Union and its member states as at the relevant time;

(n) references to "Euro", "euro", or to "€" are references to the lawful currency from time to time of the member states of the European Community that adopt or have adopted the euro as their lawful currency under the legislation of the European Community for Economic and Monetary Union; and

(o) references to the "CIS" are to the following countries that formerly comprised part of the Union of Soviet Socialist Republics and that are now members of the Commonwealth of Independent States: Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, the Russian Federation, Tajikistan, Ukraine and Uzbekistan;

(p) references to the "RUB", "Russian Ruble" or "Ruble" are references to the lawful currency from time to time of Russia;

(q) references to "Hryvnia", "hryvnia" or to "UAH" are references to the lawful currency from time to time of Ukraine; and

(r) references to time shall be to London time (Greenwich Mean Time or British Summer Time, as appropriate).

APPENDIX 2

INSTRUCTIONS AND GUIDANCE FOR SCHEME CREDITORS AND ANY PERSON WITH AN INTEREST IN THE NOTES

THIS APPENDIX SETS OUT INSTRUCTIONS AND GUIDANCE FOR VOTING AT THE SCHEME MEETING AND CERTAIN ADDITIONAL MATTERS.

ALL SCHEME CREDITORS AND ANY PERSON WITH AN INTEREST IN THE NOTES ARE REQUESTED TO READ:

(1) THE GENERAL GUIDANCE IN SECTION 1 OF THIS APPENDIX; AND

(2) THE GUIDANCE ON VOTING PROCEDURES AT THE SCHEME MEETING WITH RESPECT TO ALL NOTES IN SECTION 2 OF THIS APPENDIX.

SECTION 1 - GENERAL GUIDANCE

SCHEME MEETING

1. Before the Scheme can become effective and binding on the Company and the Scheme Creditors, a resolution to approve it must be passed by the Scheme Creditors by the requisite majority required by section 899 of the Companies Act 2006. The requisite majority is a majority in number representing at least 75% in value of the Scheme Creditors who, being so entitled, are present in person, by a duly authorised representative if a corporation, or by proxy and vote at the Scheme Meeting. The Scheme Meeting has been ordered by the Court to be summoned to take place on 19 December 2016 at 10 a.m. (London time).

2. Formal notice of the Scheme Meeting is set out in Appendix 4 (*Notice of Scheme Meeting*) of this Explanatory Statement.

3. If the Scheme Creditors do not approve the Scheme at the Scheme Meeting, then the Company will be unable to implement the Scheme.

4. The relevant Scheme Creditors for the purposes of voting on the Scheme at the Scheme Meeting are the Noteholders. To avoid double counting in respect of the Scheme Claims, the Trustee has confirmed in writing that it will not exercise any voting rights to which it may be entitled as a Scheme Creditor.

DEADLINE FOR VOTING AT THE SCHEME MEETING

5. Voting will take place at the Scheme Meeting by Noteholders appearing in person, by a duly authorised representative or by proxy as explained in more detail in section 2 (*Voting*) below.

VOTING

6. As explained in more detail in section 2 (*Voting*) below, each Noteholder must ensure that its Account Holder completes and submits to the Tabulation and Information Agent a valid Account Holder Letter in order to vote at the Scheme Meeting. **For the purpose of voting, Account Holder Letters must be submitted to the Tabulation and Information Agent before the Voting Instruction Deadline, being 5 p.m. (New York time) on 16 December 2016.**

7. For the purpose of this section:

   • Account Holders: You are an Account Holder if you are an ICSD Participant or a DTC Participant.

• ICSD Participants: You are an ICSD Participant if you are recorded directly in the records of Euroclear or Clearstream, Luxembourg as holding an interest in any Notes in an account with that Clearing System.

• DTC Participants: You are a DTC Participant if you are recorded directly in the records of Cede & Co./DTC as holding an interest in any Notes in an account with DTC.

Notes held in Euroclear/Clearstream, Luxembourg

ICSD Participants are required to request

(a) the relevant Clearing System to block the Notes in their account within the time limit specified by the relevant Clearing System by no later than the **Custody Instruction Deadline, being 5 p.m. (London time) on 15 December 2016**; and

(b) complete and deliver the Account Holder Letter to the Tabulation and Information Agent by the **Voting Instruction Deadline, being 5 p.m. (New York time) on 16 December 2016.**

For the purposes of voting in respect of Notes held in Euroclear or Clearstream, the Account Holder Letter must be completed and signed by the ICSD Participant.

Notes held in DTC

The New Notes will not be eligible for settlement in the Depositary Trust Company. In order to receive New Notes, it is recommended that all DTC Participants move their positions into Euroclear or Clearstream. Any New Notes which cannot be issued to Noteholders shall be issued to and held by Lucid Issuer Services Limited on bare trust for the relevant Noteholder for a period of one year from the date that the Scheme becomes effective.

DTC Participants who fail to move their positions into Euroclear or Clearstream will still be entitled to vote in the Scheme by following the procedure below, however they may not be eligible to receive the Scheme Consideration on the Scheme Settlement Date. DTC Participants will need to provide details of a securities account held in either Euroclear or Clearstream to receive the New Notes and set up matching delivery instructions within this account to receive their entitlements.

DTC Participants must be holders of record on the Record Date and submit an Account Holder Letter to the Tabulation and Information Agent by the **Voting Instruction Deadline, being 5 p.m. (New York time) on 16 December 2016**.

8. For the purposes of voting in respect of Notes held in DTC:

   (a) the Account Holder Letter must be completed and signed by the DTC Participant (and the DTC Participant's signature must be guaranteed by an Eligible Institution);

9. **Failure to deliver a valid Account Holder Letter on behalf of a Noteholder by the Voting Instruction Deadline will mean that the voting instructions contained in the Account Holder Letter will be disregarded for the purposes of voting at the Scheme Meeting and the relevant Noteholder will not be entitled to vote at the Scheme Meeting.**

10. Notwithstanding any other provision of this Explanatory Statement, the Chairman will be entitled, at the sole discretion of the Chairman, to permit a Noteholder in respect of which a completed Account Holder Letter has not been delivered prior to the Voting Instruction Deadline to vote at the Scheme Meeting if the Chairman considers that the relevant Noteholder has produced sufficient proof that it is a Scheme Creditor.

ASSESSMENT OF SCHEME CLAIMS FOR VOTING PURPOSES

11. The nominal amount of the Scheme Claims of each Noteholder which submits a valid Account Holder Letter in respect of the Notes will be calculated as at the Record Date based on information confidentially provided to the Company by the Tabulation and Information Agent. This information will be used by the Chairman to determine whether the Scheme is approved at the Scheme Meeting. Accordingly, Noteholders do not need to take any action in respect of confirming the amount of their Scheme Claims other than providing the details requested in the Account Holder Letter.

12. Only those Noteholders which are Scheme Creditors as at the Record Date are entitled to attend and vote at the Scheme Meeting in accordance with the procedures set out in more detail below.

13. The assessment of Scheme Claims for voting purposes shall be carried out by the Chairman. The Chairman may, for voting purposes only, reject a Scheme Claim in whole or in part if he/she considers that it does not constitute a fair and reasonable assessment of the relevant sums owed to the relevant Noteholder by the Company or if the relevant Noteholder has not complied with the voting procedures described in this Explanatory Statement.

14. The Chairman will report to the Court, at the Scheme Sanction Hearing (which it is anticipated will take place on 21 December 2016), his/her decision to reject Scheme Claims (if any), with details of those Scheme Claims and the reasons for rejection.

15. The admission and valuation of any Scheme Claim for voting purposes does not (in itself) constitute an admission of the existence or value of the Scheme Claim and will not bind the Company or the Noteholders concerned.

TRANSFERS / ASSIGNMENTS AFTER THE RECORD DATE

16. Under the Scheme, the Company is under no obligation to recognise any assignment or transfer of any Scheme Claim after the Record Date, provided that where the Company has received from the relevant parties in writing notice of such assignment or transfer, the Company may, in its absolute discretion and subject to such evidence as it may reasonably require, agree to recognise such assignment or transfer for the purposes of the Scheme. Any assignee or transferee of a Scheme Claim recognised under the Scheme at the discretion of the Company shall be bound by the terms of the Scheme and be a Scheme Creditor for the purposes of the Scheme.

17. For the avoidance of doubt, the Notes will be blocked in Euroclear/Clearstream from the Record Date to the Scheme Settlement Date, provided that the Scheme is successfully sanctioned.

18. Pursuant to the terms of the Lock-up Agreement, the Company shall immediately instruct the Clearing System to unblock the Notes on the earliest to occur of:

    (a) Termination Date (as defined in the Lock-up Agreement);

    (b) the Scheme Settlement Date; and

    (c) the Scheme Longstop Date.

SECTION 2: VOTING

GENERAL

1. Each Scheme Creditor that is a Noteholder should immediately contact its Account Holder (through any Intermediaries, if appropriate) to ensure that a valid Account Holder Letter in respect of its Scheme Claim is delivered to and received by the Tabulation and Information Agent.

2. It will be the responsibility of Account Holders to obtain from the Noteholders (through any Intermediaries, if applicable) on whose behalf they are acting in accordance with the procedures established between them, whatever information or instructions they may require to identify in an Account Holder Letter the relevant Noteholder and to provide the information, instructions, confirmations and representations required to be given by the Account Holder Letter for and on behalf of the relevant Noteholder. To assist this process, each Noteholder is strongly encouraged to contact its Account Holder (through any Intermediaries, if appropriate) to enable that Account Holder to complete an Account Holder Letter and deliver such Account Holder Letter to the Tabulation and Information Agent before the Voting Instruction Deadline.

3. If a person is in any doubt as to whether or not it is a Noteholder, such person should contact the Tabulation and Information Agent using the contact details in the Account Holder Letter set out in Appendix 3 (*Form of Account Holder Letter*).

Appointment of the Tabulation and Information Agent

4. The Tabulation and Information Agent has been appointed to facilitate communications with Noteholders. The Tabulation and Information Agent's remuneration and expenses, and all costs incurred by it on behalf of the Company, shall be met by the Company.

VOTING AT THE SCHEME MEETING

Voting procedures for all Notes

5. In order to vote at the Scheme Meeting, each Noteholder (through any Intermediaries, if applicable) should instruct its Account Holder to complete and sign an Account Holder Letter as described below and deliver the completed and signed Account Holder Letter to the Tabulation and Information Agent on behalf of the Company before the Voting Instruction Deadline.

6. Noteholders who are not Account Holders in such Clearing Systems and who wish to vote in respect of the Scheme must contact their broker, dealer, bank, custodian, trust company, other trustee, or nominee to make arrangements for:

   (a) in case of Notes held through Euroclear or Clearstream ,the relevant Clearing System to block the Notes in the relevant Account Holder's account within the time limit specified by the relevant Clearing System by no later than the **Custody Instruction Deadline, being 5 p.m. (London time) on 15 December 2016**; and

   (b) their Account Holder in the relevant Clearing System through which they hold the Notes to complete and deliver the Account Holder Letter to the Tabulation and Information Agent by the Voting Instruction Deadline **being 5 p.m. (New York time) on 16 December 2016.** .

7. Notes held in Euroclear or Clearstream must be blocked by no later than the Custody Instruction Deadline in accordance with the normal operating procedures imposed by the

relevant Clearing System as summarised below. Any Notes so held and blocked in Euroclear or Clearstream, Luxembourg for this purpose shall be released to the Account Holder or the relevant Clearing System:

(a) if the Scheme is approved at the Scheme Meeting, following the Scheme Effective Date; or

(b) if the Scheme is approved at the Scheme Meeting but not sanctioned at the Scheme Sanction Hearing, following the conclusion of the Scheme Sanction Hearing; or

(c) if the Scheme is not approved at the Scheme Meeting, following the conclusion of the Scheme Meeting.

Procedure for blocking Notes held through Euroclear or Clearstream, Luxembourg

8. Each Account Holder should ensure that Euroclear and/or Clearstream, Luxembourg (as the case may be) has/have received irrevocable instructions (with which it has/they have complied) to block the Notes which are the subject of an Account Holder Letter. Each Noteholder procuring the submission of an Account Holder Letter by its Account Holder should instruct its Account Holder to confirm that (and the Account Holder should ensure that) the Account Holder Letter cross references the relevant Custody Instruction Reference Number. Failure to include a valid Custody Instruction Reference Number in an Account Holder Letter delivered on behalf of a Noteholder to the Tabulation and Information Agent will invalidate that Account Holder Letter and the voting instructions contained in that Account Holder Letter will be disregarded for the purposes of voting at the Scheme Meeting and the relevant Noteholder will not be entitled to vote at the Scheme Meeting.

9. Notes held in Euroclear or Clearstream, Luxembourg should be blocked in accordance with the procedures of the relevant Clearing System and the deadlines required by that Clearing System. It is the responsibility of Account Holders to ensure that they comply with any particular deadlines imposed by the Tabulation and Information Agent and the relevant Clearing System for blocking the Notes.

10. Custody Instructions in respect of any Notes held in Euroclear which are the subject of an Account Holder Letter should be given to Euroclear in accordance with the deadlines specified by Euroclear and its standard practices. Euroclear will assign a Custody Instruction Reference Number in respect of each Custody Instruction and, as noted in paragraph 9 above, the Custody Instruction Reference Number must be cross referenced in the Account Holder Letter relating to the Notes in respect of which the Custody Instruction Reference Number has been obtained. This will enable the Tabulation and Information Agent to verify the blocking of the Notes.

11. Custody Instructions in respect of any Notes held in Clearstream, Luxembourg which are the subject of an Account Holder Letter should be given to Clearstream, Luxembourg in accordance with the deadlines specified by Clearstream, Luxembourg and its standard practices. Clearstream, Luxembourg will assign a Custody Instruction Reference Number in respect of each Custody Instruction and, as noted in paragraph 9 above, the Custody Instruction Reference Number must be cross referenced in the Account Holder Letter relating to the Notes in respect of which the Custody Instruction Reference Number has been obtained. This will enable the Tabulation and Information Agent to verify the blocking of the Notes.

12. The Tabulation and Information Agent will request the Clearing System to confirm to its satisfaction that the relevant Notes have been blocked with effect from or before the date of receipt by the Tabulation and Information Agent of an Account Holder Letter. In the event

that a Clearing System fails to do so, the Tabulation and Information Agent may reject that Account Holder Letter. In order to give the requested confirmation for the purpose of voting, the Clearing System will need to have received the Custody Instructions no later than the Custody Instruction Deadline.

13. The Tabulation and Information Agent will use all reasonable endeavours to assist Noteholders to complete their Account Holder Letters validly, should it receive any Account Holder Letters which are not valid. However, failure to deliver a valid Account Holder Letter on behalf of a Noteholder to the Tabulation and Information Agent in the manner and within the deadlines referred to above will mean that the voting instructions contained in such Account Holder Letter will be disregarded for the purposes of voting at the Scheme Meeting and the relevant Noteholder will not be entitled to vote at the Scheme Meeting.

14. None of the Company, the Tabulation and Information Agent or any other person will be responsible for any loss or liability incurred by a Noteholder as a result of any determination by the Tabulation and Information Agent that an Account Holder Letter contains an error or is incomplete, even if this is subsequently shown not to have been the case.

15. A Noteholder holding Notes through a DTC Participant and who is not an Account Holder who intends to vote in respect of the Scheme must instruct his Account Holder to complete and deliver the Account Holder Letter with respect to such Notes in accordance with that Noteholder's instructions, to the Tabulation and Information Agent before the Voting Instruction Deadline.

16. The Noteholder must indicate in the Account Holder Letter the aggregate amount of such Notes to which such instruction relates in minimum denominations of $200,000 and multiples of $1,000 in excess thereof in respect of the 2013 Notes and in minimum denominations of $2,000 and multiples of $1,000 in excess thereof in relation to the 2015 Notes..

Noteholder agreement not to sell or transfer Notes which are the subject of any Account Holder Letter

17. By instructing the Account Holder through whom a Noteholder holds Notes with DTC to deliver an Account Holder Letter, that Noteholder agrees that it will not sell or transfer any of the Notes the subject of that Account Holder Letter until:

    (a) if the Scheme is approved at the Scheme Meeting, the Scheme Settlement Date;

    (b) if the Scheme is approved at the Scheme Meeting but not sanctioned at the Scheme Sanction Hearing, following the conclusion of the Scheme Sanction Hearing; or

    (b) if the Scheme is not approved at the Scheme Meeting, the conclusion of the Scheme Meeting.

18. All Account Holder Letters in respect of Notes held through DTC must be delivered by the Voting Instruction Deadline. Failure to deliver a valid Account Holder Letter on behalf of a Noteholder by the Voting Instruction Deadline will mean that the voting instructions contained in the Account Holder Letter will be disregarded for the purposes of voting at the Scheme Meeting and the Noteholder will not be entitled to vote at the Scheme Meeting.

Noteholders are advised to check with the bank, securities broker, relevant Account Holder, or other intermediary through which they hold their Notes whether such intermediary applies different deadlines for any of the events specified.

COMPLETING THE ACCOUNT HOLDER LETTER FOR THE PURPOSES OF VOTING

19. Each Noteholder will need to give its Account Holder information and instructions as to voting and certain other matters.

20. In summary each Noteholder may elect:

    (a) to attend and vote at the Scheme Meeting in person or by a duly authorised representative if a corporation;

    (b) to instruct the Tabulation and Information Agent as its proxy to cast its vote in accordance with the wishes of that Noteholder; or

    (c) to instruct someone else as its proxy to cast its vote in accordance with the wishes of that Noteholder,

    in each case, by instructing its Account Holder to deliver on its behalf and that the voting intention section of the Account Holder Letter is completed.

21. Each Noteholder which submits, delivers or procures the delivery of an Account Holder Letter will be required to make (or authorise its Account Holder to make on its behalf) the representations, warranties and undertakings to the Company and the Tabulation and Information Agent set out in Schedule 1 of the Account Holder Letter.

22. Any Noteholder that is unable to give any of the representations, warranties and undertakings referred to above should contact the Tabulation and Information Agent directly as soon as possible, as there may be additional procedures involved in respect of that Noteholder's participation in the Scheme.

23. Each Noteholder should also ensure that the following is included in the designated sections of the Account Holder Letter delivered on its behalf:

    (a) its identity and country of residence/headquarters;

    (b) details of the Notes which are the subject of the Account Holder Letter, including the ISIN number(s), the principal amount of the Notes held at the relevant Clearing System(s), the identity of the relevant Clearing System(s), the account number of the Account Holder in the relevant Clearing System(s) and the Custody Instruction Reference Number(s);

    (c) the appropriate confirmations to be given by the Account Holder; and

    (d) its voting instructions.

24. If a Noteholder does not wish to provide details of its identity in the Account Holder Letter, that Noteholder should instruct its Account Holder to identify a person with full legal right and authority to act on behalf of that Noteholder as its representative.

DELIVERY OF ACCOUNT HOLDER LETTERS FOR THE PURPOSES OF VOTING

25. Account Holder Letters for the purposes of voting at the Scheme Meeting should be delivered by Account Holders as soon as possible to the Tabulation and Information Agent and, in any event, before the Voting Instruction Deadline, being 5 p.m. (New York time) on 16 December 2016.

26. Each Noteholder should note that, unless a valid Account Holder Letter is delivered on its behalf to the Tabulation and Information Agent before the Voting Instruction Deadline, the voting instructions contained in that Account Holder Letter will be disregarded for the

purposes of voting at the Scheme Meeting and the Noteholder will not be entitled to vote at the Scheme Meeting.

27. Any Account Holder Letter delivered will be irrevocable until the earliest of:

(a) the Voting Instruction Deadline;

(b) if the Scheme is not approved by the requisite majorities at the Scheme Meeting, the conclusion of the Scheme Meeting; or

(c) the withdrawal of the Scheme by the Company.

ATTENDING THE SCHEME MEETING

28. The Scheme Meeting will take place at 10 a.m. London time on 19 December 2016 at the offices of Latham & Watkins, 99 Bishopsgate, London EC2M 3XF.

29. If a Noteholder wishes to attend the Scheme Meeting, it should produce a duplicate copy of the Account Holder Letter delivered on its behalf, evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board minutes) and evidence of personal identity (a passport or other equivalent identification) at the registration desk no later than one hour before the scheduled time of the Scheme Meeting.

APPENDIX 3

FORM OF ACCOUNT HOLDER LETTER

For use by Account Holders in Euroclear, Clearstream or DTC in respect of the

U.S.$ 750,000,000 7.875% Senior Notes due 2018
(Regulation S CUSIP: G2941DAA0 / Regulation S ISIN: USG2941DAA03 / Rule 144A CUSIP: 23339BAA7 / Rule 144A ISIN: US23339BAA70)
(the **2013 Notes**)

and

U.S.$ 160,000,000 10.375% Senior Notes due 2018
(Regulation S CUSIP: G2941DAB8 / Regulation S ISIN: USG2941DAB8)
(the **2015 Notes** and together with the 2013 Notes, the **Notes**)

issued by

DTEK FINANCE PLC
(the **Company**)

in relation to

The Company's scheme of arrangement under
Part 26 of the Companies Act 2006 (the **Scheme**)

The Scheme will, if implemented, materially affect certain creditors of the Company, including the holders of the Notes.

Capitalised terms used in this Account Holder Letter but not defined in it have the same meaning as given to them in the explanatory statement relating to the Scheme dated [●] 2016 (the **"Explanatory Statement"**), subject to any amendments or modifications made by the Court.

Persons who are account holders, i.e. recorded directly in the records of Euroclear, Clearstream or DTC as holding an interest in any Notes must use this Account Holder Letter to register details of their interests in the Notes and to make certain elections with respect to voting in respect of the Scheme.

The New Notes will only be eligible for clearing and settlement through Euroclear and Clearstream. It is highly recommended that Account Holders move any positions in the Notes that they may currently hold from DTC to an account with either Euroclear or Clearstream before the Custody Instruction Deadline, being 5 p.m. (London time) on 15 December 2016 to receive their Scheme Consideration without delay.

DTC Participants who fail to move their positions into Euroclear or Clearstream will still be entitled to vote in the Scheme, however DTC Participants will need to provide details of a securities account held in either Euroclear or Clearstream to receive the New Notes and set up matching delivery instructions within this account to receive their New Notes entitlements.

INSTRUCTIONS AND DEADLINE FOR RECEIPT OF CUSTODY INSTRUCTIONS AND ACCOUNT HOLDER LETTER

THIS ACCOUNT HOLDER LETTER HAS 4 PARTS.

Part 1 of this Account Holder Letter: Noteholder and Holding details must be completed.

Part 2 of this Account Holder Letter: In order to vote in respect of the Scheme, Part 2 (*Voting*) of this Account Holder Letter must be completed

Part 3 of this Account Holder Letter: In order to be valid, this Account Holder Letter must be signed by the Account Holder.

Part 4 of this Account Holder Letter: For DTC Participants only, this section must be completed to take delivery of the Scheme Consideration.

Parts 1, 2, 3 and 4 (if applicable) of this Account Holder Letter must be completed and submitted online, by email or by facsimile to the Tabulation and Information Agent using the contact details set out below and must be received by the Tabulation and Information Agent by no later than 5.00 p.m. (New York time) on 16 December 2016 (the **"Voting Instruction Deadline"**). Account Holder Letters received after the Voting Instruction Deadline will not constitute valid voting instructions for the purposes of the Scheme. If applicable, the Notes identified in this Account Holder Letter must be blocked by no later than 5.00 p.m. (local time) on the Business Day preceding the Voting Instruction Deadline. Originals of this Account Holder Letter are not required.

A separate Account Holder Letter must be completed in respect of each separate beneficial holding of/interest in the Notes.

You are strongly advised to read the Explanatory Statement and the Scheme and, in particular, Appendix 2 (*Instructions and guidance for Scheme Creditors and any person with an interest in the Notes*) to the Explanatory Statement, before you complete this Account Holder Letter. Appendix 2 (*Instructions and guidance for Scheme Creditors and any person with an interest in the Notes*) to the Explanatory Statement contains detailed information on the various options contained in this Account Holder Letter. All relevant documentation can be found at the Scheme Website at www.lucid-is.com/dtek.

If the Scheme Effective Date occurs, the Scheme will become effective and binding on all Scheme Creditors, regardless of whether you voted in favour or against the Scheme or abstained from voting. The New Notes will be delivered on or around the Scheme Settlement Date.

This Account Holder Letter and any non-contractual obligations arising out of or in relation to this Account Holder Letter shall be governed by, and interpreted in accordance with, English law.

FOR ASSISTANCE CONTACT THE TABULATION AND INFORMATION AGENT:

Lucid Issuer Services Limited
Tankerton Works, 12 Argyle Walk. London WC1H 8HA, United Kingdom

Attention: Yves Theis
Telephone: +44 20 7704 0880
Facsimile: + 44 20 3004 1590
Email: dtek@lucid-is.com
Scheme Website: www.lucid-is.com/dtek

PART 1: NOTEHOLDER AND HOLDING DETAILS
SECTION 1: NOTEHOLDER DETAILS

If you are an Account Holder who has interests in the Notes for your own account (in which case, you are the beneficial owner of and/or the holder of the ultimate economic interest in the relevant Notes held in global form through the Clearing System with a claim in respect of any amount outstanding under the Notes as at the Record Time (being 5.00 p.m. (New York time) on 15 December 2016) (unless the Company, in its sole discretion, elects to recognise a transfer of Notes after the Record Time)), **please provide all information required below.**

If you are an Account Holder who has interests in the Notes on behalf of a Noteholder (in which case, you are not the beneficial owner of and/or the holder of the ultimate economic interest in the relevant Notes held in global form through the Clearing System with a claim in respect of any amount outstanding under the Notes as at the Record Time (being 5.00 p.m. (New York time) on 15 December 2016) (unless the Company, in its sole discretion, elects to recognise a transfer of Notes after the Record Time)), **please identify the Noteholder on whose behalf you are submitting this Account Holder Letter. If such Noteholder does not wish to provide details of its identity, please identify a person with full legal right and authority to act on behalf of that Noteholder as its representative**.

(a) **To be completed for all Noteholders:**

Full Name of Noteholder _____

If the Noteholder is a corporate or institution, name of authorised employee _____

Country of residence or incorporation _____

E-mail Address _____

Telephone Number (with country code) _____

_____

On or before the Lock-up Accession Deadline, being 1 December 2016, did the Noteholder accede to the Lock-Up Agreement by executing an Accession Deed or a Locked-up Notes Notice?

☐ Yes

☐ No

SECTION 2: HOLDING DETAILS

Details of the Notes to which this Account Holder Letter relates

If this Account Holder Letter is delivered before the Record Time, the Account Holder on behalf of the relevant Noteholder holds the following Notes, which have been "blocked" (i) in the case of Account Holders in Euroclear or Clearstream, through delivery of Custody Instructions to the relevant Clearing System by the Custody Instruction Deadline, the reference number in relation to which is identified below, or (ii) in the case of Account Holders who hold positions in the Notes in DTC and outside of Euroclear or Clearstream, by affixing a Signature Medallion Guarantee Stamp to this Part 3 below.

CUSIP or ISIN	Amount of Notes	Clearing System	Name of Account Holder	Clearing System Account number	Custody Instruction reference number[9]

[9] For Euroclear or Clearstream Account Holders only. The reference number should be the reference number of the Custody Instruction(s) submitted in respect of the Notes to Euroclear or Clearstream (as applicable).

PART 2: VOTING

SECTION 1: ACCOUNT HOLDER CONFIRMATIONS

The Account Holder named below in Part 3 (*Execution of Account Holder Letter by Account Holder*) for itself hereby confirms to the Company, the Guarantors and the Tabulation and Information Agent as follows (select "yes" or "no" as appropriate for each item):

A: That all authority conferred or agreed to be conferred pursuant to this Account Holder Letter and every obligation of the Account Holder under this Account Holder Letter (including any elections made in this Account Holder Letter) shall be binding upon the successors and assigns of the Account Holder (in the case of a corporation or institution) or the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the Account Holder (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of the Account Holder and that all of the information in this Account Holder Letter is complete and accurate.

☐ Yes

☐ No

B. That the Account Holder has irrevocably instructed Euroclear or Clearstream, as the case may be, to block the Notes identified in Part 1 Section 2 (*Holding Details*) of this Account Holder Letter before the date that this Account Holder Letter is delivered to the Tabulation and Information Agent and that the applicable reference number for each such Custody Instruction appears in this Account Holder Letter under "Custody Instruction reference number" in Part 1 Section 2 (*Holding Details*) of the Account Holder Letter or the affixing of a signature medallion guarantee stamp, if a DTC Participant.

☐ Yes

☐ No

C. That, in relation to the Notes identified in Part 1 Section 2 (*Holding Details*) of this Account Holder Letter, the Account Holder has authority to (i) give the voting instructions set out in Part 2 Section 3 (*Voting*) of this Account Holder Letter and, if applicable, to nominate the person named in Part 2 Section 3 (*Voting*) of this Account Holder Letter to attend the Scheme Meeting, and (ii) make the elections and/or give the confirmations on behalf of the Noteholder.

☐ Yes

☐ No

An Account Holder who is unable to confirm "yes" in respect of paragraphs A to C above should contact the Tabulation and Information Agent using the contact details set out in this Account Holder Letter for assistance.

By delivering this Account Holder Letter to the Tabulation and Information Agent, the Account Holder confirms for itself, or for the Noteholder on whose behalf it is acting, that it agrees that it, or the Noteholder (as applicable), shall be deemed to have made the representations, warranties and undertakings set out in paragraph 1 of Schedule 1 (*Representations, Warranties and Undertakings*) to this Account Holder Letter in favour of the Company and the Tabulation and Information Agent as at the date on which this Account Holder Letter is delivered to the Tabulation and Information Agent.

SECTION 3 : VOTING

(A) **Attendance at the Scheme Meeting**

The Noteholder wishes:

Tick only ONE of the boxes below.

☐ to appoint the Tabulation and Information Agent as its proxy to attend and vote on its behalf at the Scheme Meeting *(please now only complete paragraph (B) (Appointment of proxy and voting instructions to proxy) below)*

☐ to attend and vote at the Scheme Meeting in person or by duly authorised representative of a corporation *(please now only complete paragraph (C) (Indication of voting intention) below) and provide your passport/ID number below)*

Please provide your Passport or ID number: _____ *(you must bring the Passport/ID to the Meeting to confirm your identity)*

☐ to appoint a proxy (other than the Tabulation and Information Agent) to attend and vote on its behalf at the Scheme Meeting *(please now only complete paragraph (B) (Appointment of proxy and voting instructions to proxy)below)*

(B) **Appointment of proxy and voting instructions to proxy**

The Noteholder wishes to appoint (and the Account Holder is hereby authorised to appoint on its behalf):

Tick only ONE of the boxes below.

☐ the Tabulation and Information Agent (*tick box if appropriate*); or

☐ the following individual (*tick box if appropriate and fill in the details immediately below*)

Name:

Address:

Passport Number:

or failing him:

(Name): (**"Alternate 1"**)

(Address):

(Passport number):

_____

or failing Alternate 1:

the Chairman

as its proxy and wishes its proxy to vote:

Tick only ONE of the boxes below.

☐ FOR the Scheme

☐ AGAINST the Scheme

(C) **Indication of voting intention (for Noteholders that intend to attend and vote at the Scheme Meeting in person)**

The Noteholder intends to attend and vote (and the Account Holder is hereby authorised to vote on its behalf) at the Scheme Meeting as follows. The Noteholder understands that this expression of intention is not binding and that it may vote as it sees fit at the Scheme Meeting (provided the authorised representative of a Noteholder wishing to attend the Scheme Meeting must bring his or her passport to the Scheme Meeting):

Tick only ONE of the boxes below.

☐ FOR the Scheme

☐ AGAINST the Scheme

PART 3 : EXECUTION OF ACCOUNT HOLDER LETTER BY ACCOUNT HOLDER

Full name of Account Holder		
Clearing System and Clearing System Account number of Notes Account		
Authorised Employee of Account Holder	(print name)	
Telephone no. of Authorised Employee (with country code)		
E-mail of Authorised Employee		
Authorised Employee Signature	(sign)	
Date		

For Account Holders who hold positions in the Notes in DTC and outside of Euroclear or Clearstream

Signature Medallion Guarantee Stamp*

* By affixing its Signature Medallion Guarantee Stamp, the Account Holder is hereby instructed by the Scheme Creditor in respect of which this Account Holder Letter is being submitted to confirm to the Company and the Tabulation and Information Agent that such Scheme Creditor (i) holds the Notes detailed in this Section 2 and will do so as at the Record Time; (ii) will not trade such Notes unless otherwise agreed by the Company or the Tabulation and Information Agent; and (iii) agrees that the Company shall be entitled to treat such Scheme Creditor as the party entitled to receive the Scheme Consideration (if any) in respect of such holding of Notes.

Before returning this Account Holder Letter, please make certain that you have provided all the information requested.

By signing above, the Account Holder confirms that it has obtained all necessary consents, authorisations, approvals and/or permissions required to be obtained by it under the laws and regulations applicable to it in any jurisdiction in order to sign this Account Holder Letter for itself or on behalf of the Noteholder (as applicable).

Acceptance of this Account Holder Letter by the Tabulation and Information Agent is subject to: (i) DTC confirming to the satisfaction of the Company that the Notes identified in Part 2 of this Account Holder Letter are consistent with the positions represented on its records as of the Record Time; and (ii) the relevant Clearing System confirming to the satisfaction of the Tabulation and Information Agent that the Notes identified in Part 2 of this Account Holder Letter have been blocked with effect from the date of this Account Holder Letter. In addition, where the Noteholder on whose behalf this Account Holder Letter is submitted holds its interests in the Notes identified in Part 2 of this Account Holder Letter through Euroclear or Clearstream, acceptance of this Account Holder Letter by the Tabulation and Information Agent is subject to the Tabulation and Information Agent reconciling the Custody Instruction reference number allocated by Euroclear or Clearstream. Information in this Account Holder Letter must be consistent with such Custody Instructions and in the event of any ambiguity, the Custody Instructions shall take precedence.

If the Account Holder is acting on behalf of a Noteholder, such Account Holder must obtain the authorisation of the Noteholder to complete and submit this Account Holder Letter on behalf of the Noteholder.

Online, scanned or PDF copies of this Account Holder Letter will be accepted and originals are not required.

PART 4: DELIVERY INSTRUCTIONS (FOR DTC PARTICIPANTS ONLY)

The New Notes will only be eligible for clearing and settlement through Euroclear and Clearstream. It is highly recommended that Account Holders move any positions in the Notes that they may currently hold from DTC to an account with either Euroclear or Clearstream before the Custody Instruction Deadline, being 5 p.m. (London time) on 15 December 2016 to receive their Scheme Consideration without delay.

DTC Participants who fail to move their positions into Euroclear or Clearstream will still be entitled to vote in the Scheme, however they will need to provide details of a securities account held in either Euroclear or Clearstream to receive the New Notes and set up matching delivery instructions within this account to receive their New Notes entitlements.

To receive the New Notes, please confirm the details of the Euroclear/Clearstream accountholder:

Full name of Account Holder	
Clearing System and Clearing System Account number of Notes Account	
Authorised Employee of Account Holder	(print name)
Telephone no. of Authorised Employee (with country code)	
E-mail of Authorised Employee	

To receive the cash consideration payable under the Scheme, please confirm the bank account details:

Cash Correspondent Bank	
Account name	
Account number or IBAN	
ABA or SWIFT/BIC	
Payment Reference	DTEK scheme consideration

SCHEDULE 1

REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

Voting Representations, Warranties and Undertakings

Each Noteholder which submits, delivers or procures the delivery of an Account Holder Letter represents, warrants and undertakes to the Company, the Guarantors, the Trustee, the Paying Agent and the Tabulation and Information Agent that:

(a) it has received, and has reviewed, the Scheme and the Explanatory Statement;

(b) it accepts and acknowledges the statements made in "Important Notice to Scheme Creditors" and "Important Securities Law Notice" in the Explanatory Statement;

(c) it has complied with all laws and regulations applicable to it with respect to the Scheme and this Account Holder Letter;

(d) it is lawful to seek voting instructions from that Noteholder in respect of the Scheme;

(e) it is assuming all of the risks inherent in that Noteholder participating in the Scheme and has undertaken all the appropriate analysis of the implications of participating in the Scheme for that Noteholder without relying on the Company, the Guarantors or the Tabulation and Information Agent (other than any representations or warranties given in favour of that Noteholder by the Company and the Guarantors under the Explanatory Statement and, if applicable, a Lock-up Agreement to which that Noteholder is a party);

(f) the Notes which are the subject of the Account Holder Letter are, at the time of delivery of such Account Holder Letter, held by it (directly or indirectly) or on its behalf at the relevant Clearing System (and that Noteholder will use all reasonable endeavours to ensure that those Notes will continue to be so held up to and including the Scheme Settlement Date);

(g) it has not given voting instructions or submitted an Account Holder Letter with respect to Notes other than those which are the subject of this Account Holder Letter;

(h) by instructing the relevant Clearing System, it will be deemed to have authorised the relevant Clearing System to provide details concerning its identity, the Notes which are the subject of the Account Holder Letter delivered on its behalf and its applicable account details to the Company and the Tabulation and Information Agent and their respective legal advisors at the time the Account Holder Letter is submitted;

(i) it agrees to be bound by the terms of the Scheme from (and including) the Scheme Settlement Date, regardless of whether it voted for or against the Scheme or abstained from voting, and agrees not to take any step, action or proceeding to challenge the Scheme or enforce the terms of the Notes in effect prior to the Scheme Settlement Date unless permitted to do so (and only to the extent permitted) by the Indentures;

(j) in the case of a DTC Participant with Notes outside Euroclear or Clearstream, it will designate an account in either Euroclear or Clearstream where it may receive its Scheme Consideration;

(k) it empowers, authorises, requests and instructs the Notes Trustee, the New Notes Trustee, the Company, the Guarantors, the Paying Agent and the Tabulation and Information Agent and any of their officers, employees or agents to do all such things as may be necessary or expedient to carry out or give effect to the Scheme and the Notes Restructuring and it declares and acknowledges that

(i) none of the New Notes Trustee, or the Tabulation and Information Agent or any of their officers, employees, agents and advisors (each a **"Relying Person"**) will be held responsible for any liabilities or consequences arising directly or indirectly as a result of acts taken by them or pursuant to the Notes Restructuring (other than by reason of their fraud, gross negligence or wilful default which will not be the case if any Relying Person acts in accordance with the steps and instructions contemplated in the New Notes Documents) and it further declares that none of the Relying Persons has responsibility for the terms of the Notes Restructuring; and

(ii) it will not take any action or commence or pursue any proceeding or claim against any of the Relying Persons in respect of any claim it might have against any of them or in respect of any act or omission of any kind by any Relying Person in relation to the Notes Restructuring (other than by reason of their fraud, gross negligence or wilful default which will not be the case if such Relying Person acts in accordance with the steps and instructions contemplated in the New Notes Documents), and it hereby expressly and unreservedly waives its rights to take such proceedings;

(l) neither the Tabulation and Information Agent nor any of their Affiliates, directors, officers or employees has made any recommendation to that Noteholder as to whether, or how, to vote in relation to the Scheme, and that it has made its own decision with regard to voting based on any legal, tax or financial advice that it has deemed necessary to seek;

(m) all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings shall be binding on the successors and assigns of that Noteholder (in the case of a corporation or institution) or the successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives of that Noteholder (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of that Noteholder; and

(n) no information has been provided to it by the Company, the Guarantors, the Tabulation and Information Agent or any of their respective Affiliates, directors, officers, advisors or employees with regard to the tax consequences to that Noteholder arising from voting in favour of the Scheme, and that it is solely liable for any taxes or similar payments imposed on it under the laws of any applicable jurisdiction as a result of voting in favour of the Scheme, and that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Company, the Guarantors, the Tabulation and Information Agent or any of their Affiliates, directors, officers, advisors or employees in respect of such taxes or similar payments.

Any Scheme Creditor that is unable to give any of the representations, warranties or undertakings above should contact the Tabulation and Information Agent for assistance.

APPENDIX 4

NOTICE OF SCHEME MEETING

NOT FOR DISTRIBUTION IN OR INTO OR TO INVESTORS IN THE UNITED STATES WHO ARE NOT QUALIFIED INSTITUTIONAL BUYERS WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT").

THE TRUSTEE MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF THE PRACTICE STATEMENT LETTER AND EXPRESSES NO OPINIONS WHATSOEVER AS TO THE MERITS OF THE PROPOSALS AS PRESENTED TO NOTEHOLDERS IN THE PRACTICE STATEMENT LETTER. THIS PRACTICE STATEMENT LETTER IS BEING DELIVERED TO HOLDERS OF THE NOTES SOLELY AT THE INSTIGATION OF THE ISSUER WITHOUT THE PRIOR APPROVAL OR CONSENT OF THE TRUSTEE. THE TRUSTEE THEREFORE MAKES NO ASSESSMENT OF THE IMPACT OF THE PROPOSALS AS PRESENTED TO NOTEHOLDERS, EITHER AS A CLASS OR AS INDIVIDUALS.

IN THE HIGH COURT OF JUSTICE **No. CR2015 004538**

CHANCERY DIVISION

COMPANIES COURT

IN THE MATTER OF DTEK FINANCE PLC

– and –

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that by an Order dated 2 December 2016 made in the above matter the Court has directed that a meeting be convened of the Scheme Creditors (as such term is defined therein) (the "**Scheme Meeting**") in relation to DTEK Finance Plc (the "**Company**") for the purposes of considering and, if thought fit, approving (with or without modification) a scheme of arrangement proposed to be made between the Company and the Scheme Creditors (the "**Scheme**").

The Scheme Meeting to consider the Scheme will be held at the offices of Latham & Watkins (London) LLP, 99 Bishopsgate, London EC2M 3XF on 19 December 2016 at 10 a.m. (London time).

A copy of the Scheme and a copy of the statement required to be furnished pursuant to section 897 of the Companies Act 2006 (the "**Explanatory Statement**") are available on the Scheme Website: www.lucid-is.com/dtek. Where otherwise undefined, terms used in this Notice shall have the meaning given to them in the Explanatory Statement.

Scheme Creditors are requested to attend the Scheme Meeting either by proxy or in person, at the time and place indicated above.

It is requested that instructions to appoint either Lucid Issuer Services Limited (the "**Tabulation and Information Agent**"), or someone else as proxy are submitted by Scheme Creditors via DTC as soon as possible and in any event so as to be received by Lucid Issuer Services Limited no later than 5.00 p.m. (New York time) on 16 December 2016. The Record Date is 5.00 p.m. (New York time) on 15 December 2016.

By the said Order, the Court has appointed Johan Bastin of DTEK Energy B.V. to act as Chairman and has directed the Chairman to report the result of the Scheme Meeting to the Court.

The Scheme will be subject to the subsequent approval of the Court.

The Steering Committee supports the terms of the Scheme.

For further information of a general nature regarding the Scheme please contact Rothschild, the Company's financial advisors, and for further information on the voting procedure please contact Lucid Issuer Services Limited:

Rothschild

Telephone: +33 1 40 74 40 74

Email: project.genesis@rothschild.com

Lucid Issuer Services Limited as the Tabulation and Information Agent

Telephone: +44 (0)207 704 0880
Email: dtek@lucid-is.com
Website: www.lucid-is.com

Latham & Watkins (London) LLP

99 Bishopsgate
London
EC2M 3XF

John Houghton/Marc Hecht

Solicitors for DTEK Finance Plc

Dated 5 December 2016

This notice is neither an offer to purchase nor a solicitation of an offer to sell securities. The Scheme is not being made to any person in any jurisdiction in which the making of the Scheme would not be in compliance with the securities or other laws of such jurisdiction. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States, unless registered under the Securities Act or unless an exemption from the registration requirements set forth in the Securities Act applies to them. No public offering of the securities will be made in the United States and the Company does not intend to make any such registration under the Securities Act.

In the United Kingdom, this communication is being distributed only to and is directed only at (a) persons who have professional experience in matters relating to investments falling within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), (b) high net worth entities falling within Article 49(2)(a) to (d) of the Order and (c) other persons to whom it may be lawfully communicated (all such persons together being referred to as "relevant persons"). Any person who is not a relevant person should not act or rely on this communication or any of its contents.

Statements contained herein may constitute "forward-looking statements". Forward-looking statements are generally identifiable by the use of the words "may", "will", "should", "aim", "plan", "expect", "anticipate", "estimate", "believe", "intend", "project", "goal" or "target" or the negative of these words or other variations on these words or comparable terminology.

Forward-looking statements involve a number of known and unknown risks, uncertainties and other factors that could cause the Company's or its industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. The Company does not undertake publicly to update or revise any forward-looking statement that may be made herein, whether as a result of new information, future events or otherwise.

No party accepts any responsibility or liability whatsoever for any loss or damage occasioned to any person arising out of the process described in this notice.

ANNEX B – DESCRIPTION OF THE NOTES

The full Conditions of the Notes are set out below.

For purposes of this description, references to:

- the "**Issuer**" refers to DTEK FINANCE PLC, a company organized under the laws of England and Wales;
- the "**Parent Guarantor**" refers to DTEK ENERGY B.V., a company incorporated under the laws of The Netherlands;
- the "**Subsidiary Guarantors**" refers to each Restricted Subsidiary that either guarantees the Notes pursuant to a guarantee under the Indenture (each, a "**Guarantee**") or provides a deed of surety in respect of the Notes in accordance with the terms of the Indenture (each, a "**Deed of Surety**," and collectively, the "**Notes Guarantees**");
- the "**Guarantors**" refers collectively to the Parent Guarantor and the Subsidiary Guarantors; and
- the "**Group**" refers to the Parent Guarantor and its Subsidiaries.

General

The Notes will be issued in registered form and will:

- be general obligations of the Issuer;
- rank equally in right of payment with any existing and future Indebtedness of the Issuer that is not subordinated to the Notes;
- rank senior in right of payment to any existing and future subordinated obligations of the Issuer;
- be guaranteed by each of the Guarantors, as described below under the section entitled "—Guarantees;"
- be effectively subordinated to any existing and future Indebtedness of the Issuer that is secured by property or assets, to the extent of the value of the property and assets securing such Indebtedness; and be structurally subordinated to all liabilities (including trade payables) and preferred stock of any subsidiary of the Parent Guarantor that does not provide a Note Guarantee in respect of the Notes;
- be secured by the Collateral as described under "—Security."

The Notes Guarantees will:

- be a general obligation of such Guarantor;
- rank equally in right of payment with all existing and future Indebtedness of such Guarantor that is not subordinated to such Guarantor's Notes Guarantee;
- rank senior in right of payment to any existing and future subordinated obligations of such Guarantor; and

- be effectively subordinated to any existing and future Indebtedness of such Guarantor that is secured by property or assets, to the extent of the value of the property and assets securing such Indebtedness.

As of the Issue Date, all of the Parent Guarantor's Subsidiaries will be Restricted Subsidiaries. However, under the circumstances described below under the caption "—Certain Covenants—Limitation on Designation of Unrestricted Subsidiaries", the Parent Guarantor will be permitted to designate certain of its Subsidiaries as Unrestricted Subsidiaries. Unrestricted Subsidiaries will not be subject to any of the restrictive covenants in the Indenture. Unrestricted Subsidiaries will not guarantee the Notes or provide surety in respect thereof.

The registered Holder of a Note will be treated as the owner of it for all purposes. Only registered holders will have rights under the Indenture.

Application will be made to have the Notes admitted to trading on the Global Exchange Market of the Irish Stock Exchange.

Principal, Maturity and Interest

The Issuer will issue $[•] in aggregate principal amount of Notes in this offering. The Issuer may issue additional Notes ("**Additional Notes**") under the Indenture from time to time after the offering. Any issuance of Additional Notes is subject to all of the covenants in the Indenture, including the covenant described below under the caption "—Certain Covenants—Limitation on Indebtedness." The Notes and any Additional Notes subsequently issued under the Indenture will be treated as a single class for all purposes under the Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase; *provided*, however, that unless such Additional Notes are issued under a separate CUSIP and/or ISIN, such Additional Notes are treated as fungible with the Notes for U.S. federal income tax purposes. For the avoidance of doubt, Additional Notes issued as PIK Interest (as defined below) will have identical terms to the originally issued Notes except interest on such Additional Notes issued in payment of PIK Interest will begin to accrue from the date they are issued rather than [•][1].

Notes issued hereunder in reliance on Section 3(a)(10) under the Securities Act will be represented by one or more unrestricted permanent global notes (the "**Global Notes**") which will be deposited with, or on behalf of, the Common Depositary for Euroclear and Clearstream. Record ownership of the Global Notes may be transferred, in whole or in part, only to another nominee of the Common Depositary or to a successor of Common Depositary or its nominee. Investors who hold beneficial interests in the Global Notes may hold such interests only directly through Euroclear and Clearstream, if they are participants in these systems, or indirectly through organizations that are participants in these systems.

The Notes will mature on December 31, 2024 (the "**Maturity Date**"). Interest on the Notes will accrue from [•][2] at the rate of 10.75% per annum and will be payable in the form of cash ("**Cash Interest**") or, at the Issuer's option, in the form of Additional Notes ("**PIK Interest**"). Interest will be payable as Cash Interest or PIK Interest quarterly in arrear on every January 1, April 1, July 1 and October 1 to those persons who were holders of record on every December 15, March 15, June 15 and September 15, as applicable, immediately preceding the applicable interest payment date; provided that the minimum amount of Cash Interest that will be payable will be as follows:

Period	**Cash Interest**
From the Issue Date until December 31, 2018	5.5% per annum
From January 1, 2019 until December 31, 2019	6.5% per annum

[1] Interest will accrue from the date the Scheme is sanctioned.

[2] Interest will accrue from the date the Scheme is sanctioned.

From January 1, 2020 until December 31, 2020	7.5% per annum
From January 1, 2021 until December 31, 2021	8.5% per annum
From January 1, 2022 until December 31, 2023	9.5% per annum
From January 1, 2024 until December 31, 2024	10.75% per annum

Interest on overdue principal and interest will accrue at a rate that is 1% higher than the then applicable interest rate on the Notes. Interest on the Notes will accrue from [•][3] or, if interest has already been paid, from the date it was most recently paid. Interest on the Notes will be computed on the 360-day year comprised of twelve 30-day months.

In making payments of PIK Interest, at the Issuer's option, the Issuer may issue Additional Notes having an aggregate principal amount equal to the amount of PIK Interest then due and owing as follows:

(a) with respect to Notes represented by one or more Global Notes, by increasing the principal amount of the outstanding Global Notes, effective as of the applicable interest payment date, by an amount equal to the amount of Additional Notes for the applicable interest period (rounded up to the nearest $1); and

(b) with respect to Notes represented by definitive Notes, by issuing Additional Notes in the form of definitive Notes dated as of the applicable interest payment date, in an aggregate principal amount equal to the amount of PIK Interest for the applicable interest period (rounded up to the nearest $1).

The Issuer may make any payment of interest as PIK Interest (subject to minimum amounts of Cash Interest set forth in the second preceding paragraph); *provided* that the Issuer delivers a notice to the Trustee and each Paying Agent no later than 20 Business Days prior to the commencement of the relevant interest period, which notice states the total amount of interest to be paid on such interest payment date and the amount of such interest to be paid as PIK Interest. The Trustee or the Paying Agent, as the case may be, shall promptly deliver the same notice to the holders of the Notes. Notwithstanding the foregoing, the delivery of such notices shall not restrict the ability of the Issuer to pay, at its option, a greater portion of interest on the Notes with respect to such interest period as Cash Interest.

Principal of, premium, if any, and Cash Interest on the Notes will be payable in immediately available funds, and the Notes will be exchangeable and transferable, at an office or agency of the Issuer or any Paying Agent; *provided*, *however*, that all Cash Interest on any definitive Note may be paid by check mailed to the person entitled thereto as shown on the register for such definitive Note. No service charge will be made for any registration of transfer or exchange or redemption of Notes, but the Issuer may require payment in certain circumstances of a sum sufficient to cover any transfer tax or other similar governmental charge that may be imposed in connection therewith.

Paying Agent and Registrar for the Notes

The Issuer will maintain a Paying Agent for the Notes in the City of London (the "**Paying Agent**"), initially being The Bank of New York Mellon, London Branch.

The Issuer will also maintain one or more registrars (each, a "**Registrar**") with at least one such Registrar having its offices in Luxembourg, and a transfer agent in the City of London (the "**Transfer Agent**") and New York (the "**U.S. Transfer Agent**" and any such transfer agent so appointed, also being referred to as a "**Transfer Agent**"). The initial Registrar will be The Bank of New York Mellon (Luxembourg S.A.). The initial Transfer Agent will be The Bank of New York Mellon, London Branch. The Registrar in Luxembourg and the Transfer Agent in London will

[3] Interest will accrue from the date the Scheme is sanctioned.

maintain a register reflecting ownership of definitive Notes outstanding from time to time and will make payments on and facilitate transfers of definitive Notes on behalf of the Issuer.

The Issuer may change the Paying Agents or Registrar without prior notice to the Trustee or holders of the Notes, and the Parent Guarantor or any of its Subsidiaries may act as paying agent or registrar. For so long as the Notes are listed on the Global Exchange Market of the Irish Stock Exchange and its rules so require, the Issuer will publish a notice of any change of Paying Agent, Registrar or transfer agent in accordance with the provisions set forth under "—Notices."

Guarantees

The Issuer's obligations under the Notes and the Indenture initially will be guaranteed on a senior basis, pursuant to the Notes Guarantees, jointly and severally, by each of:

- the Parent Guarantor; and
- the Initial Subsidiary Guarantors;

and thereafter by each Restricted Subsidiary that is obligated to issue or otherwise issues a Notes Guarantee pursuant to the covenant described below under the section entitled "—Certain Covenants—Additional Guarantees." Each Guarantor will either (a) execute a Guarantee in accordance with the terms of the Indenture, or (b) if the Issuer is so advised in writing by outside counsel to the Issuer that a Deed of Surety is a more appropriate form of credit support due to local law considerations, execute a Deed of Surety in accordance with the terms of the Indenture. Each of the Initial Subsidiary Guarantors and each future Guarantor, in each case, that is organized under the laws of Ukraine will execute a Deed of Surety in accordance with clause (b) above.

Guarantee Limitations

As a general matter, the obligations of each Subsidiary Guarantor under its Notes Guarantee may be contractually limited in the Indenture or the applicable Guarantee or Deed of Surety (1) under relevant laws applicable to such Subsidiary Guarantor (including laws relating to corporate benefit, capital preservation, financial assistance, *ultra vires* activities, fraudulent conveyance and transfers or transactions under value); and (2) to the maximum amount that can be guaranteed under applicable laws, including laws related to fraudulent conveyance, fraudulent transfer, voidable preference, transactions under value or unlawful financial assistance, as applicable.

Ukraine

In particular, the Deeds of Surety to be executed by each Guarantor that is organized under the laws of Ukraine (each such Guarantor, a "**Ukrainian Surety**," and each such Deed of Surety, a "**Ukrainian Deed of Surety**") will be English law-governed deeds of surety. Below is a summary of certain terms and conditions of the Ukrainian Deeds of Surety; the full terms and conditions of the Ukrainian Deeds of Surety are to be contained in an annex to the Indenture. The Ukrainian Sureties will not be parties to the Indenture.

Under the Ukrainian Deeds of Surety, other than as referenced in the following two sentences, each Ukrainian Surety will unconditionally and irrevocably agree on a joint and several basis that if the Issuer or any other Guarantor (including for the avoidance of doubt, any other Ukrainian Surety) does not pay any sum payable by it under the Indenture or the Notes Guarantees (including for the avoidance of doubt, a Deed of Surety) by the time and on the date specified for such payment (whether on the normal due date, on acceleration or otherwise or, in the case of any extension of time of payment or renewal of any Notes, in accordance with the terms of such extension or renewal), it shall, on written demand of the Trustee, pay that sum, as if it were the Issuer or applicable Guarantor, to, or to the order of, the Trustee (or the relevant agent thereof) before the close of business on that date in the city to

which payment is so to be made. Notwithstanding the foregoing, none of DTEK PAVLOGRADUGOL PrJSC, DTEK MINE KOMSOMOLETS DONBASSA PrJSC, DTEK DNIPROENERGO PJSC, DTEK ZAKHIDENERGO PJSC, KYIVENERGO PJSC, DTEK ENERGOUGOL ENE PrJSC, PJSC DTEK DNIPROOBLENERGO PJSC or any other Ukrainian Surety which is a private joint stock company or a public joint stock company will agree to pay any sums in relation to obligations of their direct shareholder. DTEK HOLDINGS LIMITED, the Parent Guarantor, DTEK ENERGY LLC and DTEK PAVLOGRADUGOL PrJSC are direct shareholders of all or certain of the Ukrainian sureties.

Without affecting the Issuer's or the Guarantors' obligations under the Indenture or Notes Guarantees, each Ukrainian Surety's liability under its Ukrainian Deed of Surety shall not be affected by (1) any time, indulgence, waiver or consent at any time given to the Issuer or any other Person, (2) the making or absence of any demand on the Issuer or the Guarantor or any other Person for payment, (3) the enforcement or absence of enforcement of the Indenture, the Notes or any Notes Guarantee or of any security or other surety or indemnity, (4) the taking, existence or release of any security, surety, indemnity or guarantee, (5) the dissolution, amalgamation, reconstruction or reorganization of the Issuer or any Guarantor or any other Person, (6) any defect in any provision of the Indenture, the Notes or any Notes Guarantee or any of the Issuer's or Guarantors' obligations under any of them, (7) the bankruptcy or the liquidation of, or any analogous proceedings taken against, the Issuer or any Guarantor, (8) any failure of a Ukrainian Surety to obtain an individual license or any other permission issued by the National Bank of Ukraine or its appropriate department permitting the Ukrainian Surety to comply with all payment conditions under the relevant Deed of Surety which otherwise are restricted by Ukrainian law (an "**NBU License**") or, where an NBU License has been obtained, any inability of a Ukrainian Surety to make payments pursuant to such NBU License due to any additional currency controls restrictions then existing, or (9) any stay, extension or usury laws.

As separate, independent and alternative stipulations, the Ukrainian Sureties will unconditionally and irrevocably agree in the Ukrainian Deeds of Surety:

(a) that any sum that, although expressed to be payable by the Issuer or a Guarantor under the Indenture, Notes or a Notes Guarantee, is for any reason (whether or not now existing and whether or not now known or becoming known to the Issuer, any Guarantor, the Trustee or any holder of Notes and whether or not the Issuer or any Surety or other Guarantor has been dissolved, amalgamated, reconstructed or reorganized) not recoverable, or any provision of the Indenture or a Notes Guarantee or any of the Issuers', Sureties' or other Guarantor's obligations under any of them, is illegal, invalid, defective or unenforceable (and irrespective of any bankruptcy or liquidation of, or any analogous proceedings taken against, the Issuer, any Surety or other Guarantor), it shall nevertheless be recoverable from them as if each of them were the sole principal debtor under the Indenture or a Notes Guarantee and shall be paid by them to the Trustee on demand; and

(b) as a primary obligation, on demand, to indemnify the Trustee and each holder, as the case may be, against any loss suffered by any of them as a result of (i) any sum expressed to be payable by the Issuer or a Guarantor under the Indenture or a Notes Guarantee not being paid on the date and otherwise in the manner specified therein or being or becoming not recoverable; (ii) any obligation to pay the same being or becoming void, voidable or unenforceable for any reason (whether or not now existing and whether or not known or becoming known to the Issuer, any Guarantor, the Trustee, or any holder of Notes and whether or not the Issuer or any Surety or other Guarantor has been dissolved, amalgamated, reconstructed or reorganized); or (iii) any provision of the Indenture or a Notes Guarantee or any of the Issuer's, Sureties' or other Guarantors' obligations under any of them is illegal, invalid, defective or unenforceable (and irrespective of any bankruptcy or liquidation of, or any analogous proceedings taken against, the Issuer, any Surety or other Guarantor), the amount of that loss being the amount expressed to be payable by the Issuer, a Guarantor or relevant Surety, or in respect of the relevant sum.

The Ukrainian Deeds of Surety will also provide that claims by the Trustee against Ukrainian Sureties on behalf of the holders of Notes will be direct claims on such Ukrainian Sureties. However, the obligations of each Ukrainian Surety under the Ukrainian Deeds of Surety will be limited under relevant laws applicable to such Ukrainian Surety.

Cyprus

In addition, the Notes Guarantee to be provided by each of the Guarantors organized under the laws of Cyprus (each, a "**Cypriot Guarantor**") will contain the following limitations:

The obligations and liabilities of each Cypriot Guarantor in respect of its Notes Guarantee shall not include any obligation which if incurred would constitute a violation of the provisions on financial assistance within the meaning of section 53 of the Cyprus Companies Law Cap. 113.

Guarantee validity and fraudulent preference

Pursuant to the Cyprus Contract Law, Cap 149, if it is found that a guarantee was obtained by means of misrepresentation by the creditor, or a misrepresentation which concerns a material part of the transaction and of which the creditor had knowledge and assent, the guarantee may, if proper findings are made by a court, be rendered invalid.

Cyprus Companies Law, Cap 113 will void any payment or disposition, made from or against a company within six months from its winding up, with the intention of giving a creditor or a surety a preference over its other creditors at a time when such company was unable to pay its debts as they fell due.

Switzerland

The Notes Guarantee to be provided by DTEK TRADING SA and any additional Guarantor incorporated under the laws of Switzerland (each, a "**Swiss Guarantor**") will contain the following limitations:

(i) If and to the extent that a Swiss Guarantor becomes liable under this Indenture or otherwise in connection with the Notes for obligations of its affiliates (other than its direct or indirect subsidiaries) and if complying with such obligations would constitute a repayment of capital (*Einlagerückgewähr*), a violation of the legally protected reserves (*gesetzlich geschützte Reserven*) or the payment of a (constructive) dividend (*Gewinnausschüttung*) by a Swiss Guarantor or would otherwise be restricted under then applicable Swiss law (the "**Swiss Restricted Obligations**"), the obligations of any Swiss Guarantor in respect of such Swiss Restricted Obligations shall be limited to the amount of unrestricted equity capital (*frei verfügbares Eigenkapital*) in accordance with Swiss law, presently being the total shareholder equity less the total of (i) the aggregate share capital and (ii) statutory reserves (including reserves for own shares and revaluations as well as agio), to the extent such reserves cannot be transferred into unrestricted, distributable reserves (the "**Swiss Maximum Amount**"). The Swiss Maximum Amount shall be determined on the basis of an audited annual or interim balance sheet of the Swiss Guarantor *provided* that (i) this limitation shall only apply to the extent it is a requirement under applicable Swiss law at the time the Swiss Guarantor is required to perform under the Swiss Restricted Obligations and (ii) such limitation shall not free the Swiss Guarantor from its obligations in excess of the Swiss Maximum Amount, but merely postpone the performance date therefore until such times as performance is again permitted.

(ii) In the event that the Swiss Guarantor is required to make a payment under the Note Guarantee, this Indenture or otherwise in connection with the Notes and such payment is subject to the limitations set out in paragraph (i) above, the maximum amount that

any Swiss Guarantor may be required to pay in respect of its obligations as guarantor under this Indenture shall not exceed the Swiss Maximum Amount (less, if a deduction of Swiss withholding tax is required pursuant to clause (iii)(b)(2)).

(iii) In relation to payments made under the Swiss Restricted Obligations, the Swiss Guarantor shall:

(a) ensure that such payment can be made without deduction of Swiss withholding tax by discharging the liability to withhold such Swiss withholding tax by notification pursuant to applicable law rather than payment of the Swiss withholding tax (and the Swiss Guarantor shall promptly deliver to the Trustee a copy of each such notification made);

(b) if such notification procedure does not apply and if and to the extent required by applicable law and subject to any applicable double tax treaties in force at the relevant time:

(1) deduct Swiss withholding tax at the rate of 35 per cent (or such other rate as is in force at that time) from any such payment;

(2) pay any such deduction to the Swiss federal tax administration; and

(3) notify and provide evidence to the Trustee that the Swiss withholding tax has been paid to the Swiss federal tax administration; and

(4) as soon as possible after a deduction for Swiss withholding tax is made, ensure that any person which is entitled to a full or partial refund of the Swiss withholding tax is in a position to be so refunded, request a refund of such Swiss withholding tax under all applicable laws (including any applicable double tax treaties), and in case it has received any refund of the Swiss withholding tax, pay such refund to the Trustee promptly upon receipt thereof.

(iv) Where a deduction for Swiss withholding tax is required to be made pursuant to clause (iii)(b)(2), the Swiss Guarantor shall have no obligation to gross-up in respect of the amount of the Swiss withholding tax. This clause is without prejudice to the indemnification obligations of any Obligor other than the Swiss Guarantor in respect of any amounts deducted for the account of Swiss withholding tax.

(v) If and to the extent requested by the Trustee, the Swiss Guarantor shall promptly implement all such measures and/or promptly procure the fulfilment of all prerequisites allowing it to promptly make the requested payment(s) from time to time, including the following:

(a) preparation of an audited annual or interim balance sheet of the Swiss Guarantor to the extent required by Swiss corporate law, on the basis of which the Swiss Maximum Amount will be determined;

(b) confirmation of the auditors of the Swiss Guarantor that the relevant requested amount does not exceed the Swiss Maximum Amount;

(c) approval by a shareholders' meeting of the Swiss Guarantor of the distribution of the relevant requested amount (within the limits of the Swiss Maximum Amount);

(d) if the enforcement of obligations of the Swiss Guarantor were limited due to the effects referred to in this clause and to the extent permitted by applicable Swiss law, write up or realize any of its assets that are shown in its balance sheet with a book value that is lower than the market value of the assets (in case of realization, however, only if such assets are not necessary for the Swiss Guarantor's business (*nicht betriebsnotwendige Aktiven*), and/or convert

statutory reserves into freely available reserves to the extent such statutory reserves do not need to be maintained by mandatory law; and

(e) all such other measures necessary or useful, and permitted under applicable Swiss laws, to allow the Swiss Guarantor to make prompt payments or perform promptly Swiss Restricted Obligations with a minimum of limitations.

The Netherlands

In relation to any Guarantor incorporated in the Netherlands and any of its subsidiaries, its Guarantee shall be limited to the extent required to comply with restrictions on financial assistance in Section 2:98c of the Dutch Civil Code (*Burgerlijk Wetboek*) or any other applicable law. When used in this paragraph, "subsidiaries" shall have the meaning as provided in Section 2:24a of the Dutch Civil Code (*Burgerlijk Wetboek*).

Exceptions to Requirements to Provide Notes Guarantees

Notwithstanding the foregoing, the Parent Guarantor shall not be obligated to cause a Restricted Subsidiary to provide a Note Guarantee to the extent that such Note Guarantee would reasonably be expected to give rise to or result in:

(1) any violation of applicable law;
(2) any liability for the officers, directors or shareholders of such Restricted Subsidiary; or
(3) any cost, expense, liability or obligation (including with respect to any taxes, duties, levies, assessments or other governmental charges) other than reasonable out-of-pocket expenses and other than reasonable governmental expenses incurred in connection with any regulatory filings required as a result of, or any measures pursuant to clause (1) undertaken in connection with, such Note Guarantee,

in each case, which cannot be avoided or otherwise prevented through measures reasonably available to the Parent Guarantor or such Restricted Subsidiary.

Guarantee Release

The Notes Guarantee of a Subsidiary Guarantor will be automatically and unconditionally released (and thereupon shall terminate and be discharged and be of no further force and effect):

(1) upon the full and final payment and performance of all obligations of the Issuer under the Indenture and the Notes;
(2) in connection with any sale or other disposition of all or substantially all of the assets of that Subsidiary Guarantor (including by way of merger or consolidation) to a Person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a Restricted Subsidiary, if the sale or other disposition does not violate the "Asset Sale" provisions of the Indenture;
(3) in connection with any sale or other disposition of Equity Interests of that Subsidiary Guarantor held by the Parent Guarantor and/or its Restricted Subsidiaries to a Person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a Restricted Subsidiary, if (x) such sale or other disposition does not violate the covenant described below under "—Limitation on Sales of Assets and Subsidiary Stock" and (y) such Subsidiary Guarantor ceases to be a Restricted Subsidiary of the Parent Guarantor as a result of such sale or other disposition;

(4) if the Parent Guarantor designates such Subsidiary Guarantor to be an Unrestricted Subsidiary in accordance with the applicable provisions of the Indenture as set forth under "—Limitation or Designation of Unrestricted Subsidiaries";

(5) upon legal defeasance, covenant defeasance or satisfaction and discharge of the Notes and the Indenture as set forth under the heading "—Defeasance" or "—Satisfaction and Discharge" below, as applicable; or

(6) in the case of a Notes Guarantee arising as a result of clause (b) of the first paragraph of the covenant described under "—Additional Guarantees," upon the release of the guarantee or security that gave rise to the obligation to provide the Notes Guarantee, so long as no Event of Default would arise as a result and no other Indebtedness of the Issuer, the Parent Guarantor or Subsidiary Guarantor is at that time guaranteed or secured by such Subsidiary Guarantor, or in respect of which such Subsidiary Guarantor has provided a surety, in a manner which would require the granting of a Notes Guarantee.

Upon any occurrence giving rise to a release of a Note Guarantee as specified above, the Trustee will execute any documents reasonably required in order to evidence or effect such release, discharge and termination in respect of such Note Guarantee. Neither the Issuer nor any Guarantor will be required to make a notation on the Notes to reflect any such Note Guarantee or any such release, termination or discharge.

If a Subsidiary Guarantor is released from its obligations under a Notes Guarantee at a time when the Notes are admitted to trading on the Global Exchange Market of the Irish Stock Exchange, and the rules of such stock exchange so require, the Issuer will notify the Irish Stock Exchange of such release.

Security

The obligations of the Issuer under the Notes will be secured on a first priority basis (subject to Permitted Liens) by a Lien on the collateral (the "**Collateral**") which shall initially consist of:

(i) an English law security assignment granted by the Parent Guarantor of all of its rights in respect of the DTEK O&G Receivable to be granted within 90 days of the Issue Date; and

(ii) an English law bank account charge granted by the Parent Guarantor in respect of the monies credited to the DTEK O&G Receivable Account (as defined below).

The proceeds realizable from the Collateral securing the Notes may be insufficient to satisfy the Issuer's obligations under the Notes, and the Collateral securing the Notes may be reduced or diluted under certain circumstances, including the issuance of Additional Notes, subject to the terms of the Indenture.

DTEK O&G Receivable

Within 90 days of the Issue Date, DTEK OIL&GAS B.V. ("**DTEK O&G**") will transfer 25% of the share capital in PJSC "NAFTOGAZVYDOBUVANNYA" ("**NGD**") to NGD HOLDINGS B.V. ("**NGD Holdings**"), a Dutch special purpose vehicle wholly-owned by DTEK O&G. The Parent Guarantor has agreed that NGD Holdings shall become a co-obligor under the DTEK O&G Receivable within 90 days of the Issue Date.

The Parent Guarantor as lender and DTEK O&G, as co-obligor, will amend and restate the documentation relating to the DTEK O&G Receivable (the "**Amended and Restated DTEK O&G Receivable Documentation**") by the Issue Date to, among other things, provide for:

(i) an increase of the applicable interest rate by 1% per annum from January 1, 2020 and by an additional 1% per annum from January 1, 2022 until maturity;

(ii) (a) restrictions on disposals of and the granting of any pledges over NGD Holdings' shareholding in NGD or over DTEK O&G's 100% shareholding in NGD Holdings, (b) limitations on incurrence of indebtedness by NGD Holdings (other than in order to repay or refinance the DTEK O&G Receivable in full, (c) restrictions on the issuance of shares and dilution or changes in the share capital of NGD held by NGD Holdings and DTEK O&G, subject to certain exceptions, and (d) restrictions against NGD Holdings entering into any business activity other than to maintain its shareholding in NGD and as otherwise contemplated under the Amended and Restated DTEK O&G Receivable Documentation;

(iii) a covenant whereby the net debt-to-EBITDA leverage ratio of NGD must be less than 2.5x;

(iv) NGD to maintain certain minimum levels of hydrocarbon reserves;

(v) DTEK O&G and NGD Holdings (once a co-obligor under the DTEK O&G Receivable Documentation) to deliver a compliance certificate, on an annual basis within 120 days following each year-end, to the Trustee confirming compliance with clause (ii) above;

(vi) a requirement that any prepayment or repayment of the DTEK O&G Receivable shall be applied to redeem, repurchase, defease, acquire or otherwise reduce the principal amount of the Notes outstanding;

(vii) a provision that (except for amendments required by applicable law or regulation or of a technical nature that do not adversely affect the rights of any holder of the Notes) no waiver, consent, amendment or variation of any provision of the Amended and Restated DTEK O&G Receivable Documentation may be made without the consent of the Trustee (acting on the instructions of the holders of a majority in principal amount of the outstanding Notes); and

(viii) a provision that the Parent Guarantor shall be required to grant a security assignment of all of its rights in respect of the DTEK O&G Receivable for the benefit of the holders of the Notes all of its rights in respect of the Amended and Restated DTEK O&G Receivable Documentation within 90 days of the Issue Date.

Any breach of any undertakings contained in the Amended and Restated DTEK O&G Receivable Documentation from (i) to (iii) and from (v) to (viii) above, will trigger a default under the Amended and Restated DTEK O&G Receivable Documentation (and a cross-default in the Indenture), subject to any applicable grace and cure periods.

The Amended and Restated DTEK O&G Receivable Documentation will contain no provisions requiring or permitting the acceleration or mandatory prepayment of the DTEK O&G Receivable prior to its maturity.

Security assignment over the DTEK O&G Receivable

The Parent Guarantor has agreed to grant a security assignment of all of its rights in respect of the DTEK O&G Receivable for the benefit of the holders of the Notes, on a first priority basis (subject to Permitted Liens) within 90 days of the Issue Date.

Bank account charge

The Parent Guarantor will open an account with the Security Agent (the "**DTEK O&G Receivable Account**") and all amounts payable under the DTEK O&G Receivable shall be deposited and held in the DTEK O&G Receivable Account. As soon as practicable thereafter, the proceeds of prepayment or repayment (including all amounts in the DTEK O&G Receivable Account) shall be applied to redeem, repurchase, defease, acquire or otherwise reduce the principal amount of the Notes outstanding.

The Parent Guarantor has agreed to pledge for the benefit of the holders of the Notes all of its right, title and interest in and to all amounts on deposit in the DTEK O&G Receivable Account at any time, on a first priority basis (subject to Permitted Liens) within 90 days of the Issue Date.

Enforcement of Security

The first-priority Liens (subject to any Permitted Lien) securing the Notes will be granted to the Security Agent. GLAS Trust Corporation Limited will act as the initial Security Agent under the Security Documents entered into on the Issue Date. The Security Agent will hold such Liens over the Collateral granted pursuant to the Security Documents with sole authority as directed by the written instructions of the holders to exercise remedies under the Security Documents. The Security Agent has agreed to act as secured party under the applicable Security Documents on behalf of the Holders, to follow the instructions provided to it under the Indenture and the Security Documents, and to carry out certain other duties. The Trustee will give instructions to the Security Agent by itself or in accordance with instructions it receives from the holders under the Indenture.

The Indenture and/or the Security Documents will principally provide that, at any time while the Notes are outstanding, the Security Agent has the right to perform and enforce the terms of the Security Documents relating to the Collateral and to exercise and enforce all privileges, rights and remedies thereunder according to its direction, including to take or retake control or possession of such Collateral and to hold, prepare for sale, process, lease, dispose of or liquidate such Collateral only following the occurrence of an Event of Default under the Indenture. In no event will the exercise and enforcement of privileges, rights and remedies under the Security Documents relating to the Collateral result in the acceleration of the DTEK O&G Receivable.

All payments received and all amounts held by the Security Agent in respect of the Collateral under the Security Documents will be applied as follows:

first, to the Trustee and the Security Agent, on a *pari passu* basis, to the extent necessary to reimburse the Trustee and the Security Agent, respectively, and their respective agents, delegates and any receivers for any expenses (including properly incurred expenses of their respective counsels) incurred in connection with the collection or distribution of such amounts held or realized or in connection with expenses incurred in enforcing all available remedies under the Security Documents and preserving the Collateral and all amounts for which the Trustee and the Security Agent, respectively, and their respective agents, delegates and any receivers are entitled to indemnification under the Indenture and the Security Documents;

second, to holders of the Notes, if any, that instructed the Trustee to enforce the security interest(s) under the Security Documents or to declare the Notes to be immediately due and payable in accordance with the provisions described under "—Events of Default" in reimbursement, payment or satisfaction of the costs, charges, expenses and liabilities (including, without limitation, any funds deposited with the Trustee) properly incurred in connection with the enforcement of the rights of the holders of the Notes under the Notes and the Security Documents;

third, to the Trustee for the benefit of the holders of the Notes; and

fourth, any surplus remaining after such payments will be paid to the Issuer or to whomever may be lawfully entitled thereto upon the instructions of the Issuer.

The Security Agent may decline to expend its own funds, foreclose on the Collateral or exercise remedies available if it does not receive indemnity and/or security and/or prefunding to its satisfaction. In addition, the Security Agent's ability to foreclose on the Collateral may be subject to lack of perfection, the consent of third parties, prior Liens and practical problems associated with the realization of the Security Agent's Liens on the Collateral. Neither the Trustee, the Security Agent nor any of their respective officers, directors, employees, attorneys or agents will be responsible or liable for the existence, genuineness, value or protection of any Collateral securing the Notes, for the legality,

enforceability, effectiveness or sufficiency of the Security Documents, for the creation, perfection, continuation, priority, sufficiency or protection of any of the Liens, or for any defect or deficiency as to any such matters, or for any failure to demand, collect, foreclose or realize upon or otherwise enforce any of the Liens or Security Documents or any delay in doing so.

The Indenture will provide that the Issuer will indemnify the Security Agent for all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind imposed against the Security Agent arising out of the Security Documents except to the extent that any of the foregoing are finally judicially determined to have resulted from the gross negligence or willful misconduct of the Security Agent.

Release of Security

The security created in respect of the Collateral granted under the Security Documents may be released in certain circumstances, including:

- upon repayment in full of the Notes;
- upon defeasance and discharge of the Notes as provided below under "—Defeasance" or "—Satisfaction and Discharge"; and
- in whole or in part, with the requisite consent of the Holders (other than as provided in the Indenture and the Security Documents) in accordance with the provisions described under "—Amendment and Waivers."

Mandatory Redemption; Offers to Purchase; Open Market Purchases

Other than as set forth below under "—Scheduled Principal Redemption," the Issuer is not required to make any mandatory redemption or sinking fund payments with respect to the Notes. However, under certain circumstances, the Issuer may be required to offer to purchase the Senior Notes as described under the captions "—Repurchase at the Option of Holders upon a Change of Control" and "—Limitation on Sales of Assets and Subsidiary Stock."

The Parent Guarantor and any Restricted Subsidiary may, however, acquire, or cause to be acquired, the Notes by means other than a redemption, whether pursuant to a tender offer, open market purchase or otherwise, so long as the acquisition does not violate the terms of the Indenture. Any Notes so acquired by the Parent Guarantor or any Restricted Subsidiary shall be delivered to the Trustee for cancellation and cancelled no later than 20 Business Days after the date of their acquisition.

Optional Redemption

At any time prior to December 31, 2019, the Issuer may redeem, in whole or in part, the Notes, upon not less than 30 nor more than 60 days' prior notice mailed by first-class mail to the registered address of each Holder of Notes or otherwise delivered in accordance with the procedures of Euroclear and Clearstream, at a redemption price equal to 105.375% of the principal amount of Notes to be redeemed, subject to the rights of the holders on the relevant record date to receive interest due on the relevant interest payment date.

On or after January 1, 2020, the Issuer may on any one or more occasions redeem all or a part of the Notes at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest, if any, on the Notes redeemed, to the applicable date of redemption, if redeemed during the twelve-month period beginning on January 1 of the years indicated below, subject to the rights of holders of Notes on the relevant record date to receive interest on the relevant interest payment date:

Year	Redemption Price
2020	104.03125%
2021	102.68750%
2022 and thereafter	100.00000%

Optional Tax Redemption

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice (which notice shall be irrevocable and given in accordance with the procedures set forth under the section entitled "—Selection and Notice" below) to the holders of Notes, at their principal amount (together with interest accrued to the date fixed for redemption), if (i) the Issuer (or a Guarantor) satisfies the Trustee immediately prior to the giving of such notice that it (or, if a Notes Guarantee were called, the Guarantor) has or will become obliged to pay Additional Amounts (as defined below under the section entitled "—Payment of Additional Amounts") as a result of any change in, or amendment to, the laws, regulations or treaties of a Relevant Taxing Jurisdiction or Additional Taxing Jurisdiction (each, as defined below under the section entitled "—Payment of Additional Amounts"), or any change in the application or official interpretation or administration of such laws, regulations or treaties, which change or amendment becomes effective on or after the Issue Date, and (ii) such obligation cannot be avoided by the Issuer (or the Guarantor) taking reasonable measures available to it, *provided* that no such notice of redemption will be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor) would be obliged to pay such Additional Amounts were a payment in respect of the Notes (or the Notes Guarantee) then due. Prior to the publication of any notice of redemption pursuant to this provision, the Issuer (or the Guarantor) will deliver to the Trustee a Director's Certificate of the Issuer (or the Guarantor) stating that the Issuer (or a Guarantor) has, or will become obliged, to pay Additional Amounts in the manner set forth in clause (i) of the immediately preceding sentence and that the condition set forth in clause (ii) of such sentence has been met and the Trustee will be entitled to accept such certificate as sufficient evidence of the satisfaction of such conditions in which event it will be conclusive and binding on the holders of Notes, and an opinion of independent tax counsel (the choice of such counsel to be subject to the prior written approval of the Trustee, such approval not to be unreasonably withheld) in form and substance reasonably satisfactory to the Trustee to the effect that the Issuer (or the Guarantor) has, or will become obliged, to pay Additional Amounts (as defined below under the section entitled "—Payment of Additional Amounts") including the reasoning behind such opinion.

Scheduled Principal Redemption

50% of the principal amount of the Notes outstanding on December 29, 2023 will be redeemed at par on such date.

Selection and Notice

If less than all of the Notes are to be redeemed at any time, the Trustee will select Notes for redemption on a *pro rata* basis (or, in the case of Notes issued in global form, based on a method that most nearly approximates a *pro rata* selection) unless otherwise required by law or applicable stock exchange or Common Depositary requirements. The Trustee shall not be liable for any such selections made in accordance with this paragraph.

No Notes of $2,000 or less can be redeemed in part. Notices of redemption will be mailed by first class mail at least 30 but not more than 60 days before the redemption date to each Holder of Notes to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture. For Notes which are represented by the Global Notes held

on behalf of Euroclear and Clearstream, notices may be given by delivery of the relevant notices to Euroclear and Clearstream for communication to entitled Holders in substitution for such mailing. Notices of redemption may not be conditional.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount of that Note that is to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder of Notes upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of Notes called for redemption.

For so long as the Notes are admitted to trading on the Global Exchange Market of the Irish Stock Exchange and the rules of such stock exchange shall so require, the Issuer will notify the Irish Stock Exchange of any such notice and publish notice in the Irish Stock Exchange's Daily Official List or as otherwise required by the rules of the Irish Stock Exchange.

Payment of Additional Amounts

All payments made by or on behalf of the Issuer or any Guarantor or a successor of any of the foregoing (each, a **"Payor")** under, or with respect to, the Notes or any Notes Guarantee will be made free and clear of and without withholding or deduction for or on account of any present or future tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and other liabilities related thereto) (collectively, **"Taxes")** imposed, levied, collected or assessed by or on behalf of (1) The Netherlands, the Republic of Cyprus, the United Kingdom, Ukraine or any political subdivision or governmental authority thereof or therein having power to tax, (2) any jurisdiction from or through which payment on the Notes or such Notes Guarantee is made by or on behalf of a Payor, or any political subdivision or governmental authority thereof or therein having the power to tax or (3) any other jurisdiction in which a Payor is organized or otherwise resident for tax purposes, or any political or governmental authority thereof or therein having the power to tax (each of clause (1), (2) and (3), a **"Relevant Taxing Jurisdiction"),** unless the withholding or deduction of such Taxes is then required by law or the interpretation or administration thereof.

If any deduction or withholding for, or on account of, any Taxes of any Relevant Taxing Jurisdiction will at any time be required from any payments made with respect to the Notes or the Notes Guarantees, including payments of principal, redemption price, interest or premium, if any, the Payor will pay (together with such payments) such additional amounts (the **"Additional Amounts")** as may be necessary in order that the net amounts received in respect of such payments by each Holder, after such withholding or deduction (including any such deduction or withholding from such Additional Amounts), will not be less than the amounts which would have been received in respect of such payments in the absence of such withholding or deduction; *provided, however,* that no such Additional Amounts will be payable with respect to:

(1) any Taxes that would not have been so imposed but for the existence of any present or former connection between the relevant Holder or beneficial owner (or between a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of power over, such Holder or beneficial owner, if such Holder or beneficial owner is an estate, trust, partnership or corporation) and the Relevant Taxing Jurisdiction (other than the mere receipt of such payment or the ownership or holding of such Note or enforcement of rights thereunder or under a Notes Guarantee thereof or the receipt of payments in respect thereof);

(2) any estate, inheritance, gift, sales, excise, transfer, personal property tax or similar tax, assessment or governmental charge;

(3) any Taxes payable otherwise than by deduction or withholding from payments on or in respect of any Note or Note Guarantee;

(4) any Taxes which would not have been imposed, payable or due if the Notes were held in definitive registered form **("Definitive Registered Notes")** and the presentation of

Definitive Registered Notes for payment had occurred within 30 days after the date such payment was due and payable or was provided for, whichever is later, except for Additional Amounts with respect to Taxes that would have been imposed had the Holder presented the Note for payment within such 30-day period;

(5) any Taxes that are imposed or withheld by reason of the failure of the Holder or beneficial owner of a Note to comply, at the Payor's reasonable request, with certification, information or other reporting requirements concerning the nationality, residence or identity of the Holder or such beneficial owner if such compliance is required or imposed by a statute, treaty or regulation or administrative practice of the taxing jurisdiction as a precondition to exemption from all or part of such Tax;

(6) any taxes withheld or deducted pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code as of the Issue Date (or any amended or successor version of such Sections), any U.S. Treasury regulations promulgated thereunder, any official interpretations thereof or any agreements entered into in connection with the implementation thereof;

(7) a Swiss Guarantor to the extent and for as long as such Swiss Guarantor has deducted Swiss withholding taxes according to clause (iii)(b) of the section entitled "—Guarantees—Switzerland", above; or

(8) any combination of the above.

Also, such Additional Amounts will not be payable with respect to any payment of principal of (or premium, if any, on) or interest on such Note to any Holder who is a fiduciary or partnership or any person other than the sole beneficial owner of such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner of such payment would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the actual Holder of such Note.

If the Issuer elects to pay an amount of interest as PIK Interest and is required to pay Additional Amounts in respect of PIK Interest, such Additional Amounts shall be paid as PIK Interest. In other cases, such Additional Amounts shall be paid as Cash Interest.

The Payor will (1) make any required withholding or deduction and (2) remit the full amount deducted or withheld to the Relevant Taxing Jurisdiction in accordance with applicable law. The Payor will use all reasonable efforts to obtain certified copies of tax receipts evidencing the payment of any Taxes so deducted or withheld from each Relevant Taxing Jurisdiction imposing such Taxes and will provide such certified copies to the Trustee. The Payor will attach to each certified copy a certificate stating (x) that the amount of withholding Taxes evidenced by the certified copy was paid in connection with payments in respect of the principal amount of Notes then outstanding and (y) the amount of such withholding Taxes paid per $1,000 principal amount of the Notes. Copies of such documentation will be available for inspection during ordinary business hours at the office of the Trustee by the holders of Notes upon request and will be made available at the offices of the Paying Agent located in the United Kingdom.

If the Payor conducts business in any jurisdiction (an "Additional Taxing Jurisdiction") other than a Relevant Taxing Jurisdiction and, as a result, is required by the law of such Additional Taxing Jurisdiction to deduct or withhold any amount on account of taxes imposed by such Additional Taxing Jurisdiction from payments under the Notes or any Notes Guarantee thereof, as the case may be, which would not have been required to be so deducted or withheld but for such conduct of business in such Additional Taxing Jurisdiction, the Additional Amounts provision described above shall be considered to apply to such holders as if references in such provision to "Taxes" included taxes imposed by way of deduction or withholding by any such Additional Taxing Jurisdiction (or any political subdivision thereof or taxing authority therein).

At least 30 days prior to each date on which any payment under or with respect to the Notes or any Notes Guarantee thereof is due and payable (unless such obligation to pay Additional Amounts arises before or after the 30th day prior to such date, in which case it shall be promptly thereafter), if the Payor will be obligated to pay Additional Amounts with respect to such payment, the Payor will deliver

to the Trustee a Director's Certificate stating the fact that such Additional Amounts will be payable, the amounts so payable and will set forth such other information necessary to enable the Paying Agents to pay such Additional Amounts to holders of Notes on the payment date. Each such Director's Certificate shall be relied upon by the Trustee without further enquiry until receipt of a further Director's Certificate addressing such matters. The Issuer will provide the Trustee with documentation reasonably satisfactory to the Trustee evidencing the payment of Additional Amounts. The Issuer will promptly publish a notice in accordance with the procedures set forth in the section entitled "—Notices" stating that such Additional Amounts will be payable and describing the obligation to pay such amount.

The Payor will pay any stamp, issue, registration, documentary, value added, excise, property or other similar taxes and other duties (including interest and penalties) imposed by a Relevant Taxing Jurisdiction that are payable in respect of the creation, issue, offering, execution or enforcement of the Notes, or any documentation with respect thereto or the receipt of any payments with respect to the Notes or any Notes Guarantee thereof (limited, in the case of any such Taxes in respect of the receipt of any payments with respect to the Notes or any Note Guarantee, to Taxes not excluded under clauses (1) through (2) or (4) through (8) above).

The foregoing obligations will survive any termination, defeasance or discharge of the Indenture and will apply *mutatis mutandis* to any jurisdiction in which any (1) successor Person to a Payor is organized or (2) Subsidiary of the Parent Guarantor which becomes a Subsidiary Guarantor after the Issue Date is organized or, in each case, any political subdivision or taxing authority or agency thereof or therein.

Whenever in the Indenture there is mentioned, in any context, (1) the payment of principal, premium, if any, or interest, (2) redemption prices or purchase prices in connection with the redemption or purchase of Notes or (3) any other amount payable under or with respect to any Note or Notes Guarantee thereof, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Repurchase at the Option of Holders upon a Change of Control

If a Change of Control occurs, each Holder will have the right to require the Issuer to repurchase all or any part of such Holder's Notes (in principal amount equal to $2,000 or an integral multiples of $1 in excess thereof) at a purchase price in cash equal to 101% of the principal amount of the Notes plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Within 30 days following any Change of Control, the Issuer will mail a notice (the "**Change of Control Offer**") to each holder with a copy to the Trustee stating:

(1) that a Change of Control has occurred and that such Holder has the right to require the Issuer to purchase such Holder's Notes at a purchase price in cash equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of holders of record on a record date to receive interest on the relevant interest payment date) (the "**Change of Control Payment**");
(2) the repurchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed) (the "**Change of Control Payment Date**"); and
(3) the procedures determined by the Issuer, consistent with the Indenture, that a Holder must follow in order to have its Notes repurchased.

On the Change of Control Payment Date, the Issuer will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes (in principal amount equal to $2,000 or integral multiples of $1 in excess thereof) properly tendered pursuant to the Change of Control Offer;
(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions thereof so tendered; and

(3) deliver or cause to be delivered to the Trustee the Notes so accepted together with a Director's Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Issuer.

The Paying Agent will promptly pay to each Holder of Notes properly tendered and not withdrawn the Change of Control Payment for such Notes in accordance with the procedures described in the Indenture and the Registrar will promptly authenticate and mail (or cause to be transferred by book-entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any. The Issuer will either publicly announce (via notice on its website, the Irish Stock Exchange and Euroclear and Clearstream), or mail a notice to each holder (with a copy to the Trustee) confirming, the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

If the Change of Control Payment Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest will be payable to holders who tender pursuant to the Change of Control Offer.

The Change of Control provisions described above will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control, the Indenture does not contain provisions that permit the holders to require that the Issuer repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) notice of redemption has been given pursuant to the Indenture as described above under the caption "—Optional Redemption," unless and until there is a default in payment of the applicable redemption price.

The Issuer will comply, to the extent applicable, with the requirements of Section 14(e) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**") and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the Indenture, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations described in the Indenture by virtue thereof.

The Issuer's ability to repurchase Notes pursuant to a Change of Control Offer may be limited by a number of factors. Future Indebtedness of the Parent Guarantor and its Subsidiaries may also contain prohibitions of certain events that would constitute a Change of Control or require such Indebtedness to be repurchased upon a Change of Control. Moreover, the exercise by the holders of their right to require the Issuer to repurchase the Notes could cause a default under such Indebtedness, even if the Change of Control itself does not, due to the financial effect of such repurchase on the Issuer. Finally, the Issuer's ability to pay cash to the holders upon a repurchase may be limited by the Issuer's or the Group's then existing financial resources, which could result in a default under the Notes or other Indebtedness thereby resulting in a cross default under the Notes. There can be no assurance that sufficient funds will be available when necessary to make any required repurchases.

Even if sufficient funds were otherwise available, the terms of other Indebtedness of the Parent Guarantor and its Restricted Subsidiaries may prohibit the Issuer's prepayment of Notes prior to their scheduled maturity. Consequently, if the Issuer is not able to prepay any such other Indebtedness containing similar restrictions or obtain requisite consents, as described above, the Issuer will be unable to fulfil its repurchase obligations if holders of Notes exercise their repurchase rights following a Change of Control, thereby resulting in a default under the Indenture. A default under the Indenture may result in a cross-default under other Indebtedness.

The Change of Control provisions described above may deter certain mergers, tender offers and other takeover attempts involving the Issuer by increasing the capital required to effectuate such

transactions. The definition of Change of Control includes a disposition of all or substantially all of the property and assets of the Parent Guarantor to any Person other than a Permitted Holder. Although there is a limited body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of all or substantially all of the property or assets of a Person. As a result, it may be unclear as to whether a Change of Control has occurred and whether a Holder of Notes may require the Issuer to make an offer to repurchase the Notes as described above.

The Issuer will publish notices relating to the Change of Control Offer in accordance with "— Notices."

Certain Covenants

The Indenture will contain, among others, the following covenants:

Limitation on Indebtedness

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (individually and collectively, to "**incur**") any Indebtedness (including Acquired Debt).

Notwithstanding the preceding paragraph, the Parent Guarantor and its Restricted Subsidiaries may incur the following items of Indebtedness (collectively, "**Permitted Indebtedness**"):

(1) Indebtedness of the Parent Guarantor owing to and held by any Restricted Subsidiary and Indebtedness of any Restricted Subsidiary owing to and held by any of the Parent Guarantor or any other Restricted Subsidiary; *provided, however*, that:
   (a) in the case of Indebtedness of the Issuer or a Guarantor owing to and held by a non-Guarantor Restricted Subsidiary, such Indebtedness of the Issuer or such Guarantor is expressly subordinated in right of payment (whether at Stated Maturity, acceleration or otherwise) to the prior payment in full in cash of all obligations with respect to the Notes or Notes Guarantees, as applicable; and
   (b) (i) any subsequent issuance or transfer of Equity Interests or any other event which results in any such Indebtedness being beneficially held by a Person other than the Parent Guarantor or a Restricted Subsidiary and (ii) any sale or other transfer of any such Indebtedness to a Person other than the Parent Guarantor or a Restricted Subsidiary shall be deemed, in each case, to constitute an incurrence of such Indebtedness by the issuer or borrower thereof which is not permitted under this clause (1);

(2) Indebtedness of the Issuer and the Guarantors represented by the Notes issued on the Issue Date and the Notes Guarantees, respectively;

(3) Indebtedness outstanding on the Issue Date;

(4) Permitted Refinancing Indebtedness incurred in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted under clauses (2), (3), or (4) of this paragraph;

(5) Hedging Obligations that are incurred for the purpose of fixing, hedging, swapping or managing interest rate, commodity price or foreign currency exchange rate risk, and not for speculative purposes not to exceed $75.0 million at any time outstanding;

(6) Indebtedness in respect of workers' compensation claims, self-insurance obligations, bankers' acceptances, performance, surety or appeal bonds or completion guarantees provided in the ordinary course of business and not in connection with the borrowing of money or the obtaining of advances of credit;

(7) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently (except in the case of daylight overdrafts) drawn against insufficient funds; *provided* that such Indebtedness is extinguished within five Business Days of incurrence;

(8) Indebtedness representing the guarantee by the Parent Guarantor or any Restricted Subsidiary of (i) Indebtedness incurred under clauses (10) and (11) of this paragraph, (ii) Indebtedness under Restructured Credit Facilities; *provided* that in the case of this subclause (ii) such guarantee would have been required by the Existing Guarantor Coverage Ratios and (iii) Permitted Refinancing Indebtedness incurred in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge, any Essential Credit Facilities;

(9) (x) Indebtedness in respect of any customary cash management or netting or setting off arrangements in the ordinary course of business and (y) Indebtedness in respect of customary cash pooling arrangements in the ordinary course of business; *provided*, that, in the case of this subclause (y), (i) such Indebtedness is secured over funds deposited with such financial institution by another member of the Group (the "**Depositor**"), and (ii) the Parent Guarantor or Restricted Subsidiary, as the case may be, and the Depositor are co-obligors in respect of such Indebtedness;

(10) Indebtedness not to exceed $100.0 million in the aggregate at any time outstanding; and

(11) Indebtedness with a maturity of less than one year not to exceed (a) $100.0 million in the aggregate at any time outstanding if on the Transaction Date, and after giving effect to the incurrence of such Indebtedness, on a *pro forma* basis, the Consolidated Leverage Ratio would not be greater than 2.5 to 1.0, or (b) $200.0 million in the aggregate at any time outstanding if on the Transaction Date, and after giving effect to the incurrence of such Indebtedness, on a *pro forma* basis, the Consolidated Leverage Ratio would not be greater than 2.0 to 1.0.

For purposes of determining compliance with this covenant, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Indebtedness described in clauses (1) through (11) above, the Parent Guarantor will be permitted to classify such item of Indebtedness at the time of its incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this covenant.

Accrual of interest, accrual of dividends, amortization of debt discount, the accretion of accreted value, the payment of interest in the form of additional Indebtedness and the payment of dividends on Preferred Stock or Disqualified Stock in the form of additional shares of Preferred Stock or Disqualified Stock, the obligation to pay a premium in respect of Indebtedness arising in connection with the issuance of a notice of redemption or the making of a mandatory offer to purchase such Indebtedness and the reclassification of preferred stock as Indebtedness due to a change in accounting principles will not be deemed to be an incurrence of Indebtedness for purposes of this covenant.

For purposes of determining compliance with any U.S. dollar denominated restriction on the incurrence of Indebtedness, the U.S. dollar equivalent principal amount of Indebtedness denominated in a currency other than U.S. dollars shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term Indebtedness, or first committed, in the case of revolving credit Indebtedness; *provided* that if such Indebtedness is incurred to refinance other Indebtedness denominated in a currency other than U.S. dollars, and such refinancing would cause the applicable U.S. dollar dominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar dominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced (plus all accrued interest on the Indebtedness being refinanced and the amount of all expenses and premiums incurred in connection therewith), *provided* that if any such Indebtedness denominated in a different currency is subject to a currency agreement (with respect to U.S. dollars) covering principal amounts payable on such Indebtedness, the amount of such Indebtedness

expressed in U.S. dollars will be adjusted to take into account the effect of such agreement. The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing. Notwithstanding any other provision of this covenant, other than with respect to Indebtedness under clause (5) of the second paragraph of this covenant, the maximum amount of Indebtedness that the Parent Guarantor or any Restricted Subsidiary may incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

The amount of any Indebtedness outstanding as of any date will be:

(1) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;
(2) the principal amount or liquidation preference of the Indebtedness, in the case of any other Indebtedness;
(3) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:
    (a) the Fair Market Value of such assets at the date of determination; and
    (b) the amount of such Indebtedness of the other Person.

For purposes of determining compliance with this covenant, guarantees of, or obligations in respect of letters of credit relating to, Indebtedness that is otherwise included in the determination of a particular amount of Indebtedness shall not be included in the amount of such Indebtedness; *provided* that the incurrence of the Indebtedness represented by such guarantee or letter of credit, as the case may be, was in compliance with this covenant.

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, incur any Indebtedness that is or purports to be by its terms (or by the terms of any agreement governing such Indebtedness) subordinated to any other Indebtedness of the Parent Guarantor or of such Restricted Subsidiary, as the case may be, unless such Indebtedness is also by its terms (or by the terms of any agreement governing such Indebtedness) made expressly subordinate to the Notes or the Notes Guarantee, to the same extent and in the same manner as such Indebtedness is subordinated to such other Indebtedness of the Parent Guarantor or such Restricted Subsidiary, as the case may be. For purposes of the foregoing, no Indebtedness will be deemed to be subordinated in right of payment to any other Indebtedness of the Parent Guarantor or any Restricted Subsidiary solely by virtue of being unsecured or secured by a junior priority lien or by virtue of the fact that the holders of such Indebtedness have entered into intercreditor agreements or other arrangements giving one or more of such holders priority over the other holders in the collateral held by them.

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable for, contingently or otherwise, or permit to exist, any Indebtedness of the Parent Guarantor or any Restricted Subsidiary owing to any direct or indirect shareholder or Affiliate of the Parent Guarantor or any Restricted Subsidiary (other than the Parent Guarantor or any Restricted Subsidiary) other than (i) Indebtedness that (x) is Subordinated Indebtedness and (y) by the terms of the agreement or instrument governing such Indebtedness, (1) does not permit any amortization, redemption or other repayment of principal or any sinking fund payment and (2) does not permit payment of cash interest, cash withholding amounts or other cash gross-ups, or any similar cash amounts, in each case for so long as the Notes are outstanding; (ii) Hedging Obligations; (iii) Indebtedness permitted to be incurred under this covenant owing to and held by Affiliates of the Parent Guarantor that are commercial banks; and (iv) any Indebtedness representing the balance deferred and unpaid of the purchase price of any property; *provided*, that the transaction or transactions in which the Parent Guarantor or the relevant Restricted Subsidiary purchases such property is on terms that are no less favorable to the Parent Guarantor or the relevant Restricted Subsidiary than those that would have been obtained in a comparable arm's-length transaction by it with a Person that is not an Affiliate of the Parent Guarantor.

Limitation on Restricted Payments

The Parent Guarantor will not, and will not permit any Restricted Subsidiary, directly or indirectly, to:

(1) declare or pay any dividend or make any other payment or distribution on account of the Parent Guarantor's or any Restricted Subsidiaries' Equity Interests of (including, without limitation, any payment in connection with any merger or consolidation involving the Parent Guarantor or any Restricted Subsidiary) or to the direct or indirect holders of Equity Interests of the Parent Guarantor or any Restricted Subsidiary in their capacity as such, in each case, other than dividends, payments or distributions payable in Equity Interests (other than Disqualified Stock) of the Parent Guarantor or payable to the Parent Guarantor or any Restricted Subsidiary;

(2) purchase, redeem, defease or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Parent Guarantor or any Restricted Subsidiary) any Equity Interests of the Parent Guarantor, any Parent, or any Restricted Subsidiary (other than, in each case, any such Equity Interests owned by the Parent Guarantor or any Restricted Subsidiary);

(3) make any payment on or with respect to, or purchase, redeem, defease, set-off or otherwise acquire or retire for value, any Indebtedness (excluding (x) intercompany Indebtedness between or among the Parent Guarantor and any Restricted Subsidiary or (y) payments, purchases, redemptions, set-off or other acquisition or retirement for value of (i) the Existing Credit Facilities (including any capitalized interest); *provided*, that any such payment, purchase, redemption, defeasance, set-off, acquisition or retirement is made solely for purposes of refinancing such Existing Credit Facilities as Restructured Credit Facilities, (ii) the Existing Credit Facilities, to the extent required by the Existing Credit Facilities Standstill Agreement, (iii) the Restructured Credit Facilities, (iv) the Essential Credit Facilities, (v) Deleveraging Transaction Indebtedness and (vi) Indebtedness under clauses (2), (5), (6), (7), (8), (9), (10) or (11) of the second paragraph of the covenant under "—Limitation on Indebtedness"); or

(4) make any Restricted Investment,

(all such payments and other actions set forth in clauses (1) through (4) of this paragraph being collectively referred to as "**Restricted Payments**"), unless, at the time and after giving effect to such Restricted Payment,

(I) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment;

(II) the Restricted Payment Conditions are satisfied; and

(III) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Parent Guarantor and the Restricted Subsidiaries after the Issue Date (excluding Restricted Payments permitted by clauses (2), (3)(ii), (4) and (5) of the second paragraph of this covenant), shall not exceed the sum (the "**Restricted Payments Basket**") (without duplication) of:

(a) 50% of the Consolidated Net Income of the Parent Guarantor for the period (taken as one accounting period) beginning on January 1, 2017 and ending at the end of the Parent Guarantor's then most recently ended fiscal six-month period for which internal financial statements are available prior to the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit);

(b) 100% of the aggregate net cash proceeds (including Cash Equivalents) received by the Parent Guarantor from the issue or sale (other than to a Subsidiary of the Parent Guarantor) of, or from capital contributions with respect to, Equity Interests of the Parent Guarantor (other than Disqualified Stock) after the Issue Date, other than any such proceeds or assets received from a Subsidiary of the Parent Guarantor;

(c) 100% of the aggregate principal amount of Indebtedness (other than Subordinated Indebtedness) of the Parent Guarantor or any Restricted Subsidiary incurred subsequent to the Issue Date (other than to a Subsidiary of the Parent Guarantor) that has been converted or exchanged into Equity Interests (other than Disqualified Stock) of the Parent Guarantor (less the amount of any cash, or other property, distributed by the Parent Guarantor upon such exchange or conversion);

(d) 100% of the aggregate net cash and Cash Equivalents received by the Parent Guarantor or any Restricted Subsidiary since the Issue Date (to the extent not included in Consolidated Net Income) from a Restricted Investment made after the Issue Date (up to the amount of such Restricted Investment), whether through interest payments, principal payments, dividends or other distributions and payments or the sale or other disposition thereof (other than a sale as disposition made to a Subsidiary of the Parent Guarantor);

(e) to the extent that any Restricted Investment that was made after the Issue Date and reduced the Restricted Payments Basket is made in an entity that subsequently becomes a Restricted Subsidiary or is subsequently sold for cash, the amount of such Restricted Investment;

(f) to the extent that any Unrestricted Subsidiary of the Parent Guarantor designated as such after the Issue Date is redesignated as a Restricted Subsidiary after the Issue Date, the lesser of (x) the Fair Market Value of the Parent Guarantor's interest in such Subsidiary as of the date of such redesignation and (y) the aggregate amount of the Restricted Investments in such Subsidiary prior to such redesignation to the extent such investments reduced the Restricted Payments Basket (less any return on such investment received by the Parent Guarantor and/or any Restricted Subsidiaries prior to such redesignation, to the extent such return on investment increased the Restricted Payments Basket); and

(g) 100% of any dividends received in cash by the Parent Guarantor or a Restricted Subsidiary after the Issue Date from an Unrestricted Subsidiary of the Parent Guarantor, to the extent that such dividends were not otherwise included in the Consolidated Net Income of the Parent Guarantor for such period.

The first paragraph of this covenant will not prohibit:

(1) the payment of any dividend or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or the giving of the redemption notice, as the case may be, if at the date of declaration or notice the dividend or redemption payment would have complied with the provisions of the Indenture;

(2) (x) the redemption, repurchase, retirement or other acquisition for value of any Indebtedness of the Parent Guarantor or any Restricted Subsidiary (a) in exchange for, on a cashless basis, Equity Interests (other than Disqualified Stock) of the Parent Guarantor or from the substantially concurrent contribution to the common equity capital of the Parent Guarantor (*provided* that such increase in equity shall not be taken into account for purposes of clause (III)(b) of the first paragraph of this covenant) or (b) in exchange for, on a cashless basis, Permitted Refinancing Indebtedness which refinances such Indebtedness permitted to be incurred under the covenant described under "—Limitation on Indebtedness," or (y) the redemption, repurchase, retirement or other acquisition for value of any Equity Interests of the Parent Guarantor or any Restricted Subsidiary in exchange for, on a cashless basis, Equity Interests (other than Disqualified Stock) of such Person (*provided* that such newly issued equity shall not be taken into account for purposes of clause (III)(b) of the first paragraph of this covenant);

(3) the payment of any dividend (or in the case of a partnership or limited liability company, any similar distribution) by a Restricted Subsidiary (i) to the holders of its Equity Interests on a pro rata basis and (ii) as required by Ukrainian law to minority

shareholders or the Ukrainian Government (represented by any relevant authority or agency);

(4) the repurchase of Equity Interests deemed to occur upon the exercise of stock options to the extent such Equity Interests represent a portion of the exercise price of those stock options;

(5) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Parent Guarantor or any preferred stock of any Restricted Subsidiary issued on or after the Issue Date in accordance with the covenant described under "—Limitation on Indebtedness;" and

(6) payments of cash, dividends, distributions, advances or other Restricted Payments by the Parent Guarantor or any of its Subsidiaries to allow the payment of cash in lieu of the issuance of fractional shares upon (i) the exercise of options or warrants or (ii) the conversion or exchange of Capital Stock of any such Person.

The amount of all Restricted Payments (other than cash) shall be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be paid, transferred or issued by the Parent Guarantor or such Restricted Subsidiary, as the case may be, pursuant to such Restricted Payment.

Limitation on Sales of Assets and Subsidiary Stock

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, make any Asset Sale unless:

(1) the Parent Guarantor or such Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value (including as to the value of all non-cash consideration), measured as of the date of the definitive agreement with respect to such Asset Sale, of the assets or Equity Interests issued or sold or otherwise disposed of;

(2) (i) with respect to any Asset Sale involving Equity Interests or other property or assets involving aggregate consideration in excess of $25.0 million, the Parent Guarantor delivers to the Trustee a Director's Certificate certifying that such Asset Sale complies with clause (1) above and (x) a resolution of the majority of the Disinterested Directors of the Parent Guarantor's board of directors with respect to such Asset Sale resolving that such Asset Sale complies with clause (1) above, (y) if there are no Disinterested Directors of the Parent Guarantor's board of directors with respect to such Asset Sale or there are insufficient Disinterested Directors of the Parent Guarantor's board of directors with respect to such Asset Sale to form a quorum for passing a resolution as required under the articles of association of the Parent Guarantor, a resolution of the majority of the Disinterested Directors of the Parent Guarantor's supervisory board with respect to such Asset Sale (or in the event that there is only one such Disinterested Director, by the resolution of such Disinterested Director) resolving that such Asset Sale complies with (1) above, and (z) if there are no such Disinterested Directors of the Parent Guarantor's supervisory board with respect to such Asset Sale, a written opinion issued by an Independent Appraiser that such Asset Sale complies with (1) above, (ii) with respect to any Asset Sale involving Equity Interests or other property or assets involving aggregate consideration in excess of $50.0 million, the Parent Guarantor delivers to the Trustee a written opinion issued by an Independent Appraiser that such Asset Sale complies with clause (1) above and (iii) with respect to any Asset Sale involving Equity Interests or other property or assets involving aggregate consideration in excess of $100.0 million, the Holders of at least 40% of the aggregate principal amount of the then outstanding Notes (including Additional Notes, if any), voting as a single class, consent to and approve such Asset Sale; and

(3) at least 75% of the consideration thereof received in the Asset Sale by the Parent Guarantor or such Restricted Subsidiary, as the case may be, is in the form of cash or

Cash Equivalents. For purposes of this provision, each of the following will be deemed to be cash:

a. any liabilities, as shown on the Parent Guarantor's most recent consolidated balance sheet, of the Parent Guarantor or any Restricted Subsidiary (other than contingent liabilities and liabilities that are Subordinated Indebtedness) that is assumed by the transferee of any such assets pursuant to a customary novation, set-off or indemnity agreement that releases the Parent Guarantor or such Restricted Subsidiary from or indemnifies against further liability;
b. any securities, notes or other obligations received by the Parent Guarantor or any such Restricted Subsidiary from such transferee that are contemporaneously, subject to ordinary settlement periods, converted by the Parent Guarantor or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion; and
c. any Equity Interests or assets of the kind referred to in clause (1) of the next paragraph of this covenant.

Within 180 days after the receipt of any Net Available Cash from an Asset Sale, the Parent Guarantor (or the applicable Restricted Subsidiary, as the case may be) may apply such Net Available Cash to:

(1) invest in properties and assets to replace the properties and assets that were the subject of the Asset Sale or in properties and assets that will be used or are useful in a Permitted Business or in Equity Interests of a Person engaged in a Permitted Business;
(2) make a capital expenditure permitted under the covenant described under "— Restrictions on Capital Expenditure;"
(3) repay in whole or in part Restructured Credit Facilities or the Essential Credit Facilities;
(4) make an Asset Sale Offer in accordance with the procedures described below; and/or
(5) do any combination of the foregoing clauses.

Pending the final application of any such Net Available Cash, the Parent Guarantor or any Restricted Subsidiary may temporarily reduce revolving credit borrowing or otherwise invest such Net Available Cash in any manner that is not prohibited by the terms of the Indenture.

If any a legally binding agreement to invest such Net Available Cash is terminated or the performance of such agreement is delayed for reasons outside the control of the Parent Guarantor or any Restricted Subsidiary, then the Parent Guarantor or relevant Restricted Subsidiary may, within 90 days of such termination or delay or within six months of such Asset Sale, whichever is later, invest such net cash proceeds as provided in the second paragraph of this covenant.

Any Net Available Cash from Asset Sales that is not applied or invested as provided in the preceding paragraph will be deemed to constitute **"Excess Proceeds."** If the aggregate amount of Excess Proceeds exceeds $50.0 million, the Issuer will be required to make an offer (an **"Asset Sale Offer")** to all holders of Notes to purchase, prepay or redeem the maximum principal amount of Notes that may be purchased, prepaid or redeemed out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount thereof plus accrued and unpaid interest to the date of purchase, prepayment or redemption and the amount of all fees and expenses, including premiums incurred in connection therewith, in accordance with the procedures set forth in the Indenture. Upon receiving notice of the Asset Sale Offer, holders may elect to tender their Notes in whole or in part in integral multiples of $1 (*provided* that no Note of less than $2,000 may remain outstanding thereafter), in exchange for cash. To the extent that the aggregate amount of Notes so validly tendered and not properly withdrawn pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Issuer may use any remaining Excess Proceeds for any purpose not prohibited by the Indenture. If the aggregate principal amount of Notes surrendered by holders thereof exceeds the amount of Excess Proceeds, the Trustee shall select the Notes to be purchased on a pro rata basis on the basis of the aggregate principal amount of Notes tendered or required to be prepaid. Upon completion of such Asset Sale Offer, the amount of Excess Proceeds shall be reset at zero.

The Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the "Limitation on Sales of Assets and Subsidiary Stock" provisions of the Indenture, the Issuer shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under the "Limitations on Sales of Assets and Subsidiary Stock" provisions of the Indenture by virtue thereof.

Limitation on Affiliate Transactions

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, make any payment to, or sell, lease, transfer or otherwise dispose of any of their properties or assets to, or purchase any properties or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Parent Guarantor (each, an "**Affiliate Transaction**"), unless:

(1) such Affiliate Transaction is on terms that are no less favorable to the Parent Guarantor or the relevant Restricted Subsidiary than those that would have been obtained in a comparable arm's-length transaction by it with a Person that is not an Affiliate of the Parent Guarantor; and'

(2) with respect to any Affiliate Transaction or series of related Affiliate Transactions by the Parent Guarantor or any Restricted Subsidiary involving aggregate consideration in excess of $25.0 million, the Parent Guarantor delivers to the Trustee a Director's Certificate certifying that such transaction or transactions comply with clause (1) above and (a) a resolution of the majority of the Disinterested Directors of the Parent Guarantor's board of directors with respect to such transaction or transactions resolving that such transaction or transactions comply with clause (1) above, (b) if there are no Disinterested Directors of the Parent Guarantor's board of directors with respect to such transaction or transactions or there are insufficient Disinterested Directors of the Parent Guarantor's board of directors with respect to such transaction or transactions to form a quorum for passing a resolution as required under the articles of association of the Parent Guarantor, a resolution of the majority of the Disinterested Directors of the Parent Guarantor's supervisory board with respect to such transaction or transactions (or in the event that there is only one such Disinterested Director, by the resolution of such Disinterested Director) resolving that such transaction or transactions comply with clause (1) above, and (c) if there are no Disinterested Directors of the Parent Guarantor's supervisory board with respect to such transaction or transactions, a written opinion issued by an Independent Appraiser that such sale, lease, transfer or other disposal of assets is fair to the Parent Guarantor or the relevant Restricted Subsidiary from financial point of view; and

(3) with respect to any Affiliate Transaction or series of related Affiliate Transactions by the Parent Guarantor or any Restricted Subsidiary involving aggregate consideration in excess of $50.0 million, the Parent Guarantor will deliver to the Trustee a written opinion issued by an Independent Appraiser that such Affiliate Transaction is fair to the Parent Guarantor or the relevant Restricted Subsidiary from a financial point of view; and

(4) with respect to any Affiliate Transaction or series of related Affiliate Transactions by the Parent Guarantor or any Restricted Subsidiary involving aggregate consideration in excess of $100.0 million, Holders of at least 40% of the aggregate principal amount of then outstanding Notes (including without limitation, Additional Notes, if any) voting as a single class, consent to and approve such Affiliate Transaction or series of related Affiliate Transactions.

The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the first paragraph of this covenant:

(1) customary directors' fees, indemnification and similar arrangements (including the payment of directors' and officers' insurance premiums), consulting fees, employee salaries, bonuses, employment agreements and arrangements, compensation or employee benefit arrangements, including stock options or legal fees of officers, directors, employees or consultants of the Parent Guarantor or any Restricted Subsidiary in the ordinary course of business, and payments with respect thereto;
(2) issuances or sales of Equity Interests (other than Disqualified Stock) of the Parent Guarantor;
(3) any transactions between or among the Parent Guarantor and/or the Restricted Subsidiaries;
(4) Restricted Payments that are permitted by the covenant described under "—Limitation on Restricted Payments" or Permitted Investments;
(5) transactions pursuant to written agreements existing on the Issue Date or any amendment, modification or supplement thereto or replacement thereof, *provided* that following such amendment, modification, supplement or replacement the terms of any such agreement or arrangement so amended, modified, supplemented or replaced are not, taken as a whole, more disadvantageous to the holders of Notes and to the Parent Guarantor and the Restricted Subsidiaries, as applicable, than the original agreement or arrangement as in effect on the Issue Date; and
(6) transactions with customers, clients, suppliers or purchasers or sellers of goods or services, in each case in the ordinary course of business and otherwise in compliance with the Indenture, which are fair to the Parent Guarantor or the relevant Restricted Subsidiary in the reasonable determination of the Board of Directors of the Parent Guarantor or the senior management of the Parent Guarantor or the relevant Restricted Subsidiary, as applicable, or are on terms no less favorable than those that could reasonably have been obtained at such time from an unaffiliated party.

Merger, Consolidation or Sale of Assets

The Issuer may not, directly or indirectly, merge, consolidate, amalgamate or otherwise combine with or into another Person (whether or not the Issuer is the surviving Person), or sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Issuer in one or more related transactions, to another Person (including by means of a scheme of arrangement pursuant to which the Issuer becomes a wholly owned Restricted Subsidiary of another Person), unless:

(1) either the Issuer is the surviving Person or the Person formed by or surviving any such merger, consolidation, amalgamation or other combination (if other than the Issuer) or to which such sale, assignment, transfer, conveyance or other disposition has been made is a corporation, joint stock company, limited liability company or partnership (or substantially similar legal entity) organized, incorporated or existing under the laws of Ukraine, Cyprus, The Netherlands, Switzerland, the United Kingdom, the United States of America, any state thereof or the District of Columbia and any Member State of the European Union;
(2) (a) the Person formed by or surviving any such merger, consolidation, amalgamation or other combination (if other than the Issuer) or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made assumes all the obligations of the Issuer under the Notes, the Security Documents and the Indenture pursuant to a supplemental Indenture and/or other documents as may reasonably be required by, and delivered to, the Trustee; and (b) each Guarantor shall, by way of such documentation as the Trustee shall reasonably deem appropriate, confirm their respective obligations under the relevant Notes Guarantee and the Indenture;
(3) immediately after such transaction, no Default or Event of Default exists; and
(4) the Parent Guarantor:
    (a) will, immediately after giving *pro forma* effect to such transaction, be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Consolidated

Leverage Ratio test set forth in the first paragraph of the covenant described under "—Certain Covenants—Limitation on Indebtedness;" and

(b) furnishes to the Trustee a Director's Certificate (attaching the computations to demonstrate compliance with paragraph (a) above) and a written opinion, in form and substance reasonably satisfactory to the Trustee, of counsel confirming that the transaction does not violate the applicable terms of the Indenture and that all conditions precedent in the Indenture relating to such transaction have been satisfied and that the Indenture and the Notes constitute legal, valid and binding obligations of the Issuer (or Person formed by, or surviving, any such merger, consolidation, amalgamation or other combination) enforceable in accordance with their terms.

In addition, notwithstanding the foregoing provisions of this covenant, the Issuer may not, directly or indirectly, lease all or substantially all of its properties and assets, in one or more related transactions, to any other Person.

The Parent Guarantor may not, directly or indirectly, merge, consolidate, amalgamate or otherwise combine with or into another Person (whether or not the Parent Guarantor is the surviving Person), or sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Parent Guarantor in one or more related transactions, to another Person, unless:

(1) either the Parent Guarantor is the surviving Person or the Person formed by or surviving any such merger, consolidation, amalgamation or other combination (if other than the Parent Guarantor) or to which such sale, assignment, transfer, conveyance or other disposition has been made is a corporation, joint stock company, limited liability company or partnership organized, incorporated or existing under the laws of Ukraine, Cyprus, The Netherlands, Switzerland the United Kingdom, the United States of America, any state thereof or the District of Columbia and any Member State of the European Union;

(2) the Person formed by or surviving any such merger, consolidation, amalgamation or other combination (if other than the Parent Guarantor) or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made assumes all the obligations of the Parent Guarantor under the Parent Guarantee pursuant to a supplemental Indenture and/or other documents as may reasonably be required by, and delivered to, the Trustee;

(3) immediately after such transaction, no Default or Event of Default exists; and

(4) the Parent Guarantor or the Person (as applicable) formed by or surviving any such merger, consolidation, amalgamation or other combination (if other than the Parent Guarantor), or to which such sale, assignment, transfer, conveyance or other disposition has been made:

(a) will, immediately after giving *pro forma* effect to such transaction, be permitted to incur at least $1.00 of additional Indebtedness (other than Permitted Indebtedness) pursuant to the Consolidated Leverage Ratio test set forth in the covenant described under "—Certain Covenants—Limitation on Indebtedness;" and

(b) furnishes to the Trustee a Director's Certificate (attaching the computations to demonstrate compliance with paragraph (a) above) and a written opinion, in form and substance reasonably satisfactory to the Trustee, of counsel confirming that the transaction does not violate the applicable terms of the Indenture and that all conditions precedent in the Indenture relating to such transaction have been satisfied and that the Indenture and the Parent Guarantee constitute legal, valid and binding obligations of the Parent Guarantor (or Person formed by, or surviving, any such merger, consolidation, amalgamation or other combination) enforceable in accordance with their terms.

In addition, notwithstanding the foregoing provisions of this paragraph, the Parent Guarantor may not, directly or indirectly, lease all or substantially all of the properties or assets of it and its Restricted Subsidiaries, taken as a whole, in one or more related transactions, to any other Person.

The Parent Guarantor will not permit any Subsidiary Guarantor to:

(1) directly or indirectly consolidate or merge with or into another Person (whether or not such Subsidiary Guarantor is the surviving Person); or

(2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of its assets, taken as a whole, in one or more related transactions, to another Person unless:

(a) immediately after such transaction, no Default or Event of Default exists; and

(b) either:

(i) such Subsidiary Guarantor is the surviving Person; or the Person formed by or surviving any such consolidation or merger (if other than such Subsidiary Guarantor) or to which such sale, assignment, transfer, conveyance or other disposition has been made is a corporation, joint stock company, limited liability company or partnership organized, incorporated or existing under the laws of Ukraine, Cyprus, The Netherlands, Switzerland, the United Kingdom and, immediately after such transaction, the surviving Person assumes all the obligations of that Subsidiary Guarantor under the relevant Notes Guarantee pursuant to an assumption agreement or other agreement to such effect delivered to the Trustee, along with a Director's Certificate (attaching the computations to demonstrate compliance with paragraph (a) above) and a written opinion, in form and substance reasonably satisfactory to the Trustee, of counsel confirming that the transaction does not violate the applicable terms of the Indenture and that all conditions precedent in the Indenture relating to such transaction have been satisfied and that the Indenture and the relevant Notes Guarantee constitute legal, valid and binding obligations of such Subsidiary Guarantor (or Person formed by or surviving any such merger, consolidation, amalgamation or other combination) enforceable in accordance with their terms; or

(ii) the net cash proceeds of such sale or other disposition are applied in accordance with the covenant described below under "—Limitation on Sales of Assets and Subsidiary Stock."

The provisions of this covenant shall not apply to a merger, consolidation, amalgamation or other combination or sale, sale of assets, assignment, transfer, conveyance, lease, change of form of incorporation or other disposition between or among any of the Issuer, the Parent Guarantor and any Restricted Subsidiary or between or among any Restricted Subsidiaries; *provided, however*, if the Issuer, the Parent Guarantor or any Subsidiary Guarantor merges with or into, or consolidates with, a Restricted Subsidiary that is not a Guarantor, and such Restricted Subsidiary is the surviving entity or transfers all or substantially all of its assets to a restricted subsidiary that is not a Guarantor, then such Restricted Subsidiary must assume the predecessors' obligations under the Notes and must be organized, incorporated or existing under the laws of Ukraine, Cyprus, The Netherlands, Switzerland, the United Kingdom, the United States of America, any state thereof or the District of Columbia and any Member State of the European Union.

In the event of any demerger, internal reorganization, separation, or split of any Subsidiary Guarantor, each of the successor Persons formed as a result of such demerger, internal reorganization, separation, or split assumes all the obligations of the preceding Subsidiary Guarantor under the relevant Notes Guarantee pursuant to an assumption agreement, supplemental indenture or deed of surety or other agreement to such effect delivered to the Trustee, along with a Director's Certificate and a written opinion, in form and substance reasonably satisfactory to the Trustee, of counsel confirming that the transaction does not violate the applicable terms of the Indenture and that all conditions precedent in the Indenture relating to such transaction have been satisfied and that the Indenture and the Notes Guarantees of such successor Persons constitute legal, valid and binding obligations of such successor Persons enforceable in accordance with their terms.

Limitation on Lines of Business

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, engage in any business other than a Permitted Business.

Limitations on Activities of the Issuer

The Issuer will not engage in any business activity or undertake any other activity or obligations except activities and obligations relating to or required by the issuance of the Notes (including Additional Notes, if any); the issuance of other debt securities on the international capital markets by the Issuer, the Parent Guarantor or any Restricted Subsidiary; the raising of bank financing in the international loan markets by the Issuer, the Parent Guarantor or any Restricted Subsidiary; and actions incidental thereto, including without limitation lending or otherwise advancing the proceeds thereof to the Parent Guarantor or any Restricted Subsidiary, paying dividends and making other payments to the Parent Guarantor or any Restricted Subsidiary, making payments in respect of the Notes and establishing and maintaining its legal existence and otherwise take actions to comply with the terms of the Indenture and the Security Documents.

Listing

The Issuer will use its reasonable best efforts to effect and, if the Issuer so succeeds, maintain the listing of the Notes on the Global Exchange Market of the Irish Stock Exchange or another international securities exchange for so long as the Notes are outstanding.

Limitation on Restrictions on Distributions from Restricted Subsidiaries

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or permit to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any such Restricted Subsidiary to:

(1) pay dividends, in cash or otherwise, or make any other distributions on or in respect of its Capital Stock or any other interest or participation in, or measured by, its profits, in each case, to the Parent Guarantor or any Restricted Subsidiary;
(2) pay any Indebtedness owed to the Parent Guarantor or any Restricted Subsidiary;
(3) make loans or advances to the Parent Guarantor or any Restricted Subsidiary; or
(4) transfer any of its properties or assets to the Parent Guarantor or any Restricted Subsidiary.

The provisions referred to in the first paragraph of this covenant will not apply to:

(1) encumbrances and restrictions imposed by the Notes, the Indenture, any Notes Guarantee, or the Security Documents;
(2) encumbrances or restrictions contained in any agreement in effect on the Issue Date and any amendments, modifications, restatements, renewals, extensions, supplements, refundings, replacements or refinancings thereof, *provided* that the encumbrances and restrictions in any such amendments, modifications, restatements, renewals, extensions, supplements, refundings, replacements or refinancings are no more restrictive, taken as a whole, than those contained in such agreement as in effect on the Issue Date;
(3) encumbrances and restrictions: (i) that restrict in a customary manner the subletting, assignment or transfer of any properties or assets that are subject to a lease, license, conveyance or other similar agreement to which the Parent Guarantor or any Restricted Subsidiary is a party; and (ii) contained in operating leases for real property and restricting only the transfer of such real property upon the occurrence and during the continuance of a default in the payment of rent;

(4) encumbrances or restrictions contained in any agreement or other instrument of a Person acquired by the Parent Guarantor or any Restricted Subsidiary in effect at the time of such acquisition (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired;

(5) customary encumbrances or restrictions contained in contracts for sales of Capital Stock or assets with respect to the Capital Stock (including distributions in respect thereof) or assets to be sold pursuant to such contract;

(6) Liens permitted to be incurred under the provisions of the covenant described below under the caption "— Limitation on Liens" that limit the right of the debtor to dispose of the assets subject to such Liens;

(7) encumbrances or restrictions imposed by applicable law or regulation or by governmental licenses, concessions, franchises or permits;

(8) encumbrances or restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;

(9) any encumbrance or restriction arising by reason of customary non-assignment provisions in agreements;

(10) encumbrances and restrictions under agreements governing other Indebtedness permitted to be incurred under the covenant described under "—Certain Covenants—Limitations on Indebtedness" and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements (i) if the restrictions therein are not materially more restrictive, taken as a whole, than those contained in the Indenture, the Notes and the Note Guarantees or (ii) if such encumbrances or restrictions are not materially more disadvantageous to the holders of Notes than is customary in comparable financings (as determined in good faith by the Parent Guarantor) and either (x) the Parent Guarantor determines that such encumbrance or restriction will not materially affect the Parent Guarantor's or the Issuer's ability to make principal or interest payments on the Notes as and when they come due or (y) such encumbrance or restriction applies only if a default occurs in respect of a payment or financial covenant prescribed under the terms of such Indebtedness;

(11) encumbrances or restrictions limiting the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements (including agreements entered into in connection with a Restricted Investment) entered into with the approval of the Parent Guarantor's Board of Directors, which limitation is applicable only to the assets that are the subject of such agreements; and

(12) encumbrances or restrictions contained in any agreement or document related to Permitted Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced.

Limitation on Liens

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, create or permit to exist any Lien (other than a Permitted Lien) upon the whole or any part of its property, assets or revenues, present or future, to secure payment of any sum due in respect of any Indebtedness of any Person.

Limitation on Designation of Unrestricted Subsidiaries

The Board of Directors of the Parent Guarantor may designate any Restricted Subsidiary other than the Issuer to be an Unrestricted Subsidiary if that designation would not cause a Default. If a

Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Parent Guarantor and the Restricted Subsidiaries in the Subsidiary so designated will be deemed to be an Investment made as of the time of such designation and will reduce the amount available for Restricted Payments under the first paragraph of the covenant described under "—Limitations on Restricted Payments" or reduce the amount available for Investments under one or more clauses of the definition of Permitted Investments, as the Parents Guarantor shall determine. That designation will only be permitted if such Investment would be permitted at that time and if such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors of the Parent Guarantor may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if the redesignation would not cause a Default.

Restrictions on Capital Expenditure

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, incur any Capital Expenditures other than:

(1) Business Plan Capital Expenditure;
(2) Additional Regulatory Capital Expenditure;
(3) (i) any Permitted Carry Forward Amounts for the fiscal year in which such Capital Expenditure is incurred and (ii) any unused Permitted Carry Forward Amounts for the immediately preceding fiscal year; and
(4) any Consent Capital Expenditure.

Restrictions on Location of Available Cash and Cash Pooling.

The Parent Guarantor shall ensure, and shall procure that each Restricted Subsidiary shall ensure, that at all times at least 20% of Available Cash shall be deposited in one or more accounts, with commercial banks that are not Affiliates of the Parent Guarantor, outside of Ukraine; *provided*, that the Parent Guarantor shall use its commercially reasonable efforts to make such deposits or to cause such deposits to be made with commercial banks that have one of the three highest rating categories obtainable from Moody's, Fitch or S&P.

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into or maintain any arrangements with any Affiliate of the Parent Guarantor in respect of cash pooling unless each Group member party to such cash pooling arrangements incurs Indebtedness under clause (9) of the second paragraph of the covenant described under "Limitation on Indebtedness" in connection with such arrangements.

Restrictions on Repayments of the Intercompany Loan.

The Parent Guarantor shall not permit any prepayment or repayment, in whole or in part, of the DTEK O&G Receivable, at maturity or otherwise, unless the proceeds of such prepayment or repayment are applied to redeem, repurchase, defease, acquire or otherwise reduce the principal amount of the Notes outstanding. Pending application of the proceeds for redemption, repurchase, defeasance, acquisition or other reduction of principal amount of the Notes outstanding, such proceeds will be deposited and held in the DTEK O&G Receivable Account.

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, amend, waive or modify the provisions of the DTEK O&G Receivable, except for amendments (i) required by applicable law or regulation or the terms of the Indenture or; (ii) of a technical nature that do not adversely affect the rights of any holder of the Notes.

For so long as the Notes are outstanding, the Parent Guarantor will not sell or dispose of, including by way transfer, assignment or subparticipation, all or any part of the DTEK O&G Receivable to any Person.

Additional Guarantees

If, after the Issue Date, (a) any Restricted Subsidiary that was not a Guarantor on the Issue Date is or becomes a Significant Subsidiary (whether or not such Restricted Subsidiary existed on the Issue Date or was created or acquired thereafter), (b) any Restricted Subsidiary (including any newly formed or newly acquired Restricted Subsidiary (unless, otherwise already a Subsidiary Guarantor)) guarantees or provides surety or credit support in respect of any Indebtedness of the Parent Guarantor or any other Restricted Subsidiary, or (c) the Parent Guarantor otherwise elects to cause any Restricted Subsidiary to become a Guarantor, then, in each case, the Parent Guarantor shall cause such Restricted Subsidiary to:

(1) execute and deliver to the Trustee a Notation of Guarantee or Deed of Surety, as applicable, in respect of its Note Guarantee and a supplemental indenture, in each case, as and to the extent required by the Trustee; and

(2) deliver to the Trustee one or more opinions of counsel in form and substance reasonably satisfactory to the Trustee that such supplemental indenture, notation of guarantee and/or deed of surety (a) has been duly authorized, executed and delivered by such Restricted Subsidiary and (b) constitutes a valid and legally binding obligation of such Restricted Subsidiary enforceable in accordance with its terms;

provided, however, that (i) the foregoing provisions of this paragraph will not apply to any guarantee or surety given to a bank or trust company organized in Ukraine, any member state of the European Union or any commercial banking institution that is a member of the U.S. Federal Reserve System, (or any branch, subsidiary or Affiliate thereof), in each case, having combined capital and surplus and undivided profits of not less than $500 million, whose indebtedness has a rating, at the time such guarantee was given, of at least "A" or the equivalent thereof by S&P and at least "A2" or the equivalent thereof by Moody's, in connection with the operation of cash management programs established for its benefit or that of the Parent Guarantor or any Restricted Subsidiary and (ii) with respect to the requirements of clause (a) of this paragraph only, the failure by such Restricted Subsidiary to execute and deliver to the Trustee a Notation of Guarantee or Deed of Surety and deliver to the Trustee one or more opinions of counsel shall not be a Default under the Indenture if (a) such Notation of Guarantee or Deed of Surety is executed and delivered and such opinions of counsel are delivered within 90 calendar days of the issuance of the audited consolidated balance sheet and audited consolidated income statements of the Parent Guarantor as of and for the most recent fiscal year, (b) the Parent Guarantor and the Restricted Subsidiaries have used their reasonable best efforts to provide such Notation of Guarantee or Deed of Surety or (c) such Restricted Subsidiary cannot provide a guarantee of the Notes as a result of applicable law, rule or regulation.'

The provisions described above under "Guarantees—Guarantee Limitations" and "—Exceptions to Requirements to Provide Notes Guarantees" shall apply with respect to the provisions of this "—Additional Guarantees" covenant.

Any Notes Guarantee by a Restricted Subsidiary shall provide by its terms that it shall be automatically and unconditionally released and discharged in the circumstances described under the heading "—Guarantees—Guarantee Release" above.

Reports to Holders

The Parent Guarantor will furnish the Trustee with the following:

(1) within 120 days after the end of each of the Parent Guarantor's fiscal years beginning with the fiscal year ended December 31, 2016, an annual report containing:
    a. information with a level of detail that is substantially comparable in all material respects to the section in the Offering Memorandum entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," and

b. the audited consolidated balance sheet of the Parent Guarantor as of the end of the most recent fiscal year and audited consolidated income statements and statements of cash flow of the Parent Guarantor for the most recent two fiscal years, including appropriate footnotes to such financial statements, and the report of the Auditors on the financial statements;

(2) within 90 days following the end of the first half of each fiscal year of the Parent Guarantor beginning with the six-months ended June 30, 2017, half-year financial statements containing the Parent Guarantor's unaudited condensed consolidated balance sheet as of the end of such half-year and unaudited condensed consolidated income statements and statements of cash flow for the most recent half-year and the comparable period in the prior year, together with condensed footnote disclosure (*provided* that if Parent Guarantor provides similar information to its shareholders on a quarterly basis it shall also provide such quarterly information to the Trustee);

(3) within 60 days following the end of each fiscal quarter of the Parent Guarantor, quarterly reports in the form attached to the Indenture as Appendix B (*Form of Quarterly Operational Report*) and Appendix C (*Form of Quarterly Financial Report*);

(4) as soon as practicable after their date of publication, every balance sheet, profit and loss account, report or other notice, statement or circular issued (or which under any legal or contractual obligation should be issued) to the members or holders of debentures or creditors (or any class of them) of the Issuer in their capacity as such at the time of the actual (or legally or contractually required) issue or publication thereof and procure that the same are made available for inspection by Noteholders at the specified offices of the Agents as soon as practicable thereafter;

(5) promptly after the occurrence of any material acquisition, disposition, restructuring affecting the Issuer, Parent Guarantor or any Significant Subsidiary, senior management changes at the Parent Guarantor, incurrence of debt for borrowed money or Equity Offering or change in Auditors, a report containing a description of such event or transaction, including in the case of any such debt incurrence or Equity Offering, an as adjusted or *pro forma* statement of capitalization giving effect thereto; and

(6) promptly after the making of any Restricted Payment under clause (III) of the first paragraph of the covenant under "Limitation on Restricted Payments," an Officer's Certificate stating (a)(i) the Consolidated Leverage Ratio after giving *pro forma* effect to such Restricted Payment as if such Restricted Payment had been made at the beginning of the most recently ended LTM Period prior to the date of such Restricted Payment, and showing in reasonable detail the calculation of the Consolidated Leverage Ratio, including the arithmetic computation of each component of the Consolidated Leverage Ratio, (ii) the amount of Net Available Cash after giving effect to such Restricted Payment, (iii) the aggregate principal amount outstanding under the Restructured Credit Facilities immediately prior to such Restricted Payment and (iv) the average trading price of the Notes as quoted by Bloomberg Finance LP on the 90 calendar days immediately preceding the date of such Restricted Payment and (b) that no Default or Event of Default has occurred and is continuing or occurred as a result of such Restricted Payment.

If the Parent Guarantor has designated any of its Subsidiaries as Unrestricted Subsidiaries and any such Unrestricted Subsidiary or group of Unrestricted Subsidiaries constitute Significant Subsidiaries of the Parent Guarantor, then the annual and half-yearly information required by clauses (1) and (2) of the preceding paragraph of this covenant shall include in the footnotes thereto, a summary of the financial condition and results of operations of the Parent Guarantor and the Restricted Subsidiaries separate from the financial condition and results of operations of such Unrestricted Subsidiaries of the Parent Guarantor.

In addition, so long as the Notes remain "restricted securities" within the meaning of Rule 501 under the Securities Act and during any period during which the Parent Guarantor is not subject to Section 13 or 15(d) of the U.S. Exchange Act nor exempt therefrom pursuant to Rule 12g3-2(b), the

Parent Guarantor shall furnish to the holders of Notes and to prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

All financial statement information required under this covenant shall be prepared on a consistent basis in accordance with IFRS.

Contemporaneously with the provision of each report discussed above, the Parent Guarantor will also (1) post such report on the Parent Guarantor's website and (2) for so long as the Notes are admitted to trading on the Global Exchange Market of the Irish Stock Exchange and the rules of such exchange so require, make the above information available through the offices of the Paying Agent in the United Kingdom.

Within two Business Days after release of each annual and semi-annual report, the Parent Guarantor will hold a publicly accessible conference call to discuss such reports and the results of operations for the relevant reporting period (including a reasonable time period for questions and answers). Details regarding access to such conference call will be posted at least 48 hours prior to the commencement of such call on the Parent Guarantor's website.

Currency Indemnity

The U.S. dollar is the sole currency of account and payment for all sums payable by the Issuer and the Guarantors under the Notes, the related Notes Guarantees and the Indenture. Any amount received or recovered in currency other than the U.S. dollar in respect of the Notes or the related Notes Guarantees (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding up or dissolution of the Issuer, any Guarantor, any Subsidiary or otherwise) by the Holder in respect of any sum expressed to be due to it from the Issuer or any Guarantor will constitute a discharge of the Issuer or the Guarantors only to the extent of the U.S. dollar amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that U.S. dollar amount is less than the U.S. dollar amount expressed to be due to the recipient under any Note or a related Notes Guarantee, the Issuer and the Guarantors will indemnify the recipient against any loss sustained by it as a result. In any event, the Issuer and the Guarantors will indemnify the recipient against the cost of making any such purchase.

Events of Default

Each of the following is an Event of Default under the Indenture:

(1) default for 30 days in any payment of interest on any Note when due;

(2) default in the payment of principal of or premium, if any, on any Note when due at its Stated Maturity, upon optional redemption, upon required repurchase or otherwise;

(3) (a) failure to comply after notice with the covenant described under "—Certain Covenants—Merger, Consolidation or Sale of Assets" with respect to the Parent Guarantor or the Issuer or (b) failure to comply for 15 Business Days after notice with (x) the covenant described under "—Certain Covenants—Merger, Consolidation or Sale of Assets" in respect of a Subsidiary Guarantor, (y) the covenant described under "—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock," or (z) the provisions under "Repurchase at the Option of holders upon a Change of Control;"

(4) failure to comply for 45 days after notice with any other agreements contained in the Indenture;

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Parent Guarantor or any Restricted Subsidiary (or the payment of which is guaranteed by the Parent Guarantor or any Restricted Subsidiary), whether such Indebtedness or guarantee now exists, or is created after the Issue Date, which default:

(a) is caused by a failure to pay principal of such Indebtedness at maturity prior to the expiration of the grace period provided in such Indebtedness ("**payment default**"); or

(b) results in the acceleration of such Indebtedness prior to its Stated Maturity (the "**cross acceleration provision**"),

and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been such a payment default or the maturity of which has been so accelerated, aggregates $50.0 million or more, provided that payment defaults under the Existing Credit Facilities shall not constitute a default for the purposes of this clause (5);

(6) certain events of bankruptcy, insolvency or reorganization, as more fully described in the Indenture, of the Parent Guarantor or a Restricted Subsidiary that is a Significant Subsidiary or group of Restricted Subsidiaries that, taken together (as of the latest audited consolidated financial statements for the Parent Guarantor and its Restricted Subsidiaries), would constitute a Significant Subsidiary (the "**bankruptcy provisions**");

(7) one or more judgments in an aggregate amount in excess of $50.0 million shall have been rendered against the Parent Guarantor or any Restricted Subsidiary and are not covered by indemnities or third party insurance as to which the Person giving such indemnity or such insurer has not disclaimed coverage and such judgments remain undischarged, unpaid or unstayed for a period of 60 days after such judgment or judgments become final and non-appealable (and, in the case of a Ukrainian judgment, no longer eligible to be the subject of a petition of cassation), *provided* that, this paragraph shall not apply to:

a. any judgment in favor of the Ministry of Energy and Coal Mining of Ukraine and/or NJSC "Naftogaz of Ukraine" against any member of the Group relating to indebtedness in respect of natural gas purchased from NJSC "Naftogaz of Ukraine"; or

b. any judgment in favor of State Enterprise "Energorynok" against any member of the Group relating to indebtedness in respect of electric power purchased in the wholesale market

provided further that the relevant judgments made in one or more of the proceedings set out in subparagraphs (a) and (b) above do not exceed $100 million in the aggregate;

(8) any Notes Guarantee fails to become or ceases to be in full force and effect (except as permitted by its terms or the terms of the Indenture) or is declared null and void in a judicial proceeding or any Guarantor denies or disaffirms its obligations under its Notes Guarantee;

(9) the ability of the Parent Guarantor or a Restricted Subsidiary that is a Significant Subsidiary or group of Restricted Subsidiaries that, taken together (as of the latest audited consolidated financial statements for the Parent Guarantor and its Restricted Subsidiaries), would constitute a Significant Subsidiary to conduct its or their business is wholly or substantially curtailed by any seizure, expropriation, nationalization or compulsorily acquisition of all or substantially all the assets of the Parent Guarantor, such Restricted Subsidiary or such group of Restricted Subsidiaries by, or any other action of, any governmental or regulatory authority or agency with authority over the Parent Guarantor, such Restricted Subsidiary or such group of Restricted Subsidiaries or their respective assets;

(10) it is or will become unlawful for the Issuer or any Guarantor to perform or comply with any one or more of its obligations under any of the Notes, the Indenture, any Notes Guarantee;

(11) (i) the occurrence of any "Event of Default" under the DTEK O&G Receivable; (ii) the Amended and Restated DTEK O&G Receivable Documentation fails to become or ceases to be in full force and effect or is declared null and void in a judicial proceeding or DTEK O&G or NGD Holdings deny or disaffirm their respective obligations under

the DTEK O&G Receivable; or (iii) any default by the Parent Guarantor or any Restricted Subsidiary of its obligations under the Deed of Undertaking;

(12) any Security Document fails to become or ceases to be in full force and effect (except as permitted by its terms or the terms of the Indenture or the Security Document) or is declared null and void in a judicial proceeding or the Issuer denies or disaffirms its obligations under the Security Documents; or

(13) any default by the Issuer in the performance of any of its obligations under the Security Documents that adversely affects the enforceability, validity, perfection or priority of the applicable Lien on the Collateral or that adversely affects the condition or value of the Collateral, taken as a whole, in any material respect.

However, a default under clauses (3) and (4) of this paragraph that has occurred and is continuing will not constitute an Event of Default until holders of at least 25% in aggregate principal amount of the Notes then outstanding voting as a single class notify the Issuer (with a copy of such notice to be sent to the Trustee) of the default and the Issuer does not cure such default within the time specified in clauses (3) and (4) of this paragraph after receipt of such notice.

If an Event of Default (other than an Event of Default described in clause (6) above) occurs and is continuing, the Trustee by notice to the Issuer, or the holders of at least 25% in principal amount of the outstanding Notes by notice to the Issuer and the Trustee, may, and Trustee at the written request of such holders shall, declare the principal of, premium, if any, and accrued and unpaid interest, if any, on all the Notes to be due and payable. Upon such a declaration, such principal, premium and accrued and unpaid interest will be due and payable immediately. In the event of a declaration of acceleration of the Notes because an Event of Default described in clause (5) under "Events of Default" has occurred and is continuing, the declaration of acceleration of the Notes shall be automatically annulled if the event of default or payment default triggering such Event of Default pursuant to clause (5) shall be remedied or cured by the Parent Guarantor or a Restricted Subsidiary or waived by the holders of the relevant Indebtedness within 10 Business Days after the declaration of acceleration with respect thereto and if (1) the annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, except non-payment of principal, premium or interest on the Notes that became due solely because of the acceleration of the Notes, have been cured or waived. If an Event of Default described in clause (6) above occurs and is continuing, the principal of, premium, if any, and accrued and unpaid interest on all the Notes will become and be immediately due and payable without any declaration or other act on the part of the Trustee or any holders. The holders of a majority in principal amount of the outstanding Notes may waive all past defaults (except with respect to non- payment of principal, premium or interest) and rescind any acceleration with respect to the Notes and its consequences if (1) rescission would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, other than the non-payment of the principal of, premium, if any, and interest on the Notes that have become due solely by such declaration of acceleration, have been cured or waived.

Upon becoming aware of a Default or an Event of Default, the Issuer shall deliver to the Trustee, promptly and in any event within 15 Business Days thereafter, written notice of any events which would constitute a Default or an Event of Default, their status, and what action the Issuer is taking or proposes to take in respect thereof.

Subject to the provisions of the Indenture relating to the duties of the Trustee, if an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the holders unless such holders have offered the Trustee an indemnity and/or security and/or prefunding satisfactory to the Trustee in its sole discretion against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium, if any, or interest when due, no holder may pursue any remedy with respect to the Indenture or the Notes or Notes Guarantees or the Security Documents unless:

(1) such holder has previously given the Trustee written notice that an Event of Default is continuing;

(2) holders of at least 25% in principal amount of the outstanding Notes have requested the Trustee in writing to pursue the remedy;
(3) such holders have agreed to fully indemnify and/or secure and/or prefund the Trustee to its satisfaction in relation thereto;
(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security and/or indemnity and/or prefunding; and
(5) the holders of a majority in principal amount of the outstanding Notes have not given the Trustee a direction that, in the opinion of the Trustee, is inconsistent with such request within such 60-day period.

Holders of Notes may not enforce the Indenture, the Notes, the Notes Guarantees or the Security Documents except as provided in the Indenture or the Security Documents. Subject to certain restrictions, the holders of a majority in principal amount of the outstanding Notes are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee, subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction. The Indenture and the Security Documents will provide that in the event an Event of Default has occurred and is continuing, the Trustee will be required in the exercise of its powers to use the degree of care that a prudent person would use in the conduct of its own affairs. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or the Security Documents or that the Trustee determines is unduly prejudicial to the rights of any other holder or that would involve the Trustee in personal liability. Prior to taking any action under the Indenture or the Security Documents, the Trustee will be entitled to indemnification and/or security satisfactory to it in its sole discretion against all losses, liabilities, fees and expenses caused by taking or not taking such action.

The Indenture provides that if a Default occurs and is continuing and is known to the Trustee, the Trustee must mail to each holder notice of the Default within 90 days after it is known to the Trustee. Except in the case of a Default in the payment of principal of, premium, if any, or interest on any Note, the Trustee may withhold notice if and so long as the Trustee in good faith determines that withholding notice is in the interests of the holders. The Parent Guarantor shall deliver to the Trustee, within 120 days after the end of each fiscal year, a Director's Certificate stating that a review of the activities of the Parent Guarantor and the Restricted Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Directors with a view to determining whether it has kept, observed, performed and fulfilled its obligations under the Indenture and further stating, as to each such Director signing such certificate that, to the best of such signing Director's knowledge, the Parent Guarantor and the Issuer during such preceding fiscal year has kept, observed, performed and fulfilled each and every such covenant contained in the Indenture and the Security Documents and no Default occurred during such year and at the date of such certificate there is no Default which has occurred and is continuing or, if such signers do know of any such Default, the certificate shall describe its status, with particularity and that, to the best of such signing Director's knowledge, no event has occurred and remains by reason of which payments on the account of the principal of or interest, if any, on the Notes is prohibited or if such event has occurred, a description of the event and what action each is taking or proposes to take with respect thereto. The Trustee will not be responsible for monitoring any of the covenants or restrictions or obligations contained in the Notes or in the Indenture and shall be entitled to rely on any such certificate without further enquiry.

Amendments and Waivers

Except as set forth in the next two succeeding paragraphs, the Indenture, the Notes, the Notes Guarantees and the Security Documents may be amended or supplemented with the consent of the holders of a majority in aggregate principal amount of the Notes then outstanding voting as a single class (including without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes) and any past or existing Default or Event of Default or compliance with any provision of the Indenture, the Notes, the Notes Guarantees and the Security Documents may be

waived (other than Default in respect of the payment of principal, interest or Additional Amounts due on the Notes) with the consent of the holders of a majority in aggregate principal amount of the Notes then outstanding voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes).

However, without the consent of holders of Notes holding not less than 90% of the aggregate principal amount of the Notes then outstanding, no amendment may, among other things:

(1) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver;
(2) reduce the stated rate of or extend the stated time for payment of interest on any Note;
(3) reduce the principal of or extend the Stated Maturity of any Note;
(4) reduce the premium payable upon the redemption or repurchase of any Note or change the time at which any Note may be redeemed or repurchased as described above under the section entitled "—Optional Redemption," "—Repurchase at the Option of holders upon a Change of Control" and "—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock," whether through an amendment, waiver of provisions in the covenants, definitions or otherwise;
(5) make any Note payable in currency other than that stated in the Note;
(6) impair the right of any Holder to receive payment of, premium, if any, principal of, interest on such Holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such Holder's Notes;
(7) waive a Default or Event of Default in the payment of principal of, or interest or premium, if any, on, the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);
(8) make any change in the provisions of the Indenture described under the section entitled "Payment of Additional Amounts" that adversely affects the rights of any Holder of such Notes in any material respect or amends the terms of such Notes in a way that would result in a loss of an exemption from any of the Taxes described thereunder or an exemption from any obligation to withhold or deduct Taxes so described thereunder unless the Payor agrees to pay Additional Amounts, if any, in respect thereof;
(9) make any change in the provisions of the Indenture affecting the ranking of the Notes or any Guarantee in a manner adverse to the Holders;
(10) release any of the Notes Guarantees other than in accordance with the terms of the Indenture or such Note Guarantee;
(11) make any change in the preceding amendment and waiver provisions;
(12) make any change in the definition of "Unrestricted Subsidiary;"
(13) release any Collateral, except as provided in the Indenture and the Security Documents; or
(14) amend, change or modify any provision of any Security Document or any provision of the Indenture relating to the Collateral, in a manner that adversely affects the Holders, except in accordance with the other provisions of the Indenture or such Security Document.

Notwithstanding the foregoing, without the consent of any Holder, the Issuer, the Guarantors and the Trustee may amend the Indenture, the Notes and the Notes Guarantees to:

(1) cure any ambiguity, omission, defect or inconsistency;
(2) provide for the assumption by a successor entity of the obligations of the Issuer's or Guarantor's obligations to holders of Notes and Notes Guarantees in the case of a merger or consolidation or sale of all or substantially all of the Issuer's or such Guarantor's assets, as applicable, in accordance with the Indenture;
(3) provide for uncertificated Notes in addition to or in place of certificated Notes (*provided*, that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the U.S. Internal Revenue Code of 1986, as amended);

(4) add Notes Guarantees with respect to the Notes or release a Subsidiary Guarantor upon its designation as an Unrestricted Subsidiary or as otherwise permitted by the Indenture; *provided*, *however*, that the release complies with the applicable provisions of the Indenture;
(5) add to the covenants of the Issuer or the Guarantors for the benefit of the holders or surrender any right or power conferred upon the Issuer or any Guarantor;
(6) conform the text of the Indenture, the Notes or the Notes Guarantees to any provision of this Description of the Notes to the extent that such provision in this Description of the Notes was intended to be a verbatim recitation of a provision of the Indenture, the Notes or the Notes Guarantees;
(7) provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture;
(8) comply with the rules of any applicable securities depository;
(9) to mortgage, pledge, hypothecate or grant a Lien in favor of the Trustee for the benefit of the holders of Notes, as security for the payment and performance of the Issuer's or any Guarantor's obligations under the Notes, the Indenture or the relevant Notes Guarantee;
(10) evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee pursuant to the requirements thereof; or
(11) add additional Collateral to secure the Notes.

The consent of the holders is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment. A consent to any amendment or waiver under the Indenture by any Holder of Notes given in connection with a tender of such Holder's Notes will not be rendered invalid by such tender.

In formulating its opinion on such matters, the Trustee shall be entitled to rely absolutely on such evidence as it deems appropriate, including an opinion of counsel and a Directors' Certificate.

In determining whether the holders of the requisite principal amount of Notes have given any request, demand, authorization, consent, vote or waiver in connection with the Indenture and the Notes, Notes owned by the Parent Guarantor or the Issuer or any Affiliate of the Parent Guarantor or the Issuer shall be disregarded and deemed not to be outstanding for these purposes, except that in determining whether the Trustee shall be protected in relying upon such request, demand, authorization, consent, vote or waiver, only Notes which the Trustee knows to be so owned shall be so disregarded.

The Issuer will publish a notice of any amendment, supplement or waiver in accordance with the provisions of the Indenture described under the section entitled "—Notices," and for so long as the Notes are admitted to trading on the Global Exchange Market of the Irish Stock Exchange and the rules of such exchange so require, the Issuer will notify the Irish Stock Exchange of any such amendment, supplement and waiver.

Defeasance

The Issuer may, at its option and at any time, elect to have its obligations and the obligations of the Guarantors discharged with respect to the outstanding Notes ("**Legal Defeasance**"). Legal Defeasance means that the Issuer and the Guarantors shall be deemed to have paid and discharged the entire indebtedness represented by the Notes and the Notes Guarantees, and the Indenture and the Security Documents shall cease to be of further effect as to all outstanding Notes and Notes Guarantees, except as to:

(1) rights of Holders to receive payments in respect of the principal of and interest on the Notes when such payments are due from the trust funds referred to below;
(2) the Issuer's obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes, and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trust, duties, and immunities of the Trustee, and the Issuer's obligation in connection therewith; and
(4) the Legal Defeasance provisions of the Indenture.

In addition, the Issuer may, at its option and at any time, elect to have its obligations and the obligations of the Guarantors released with respect to most of the covenants under the Indenture, except as described otherwise in the Indenture ("**Covenant Defeasance**"), and thereafter any omission to comply with such obligations shall not constitute a Default. In the event Covenant Defeasance occurs, certain Events of Default (not including non-payment, bankruptcy, receivership, rehabilitation and insolvency events (each an "**Excluded Event of Default**")) will no longer apply. If an Excluded Event of Default has occurred and is continuing, then the Covenant Defeasance will not be effective until each such Excluded Events of Default are no longer continuing. The Issuer may exercise its Legal Defeasance option regardless of whether it previously exercised Covenant Defeasance.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Issuer must irrevocably deposit with the Trustee, as trust funds, in trust solely for the benefit of the Holders, U.S. legal tender, U.S. Government Obligations or a combination thereof, in such amounts as will be sufficient (without consideration of any reinvestment of interest) in the opinion of an internationally recognized firm of independent public accountants selected by the Issuer and approved by the Trustee (such approval not to be unreasonably withheld), to pay the principal of and interest on the Notes on the stated date for payment or on the redemption date of the principal or installment of principal of or interest on the Notes;
(2) in the case of Legal Defeasance, the Issuer shall have delivered to the Trustee an Opinion of Counsel in the United States confirming that:
    (a) the Issuer has received a ruling from, or a ruling has been published by the Internal Revenue Service, or
    (b) since the date of the Indenture, there has been a change in the applicable U.S. federal income tax law,

    in either case to the effect that, and based thereon this Opinion of Counsel shall confirm that, the Holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;
(3) in the case of Covenant Defeasance, the Issuer shall have delivered to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee confirming that the Holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if the Covenant Defeasance had not occurred;
(4) no Default shall have occurred and be continuing on the date of such deposit (other than a Default resulting from the borrowing of funds to be applied to such deposit);
(5) the Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of or under any material agreement or instrument to which the Issuer or any of its Subsidiaries is a party or by which the Issuer or any of its Subsidiaries is bound (other than any such Default or default resulting solely from the borrowing of funds to be applied to such deposit);
(6) the Issuer shall have delivered to the Trustee a Directors' Certificate stating that the deposit was not made by it with the intent of preferring the Holders over any other of its creditors or with the intent of defeating, hindering, delaying or defrauding any other of its creditors or others; and
(7) the Issuer shall have delivered to the Trustee a Directors' Certificate and an Opinion of Counsel, each stating that the conditions provided for in, in the case of the Directors'

Certificate, clauses (1) through (6) and, in the case of the opinion of counsel, clauses (2) and/or (3) and (5) of this paragraph have been complied with.

If the funds deposited with the Trustee to effect Covenant Defeasance are insufficient to pay the principal of and interest on the Notes when due, then the Issuer's obligations and the obligations of Guarantors under the Indenture will be revived and no such defeasance will be deemed to have occurred.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect (except as to rights of registration of transfer or exchange of Notes which shall survive until all Notes have been cancelled) as to all outstanding Notes when either:

(1) all the Notes that have been authenticated and delivered (except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has been deposited in trust or segregated and held in trust by the Issuer and thereafter repaid to the Issuer or discharged from this trust) have been delivered to the Trustee for cancellation; or

(2) (a) all Notes not delivered to the Trustee for cancellation (i) have become due and payable by reason of the mailing of notice of redemption or otherwise, or (ii) will become due and payable within one year and, in any case, the Issuer has irrevocably deposited or caused to be deposited with the Trustee (or its designee) as trust funds, in trust solely for the benefit of the Holders, U.S. legal tender, U.S. Government Obligations or a combination thereof, in such amounts as will be sufficient (without consideration of any reinvestment of interest) to pay and discharge the entire Indebtedness (including all principal and accrued interest, Additional Amounts and premium, if applicable) on the Notes not theretofore delivered to the Trustee for cancellation,

(b) the Issuer has paid all sums payable by it under the Indenture,

(c) and the Issuer has delivered irrevocable instructions to the Trustee to apply the deposited money toward the payment of the Notes at maturity or on the date of redemption, as the case may be.

In addition, the Issuer must deliver a Directors' Certificate and an Opinion of Counsel stating that all conditions precedent to satisfaction and discharge have been complied with.

No Personal Liability of Directors, Officers, Employees and Stockholders

No past, present or future director, officer, employee, incorporator, promoter, advisor or stockholder of the Issuer or any Guarantor, as such, will have any liability for any obligations of the Issuer or the Guarantors under the Notes, the Indenture or the Notes Guarantees or the Proceeds Loan or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under U.S. federal securities laws.

Concerning the Trustee

GLAS Trust Corporation Limited will be the Trustee under the Indenture and the Security Agent with regard to the Collateral under the Security Documents.

The Issuer shall deliver written notice to the Trustee promptly and in any event within 15 Business Days of becoming aware of a Default or an Event of Default.

The Indenture directly or by reference, contains limitations on the rights of the Trustee under the Indenture in the event the Trustee becomes a creditor of the Issuer, any Guarantor or any Subsidiary. These include limitations on the Trustee's rights to obtain payment of claims in certain cases or to realize on certain property received by it in respect of any such claims, as security or otherwise. The Trustee will be permitted to engage in other transactions.

The Indenture provides that, except during the continuance of an Event of Default, the Trustee will perform only such duties as are set forth specifically in the Indenture. During the existence of an Event of Default of which a Responsible Officer of the Trustee has actual knowledge, the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent man in the conduct of his own affairs. The Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of Notes, unless such holder has offered the Trustee security and/or indemnity and/or prefunding satisfactory to it in its sole discretion against any loss, liability or expense. The Trustee will not be responsible for any unsuitability, inadequacy or unfitness of any Collateral as security in relation to the Notes and shall not be obliged to make any investigation into, and shall be entitled to assume, the suitability, adequacy and fitness of any Collateral as security for the Notes. The Trustee will not be responsible for any loss, expense or liability which may be suffered as a result of any Collateral being uninsured or inadequately insured.

In all instances under the Indenture, the Trustee will be entitled to rely on any instructions, certificates, statements or opinions delivered pursuant to the Indenture absolutely and will not be obliged to inquire further regarding the circumstances then existing and will not be responsible for any loss or damage to the holders or any other person for so relying.

The Indenture sets out the terms under which the Trustee may retire or be removed, and replaced. Such terms will include, among others, (1) that the Trustee may be removed at any time by the holders of a majority in principal amount of the then outstanding Notes, or may resign at any time by giving written notice to the Issuer and (2) that if the Trustee at any time (a) has or acquires a conflict of interest that is not eliminated or (b) becomes incapable of acting as Trustee or becomes insolvent or bankrupt, then the Issuer may remove the Trustee, or any holder who has been a *bona fide* holder for not less than 180 days may petition any court for removal of the Trustee and appointment of a successor Trustee.

Any removal or resignation of the Trustee shall not become effective until the acceptance of appointment by the successor Trustee.

The Indenture provides for the indemnification of the Trustee and for its relief from responsibility in connection with its actions under the Indenture. The Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of Notes, unless such holder has offered the Trustee security and/or indemnity and/or prefunding satisfactory to it against any loss, liability or expense. The Indenture provides that the Trustee is entitled (in its capacity as trustee of the Notes and as security agent) to be paid amounts in respect of their fees, costs and expenses and claims under any indemnity in priority to payments to other creditors, including holders of the Notes.

Governing Law

The Indenture provides that it, the Notes and the Guarantees will be governed by, and construed in accordance with, the laws of the State of New York. The Ukrainian Deeds of Surety will be governed by and construed in accordance with, the laws of England and Wales.

Consent to Jurisdiction, Dispute Resolution and Service of Process

Any legal action or proceedings arising out of or in connection with the Indenture, the Notes or the Notes Guarantees will be settled by arbitration in accordance with the rules of arbitration (the "**LCIA Rules**") of the London Court of International Arbitration ("**LCIA**"), as then in effect. The seat

of any arbitration shall be in the Borough of Manhattan in the City of New York. The language of the arbitration shall be English.

In addition, the Indenture provides that if any dispute or difference of whatever nature arises from or in connection with the Indenture, the Notes, or the Notes Guarantees (other than the Deeds of Surety, which shall be subject to arbitration only) (each a "**Dispute**"), the Trustee may elect, by notice in writing to the Issuer, to have such Dispute brought and heard in, and each of the Issuer and the Guarantors will irrevocably submit to the jurisdiction of, the federal and state courts in the Borough of Manhattan in the City of New York, County and State of New York, United States of America.

Notices

In the event the Notes are in the form of definitive Notes, notices will be sent, by first-class mail, with a copy to the Trustee and to each Holder at such Holder's address as it appears on the registration books of the registrar. If and so long as such Notes are admitted to trading on the Global Exchange Market of the Irish Stock Exchange, notices will also be given in accordance with any applicable requirements of such securities exchange. Any such notices delivered to the Global Exchange Market of the Irish Stock Exchange will be published on the Daily Official List of the Irish Stock Exchange' so long as the rules so require. If and so long as any Notes are represented by the Global Notes and ownership of Book-Entry Interests therein are shown on the records of Euroclear and Clearstream or any successor clearing agency appointed by the Common Depositary for Euroclear and Clearstream at the request of the Issuer, notices will be delivered to such clearing agency for communication to the owners of such Book-Entry Interests. Notices given by publication will be deemed given on the first date on which publication is made and notices given by first-class mail, postage prepaid, will be deemed given five calendar days after mailing.

Certain Definitions

"**Acquired Debt**" means, with respect to any specified Person, Indebtedness of any other Person existing at the time such other Person is merged, consolidated, amalgamated or otherwise combined with or into, or becomes a Restricted Subsidiary of, such specified Person.

"**Additional Amounts**" has the meaning ascribed thereto under the section entitled "—Payment of Additional Amounts."

"**Additional Regulatory Capital Expenditure**" means any Capital Expenditure (other than any Business Plan Capital Expenditure) that is required to be incurred by the Parent Guarantor or any Restricted Subsidiary:

(1) under privatization, concession, asset lease or similar agreements between the Parent Guarantor or such Restricted Subsidiary and Ukraine (directly or through any authorized agency or instrumentality thereof);

(2) by applicable law, regulation or any other regulatory act;

(3) by any written order, demand, regulation, claim, request or communication by any regulatory authority; or

(4) that is or will be directly or indirectly compensated by the Ukrainian Government or any other regulatory or administrative authority (including, but not limited to, by way of tariff and financial support) within a period of not more than five years from the date of such Capital Expenditure.

"**Additional Notes**" has the meaning ascribed thereto under the section entitled "—General."

"**Affiliate**," in respect of any specified Person, means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person, and,

in the case of a natural Person, any immediate family member of such Person. For purposes of this definition, "control," as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; *provided* that (a) for purposes of the covenant entitled "Limitation on Affiliate Transactions" beneficial ownership of 10% or more of the Voting Stock of a Person shall be deemed to be control and (b) for purposes of this definition, the terms "controlling;" "controlled by" and "under common control with" shall have correlative meanings.

"**Affiliate Transaction**" has the meaning ascribed thereto in the covenant described above under "—Certain Covenants—Limitation on Affiliate Transactions."

"**Agent**" means any Registrar, co-registrar, Transfer Agent, U.S. Transfer Agent, Paying Agent, Paying Agent or additional paying agent.

"**Asset Sale**" means any sale, lease, transfer or other disposal in a transaction or series of related transactions by the Parent Guarantor or any Restricted Subsidiary of all or any of the Equity Interests of any Subsidiary of the Parent Guarantor or any other property or assets of the Parent Guarantor or any Restricted Subsidiary and the issuance by any Restricted Subsidiary of Equity Interests; *provided* that "Asset Sale" shall not include:

(1) sales, leases, transfers or other disposals of inventory, stock-in-trade, goods, services and other current assets (including accounts receivable) in the ordinary course of business;
(2) dispositions by the Parent or any Restricted Subsidiary of assets or Equity Interests in a single transaction or a series of related transactions with an aggregate Fair Market Value of less than $5.0 million;
(3) any transfers of assets or transfer or issuances of Equity Interests to, between or among the Parent Guarantor and/or any Restricted Subsidiary;
(4) a disposition by the Parent or any Restricted Subsidiary of damaged, obsolete or worn-out equipment or equipment that is no longer useful in the conduct of business of the Parent or any Restricted Subsidiary and that is disposed in each case in the ordinary course of business (including the abandonment or other disposition of intellectual property that is, in the reasonable judgment of the Parent Guarantor, no longer economically practicable to maintain or useful in the conduct of the business of the Group);
(5) the granting of any Lien not prohibited by the Indenture and dispositions in connection with a Permitted Lien;
(6) dispositions in accordance with a transaction governed by the first and third paragraphs of the covenant described under "—Certain Covenants—Merger, Consolidation or Sale of Assets" or the section entitled "—Repurchase at the Option of holders upon a Change of Control;"
(7) a Restricted Payment that is permitted by the covenant described under "—Certain Covenants—Limitation on Restricted Payments" and any Permitted Investment;
(8) the sale or other disposition of cash and Cash Equivalents;
(9) licenses and sublicenses by the Parent or any Restricted Subsidiary of software or intellectual property in the ordinary course of business so long as such licenses or sublicenses do not prohibit the licensor or sublicensor from using such software or intellectual property;
(10) any surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business; and
(11) any lease of assets without a transfer of title corresponding to such assets (*orenda*) in the ordinary course of business.

"**Attributable Indebtedness**" means, with respect to any Sale and Leaseback Transaction at the time of determination, the present value (discounted at the interest rate implicit in the lease determined in accordance with IFRS or, if not known, at the Parent Guarantor's incremental borrowing

rate) of the total obligations of the lessee of the property subject to such lease for rental payments during the remaining term of the lease included in such Sale and Leaseback Transaction, including any period for which such lease has been extended or may, at the option of the lessor, be extended, or until the earliest date on which the lessee may terminate such lease without penalty or upon payment of penalty (in which case the rental payments shall include such penalty), after excluding from such rental payments all amounts required to be paid on account of maintenance and repairs, insurance, taxes, assessments, water, utilities and similar charges; *provided*, that if such Sale and Leaseback Transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of Capital Lease Obligation.

"**Auditors**" means the independent auditors of the Parent Guarantor from time to time.

"**Available Cash**" means the amount of bank balances payable on demand that would appear on a consolidated balance sheet of the Parent Guarantor prepared in accordance with IFRS on the date of determination, excluding any restricted cash as determined in accordance with IFRS.

"**Board of Directors**" means (a) with respect to a corporation, the board of directors of the corporation and, in the case of any corporation having both a supervisory board and an executive or management board, either the supervisory board or the executive or management board, and any authorized committee of any of the foregoing, (b) with respect to a partnership, the board of directors of the general partner of the partnership, and (c) with respect to any other Person, the board or committee of such Person serving a similar function.

"**Business Day**" means a day (other than a Saturday or Sunday) 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 each of London, New York City, Ukraine, The Netherlands and the cities in which the specified office of the Paying Agent, Transfer Agent and the Registrar are located and, in the case of presentation or surrender of a Note, in the place of the specified office of the relevant Paying Agent and Transfer Agent to whom the relevant Note is presented or surrendered.

"**Business Plan Capital Expenditure**" for any fiscal year means any Capital Expenditure in an amount not to exceed the aggregate amount in UAH equivalent based on the average exchange rate for such fiscal year calculated using daily official exchange rates of the National Bank of Ukraine during that fiscal year indicated below (with such split of UAH and USD being indicative):

For the fiscal year ending:	Business Plan Capital Expenditure:
December 31, 2017	UAH 6,621.2 million, plus USD 238.7 million
December 31, 2018	UAH 6,630.8 million, plus USD 234.3 million
December 31, 2019	UAH 6,326.9 million, plus USD 221.2 million
December 31, 2020	UAH 6,196.5 million, plus USD 215.0 million
December 31, 2021	UAH 8,206.1 million, plus USD 282.3 million
December 31, 2022	UAH 9,203.0 million, plus USD 308.1 million
December 31, 2023	UAH 10,309.5 million, plus USD 335.8 million
December 31, 2024	UAH 10,845.5 million, plus USD 343.7 million

"**Capital Expenditure**" means any expenditure (excluding VAT) which would be treated as capital expenditure under IFRS or any obligation in respect of such expenditure.

"**Capital Lease Obligation**" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet in accordance with IFRS, and the Stated Maturity thereof shall be the date of the last

payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"**Capital Stock**" means (a) in the case of a corporation, corporate stock, (b) in the case of a company, share capital, (c) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock, (d) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited), and (e) any other interest or participation in the nature of an equity interest in the issuing Person or that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"**Cash Equivalents**" means:

(1) Ukrainian Hryvnia, Russian Roubles, euro, U.S. dollars and British pound sterling;
(2) securities issued or directly and fully guaranteed or insured by the government of any of the United States of America or any member state of the European Union or Ukraine or any agency or instrumentality of any of the foregoing (*provided* that the full faith and credit of the relevant jurisdiction is pledged in support thereof) or by any European Union central bank, and in each case having maturities of not more than one year from the date of acquisition;
(3) certificates of deposit, time deposits and money market deposits denominated in Hryvnia, Russian Roubles, euro, U.S. dollars or British pound sterling with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding six months and overnight bank deposits, in each case, with a commercial bank or trust company (or with any Ukraine-based Subsidiary of such commercial bank or trust company) which commercial bank or trust company has one of the three highest rating categories obtainable from Moody's, Fitch or S&P, or with any Ukrainian commercial bank or trust company having one of the two highest rating categories obtainable by Ukrainian banks from Moody's, Fitch or S&P;
(4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in paragraphs (2) and (3) above entered into with any commercial bank or trust company (or with any Ukraine-based Subsidiary of such commercial bank or trust company) which commercial bank or trust company has one of the three highest rating categories obtainable from Moody's, Fitch or S&P, or with any Ukrainian commercial bank or trust company having one of the two highest rating categories obtainable by Ukrainian banks from Moody's, Fitch or S&P;
(5) commercial paper having a rating at the time of the investment of at least "P-1" from Moody's or "A-1" from S&P (or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term debt obligations, an equivalent rating) and in each case maturing within one year after the date of acquisition; and'
(6) money market funds at least 95.0% of the assets of which constitute Cash Equivalents of the kinds described in paragraphs (1) through (5) of this definition.

"**Clearstream**" means Clearstream Banking, *société anonyme*, and its successors.

"**Change of Control**" means the occurrence of any of the following events:

(1) the Permitted Holders (taken together as a group) cease to own (directly or beneficially), or to have the power to vote or direct the voting of, Voting Stock representing more than 50% of the voting power of the total outstanding Voting Stock of the Parent Guarantor;
(2) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Parent Guarantor and the Restricted Subsidiaries taken as a whole to any Person (including any "person" or "group" (as such terms are used in Sections 13(d)(3) and 14(d)(3) of the Exchange Act)) other than a Permitted Holder;

(3) the adoption a plan of liquidation or dissolution the of Parent Guarantor or the Issuer, other than in a transaction which complies with the covenant described under "—Certain Covenants—Merger, Consolidation or Sale of Assets;" or

(4) the Parent Guarantor consummates any transaction (including, without limitation, any merger, consolidation, amalgamation or other combination) pursuant to which the Parent Guarantor's outstanding Voting Stock is converted into or exchanged for cash, securities or other property, other than any such transaction where the Voting Stock of the Parent Guarantor outstanding immediately prior to such transaction is converted into or exchanged for Voting Stock of the surviving or transferee Person constituting a majority of the outstanding shares of such Voting Stock of such surviving or transferee Person immediately after giving effect to such Issuance; or

(5) the Parent Guarantor ceases to own 100% of the Equity Interests of the Issuer.

"**Collateral**" means all collateral securing, or purporting to be securing, directly or indirectly, the Notes pursuant to the Security Documents, and shall initially consist of the collateral as set forth in "—Security."

"**Common Depositary**" means, with respect to the Notes issuable or issued in whole or in part in global form, [•], as a depositary common to Euroclear and Clearstream, including any and all successors thereto appointed as Common Depositary and having become such pursuant to the applicable provision(s) of the Indenture.

"**Consent Capital Expenditure**" means any Capital Expenditure consented to by the Holders of at least 25% of the aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class.

"**Consolidated Cash Flow**" means, for any period, (A) the Consolidated Net Income of such the Parent Guarantor plus (B) the following to the extent deducted in calculating such Consolidated Net Income (without duplication):

(1) all taxes (including deferred taxes and social charges on employee salaries) of the Parent Guarantor and the Restricted Subsidiaries paid or accrued as determined on a consolidated basis in accordance with IFRS for such period;

(2) Consolidated Interest Expense of the Parent Guarantor and the Restricted Subsidiaries;

(3) Consolidated Non-Cash Charges of the Parent Guarantor and the Restricted Subsidiaries less any non-cash items increasing Consolidated Net Income of the Parent Guarantor, in each case, for such period;

(4) any expenses or charges (other than depreciation or amortization expense) related to any equity offering, Permitted Investment, acquisition, disposition, recapitalization, listing or the incurrence of Indebtedness or issuances of Preferred Stock permitted to be incurred under the covenant described under "—Certain Covenants—Limitation on Indebtedness" (including refinancing thereof) whether or not successful, including (i) such fees, expenses or charges related to any incurrence of Indebtedness issuance and (ii) any amendment or other modification of any incurrence Indebtedness; and

(5) any minority interest expense consisting of income attributable to minority equity interests of third parties in such period or any prior period, except to the extent of dividends declared or paid on, or other cash payments in respect of Capital Stock held by such third parties.

Notwithstanding the foregoing, clauses (1) and (3) relating to amounts of a Restricted Subsidiary shall be added to Consolidated Net Income to compute Consolidated Cash Flow only to the extent (and in the same proportion) that the net income of such Restricted Subsidiary was included in calculating Consolidated Net Income and (other than with respect to a Subsidiary Guarantor) only to the extent that a corresponding amount would be permitted at the date of determination to be dividended or distributed, directly or indirectly, to the Parent Guarantor by such Restricted Subsidiary, without breaching or violating a restriction, directly or indirectly, applicable to such Restricted Subsidiary.

"**Consolidated Interest Expense**" means, with respect to the Parent Guarantor for any period, the sum (without duplication) of:

(1) the consolidated interest expense of the Parent and the Restricted Subsidiaries for such period, whether paid or accrued (including, without limitation, amortization of original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to Attributable Indebtedness, commissions, discounts and other fees and charges incurred in respect of a letter of credit or bankers' acceptance financings, and including amortization of debt issuance costs, the net costs under interest rate swap agreements, interest rate cap agreements, interest rate collar agreements and other agreements or arrangements with respect to interest rates;

(2) the product of (i) all dividends, whether paid or accrued and whether or not in cash, on any series of Preferred Stock of the Parent Guarantor or any Restricted Subsidiary, other than dividends on Equity Interests payable solely in Equity Interests of the Parent Guarantor (other than Disqualified Stock) or to the Parent Guarantor or a Restricted Subsidiary, times (ii) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined national, state and local statutory tax rate of such Person, expressed as a decimal, in each case, determined on a consolidated basis in accordance with IFRS;

(3) any interest on Indebtedness of another Person that is guaranteed by the Parent Guarantor or a Restricted Subsidiary or secured by a Lien on assets of the Parent Guarantor or a Restricted Subsidiary, whether or not such guarantee or Lien is called upon;

(4) net costs associated with Hedging Obligations; and

(5) any consolidated interest expense of the Parent Guarantor and the Restricted Subsidiaries that was capitalized during such period.

"**Consolidated Leverage Ratio**" means, with respect to the Parent Guarantor and on any Transaction Date, the ratio of (a) the outstanding Indebtedness of the Parent Guarantor and the Restricted Subsidiaries on a consolidated basis on such Transaction Date (but not giving effect to any Permitted Indebtedness to be incurred on such Transaction Date), to (b) the Consolidated Cash Flow of the Parent Guarantor and the Restricted Subsidiaries for the LTM Period and, for purposes of calculating Consolidated Cash Flow for such period, if, as of such date of determination:

(1) since the beginning of such period through such Transaction Date the Parent Guarantor or any Restricted Subsidiary has disposed of any company, any business, or any group of assets constituting an operating unit of a business (any such disposition, a "**Sale**") or if the transaction giving rise to the need to calculate the Consolidated Leverage Ratio is such a Sale, Consolidated Cash Flow for such period will be reduced by an amount equal to the Consolidated Cash Flow (if positive) attributable to the assets which are the subject of such Sale for such period or increased by an amount equal to the Consolidated Cash Flow (if negative) attributable thereto for such period;

(2) since the beginning of such period through such Transaction Date the Parent Guarantor or any Restricted Subsidiary (by merger or otherwise) has made an Investment in any Person that thereby becomes a Restricted Subsidiary, or otherwise has acquired any company, any business, or any group of assets constituting an operating unit of a business (any such Investment or acquisition, a "**Purchase**"), including any such Purchase occurring in connection with a transaction causing a calculation to be made hereunder, Consolidated Cash Flow for such period will be calculated after giving *pro forma* effect thereto as if such Purchase occurred on the first day of such period;

(3) since the beginning of such period through such Transaction Date any Person that became a Restricted Subsidiary or was merged or otherwise combined with or into the Parent Guarantor or any Restricted Subsidiary since the beginning of such period will have made any Sale or any Purchase that would have required an adjustment pursuant

to clause (1) or (2) of this definition if made by the Parent Guarantor or any Restricted Subsidiary since the beginning of such period, Consolidated Cash Flow for such period will be calculated after giving *pro forma* effect thereto as if such Sale or Purchase occurred on the first day of such period; and

(4) since the beginning of such period through such Transaction Date, the Parent Guarantor or any Restricted Subsidiary incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings), Consolidated Cash Flow will be calculated after giving *pro forma* effect to such incurrence, assumption, Guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness and the use of the proceeds therefrom as if the same occurred on the first day of such period.

For purposes of this definition, whenever *pro forma* effect is to be given to any transaction or calculation under this definition, the *pro forma* calculations shall be determined in good faith by the Chief Financial Officer of the Parent Guarantor on the basis of reasonable assumptions, *provided* that, in calculating "Consolidated Interest Expense" for purposes of the calculation of "Consolidated Leverage Ratio," interest determined on a fluctuating basis (including Indebtedness actually incurred on the date of the transaction giving rise to the need to calculate the Consolidated Leverage Ratio) and which will continue to be so determined thereafter shall be deemed to have accrued at a fixed rate per annum equal to the rate of interest on such Indebtedness as in effect on the Transaction Date.

"**Consolidated Net Income**" means, with respect to the Parent Guarantor for any period, the aggregate of the consolidated net profit (or loss) of the Parent Guarantor and the Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with IFRS; *provided* that there shall be excluded therefrom:

(1) any net gain (or loss) realized upon the sale or other disposition of any asset, disposed operations or abandonments or reserves relating thereto of the Parent Guarantor or any Restricted Subsidiaries including pursuant to any Sale and Leaseback Transaction) which is not sold or otherwise disposed of in the ordinary course of business;

(2) any extraordinary, exceptional, unusual or non-recurring gain, loss or charge;

(3) solely for purposes of determining compliance with the covenant described under "—Certain Covenants—Limitation on Restricted Payments," the net income of any Restricted Subsidiary to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that net income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its shareholders (other than (i) restrictions that have been waived or otherwise released, (ii) restrictions pursuant to the Notes or the Indenture, (iii) restrictions in effect on the Issue Date with respect to a Restricted Subsidiary and other restrictions with respect to such Restricted Subsidiary that taken as a whole are not materially less favorable to the holders of Notes than such restrictions in effect on the Issue Date and (iv) restrictions specified in clause (10) of the second paragraph of the covenant described under "—Certain Covenants—Limitation on Restrictions on Distributions from Restricted Subsidiaries"); *provided* that Consolidated Net Income will be increased by the amount of dividends or distributions or other payments actually paid in cash (or to the extent converted into cash) to the Parent Guarantor or a Restricted Subsidiary in respect of such period, to the extent not already included therein (*provided* that the Parent Guarantor's equity in a net loss of any such Restricted Subsidiary for such period shall be included in determining Consolidated Net Income);

(4) the net income or loss of any Person that is not a Restricted Subsidiary of the Parent Guarantor or that is accounted for by the equity method of accounting, except to the extent of the amount of dividends or distributions actually paid in cash by such Person to the Parent Guarantor or a Restricted Subsidiary;

(5) any restoration to income of any contingency reserve, except to the extent that provision for such reserve was made out of Consolidated Net Income accrued at any time following the Issue Date;
(6) non-cash gains or losses with respect to Hedging Obligations attributable to mark-to-market valuation of Hedging Obligations;
(7) any goodwill or other intangible asset impairment charge;
(8) any non-cash compensation charge arising from any grant of stock, stock options or other equity based awards; and
(9) the cumulative effect of a change in accounting principles during such period.

"**Consolidated Non-Cash Charges**" means, with respect to the Parent Guarantor for any period, the aggregate depreciation, amortization (including amortization of intangibles) and any other non-cash charges and expenses of the Parent Guarantor and the Restricted Subsidiaries for such period determined on a consolidated basis in accordance with IFRS (excluding any such charge that represents either an accrual of or a reserve for a cash expense in any future period or amortization of a prepaid cash expense that was paid in a prior period).

"**Consolidated Tangible Assets**" of the Parent Guarantor as of any date means the total assets of the Parent Guarantor and its Restricted Subsidiaries as of the end of the most recently ended fiscal six month period for which internal financial statements are available, minus intangible assets of the Parent Guarantor and its Restricted Subsidiaries reflected in such financial statements, all calculated on a consolidated basis in accordance with IFRS.

"**continuing**" means, with respect to any Default or Event of Default, that such Default or Event of Default has not been cured or waived.

"**Control**" shall have the meaning provided in the definition of "Affiliate" and "controlled" shall be construed accordingly.

"**Deed of Undertaking**" means a deed of undertaking entered into by the Company in favor of the holders dated [●].[4]

"**Default**" means an event or circumstance which, with the giving of notice or lapse of time, would constitute an Event of Default.

"**Deleveraging Transaction Indebtedness**" means the Indebtedness described in Appendix D (*Deleveraging Transaction Indebtedness*) to the Indenture.

"**Director's Certificate**" means, as applied to any Person, a certificate executed on behalf of such Person by a member of the Board of Directors of such Person (or, if such Person is the Issuer, two members of its Board of Directors); *provided* that every Director's Certificate with respect to the compliance with the Indenture shall include (a) a statement that each signer making or giving such Director's Certificate has read such condition requiring the Certificate and any definitions or other provisions contained in the Indenture relating thereto, (b) a statement that, in the opinion of such signer, he has made or has caused to be made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such condition has been complied with, and (c) a statement as to whether, in the opinion of such signer, such condition has been complied with.

"**Disinterested Director**" means, with respect to any transaction or series of related transactions, a member of the Parent Guarantor's Board of Directors who does not have any material direct or indirect financial interest in or with respect to such transaction or series of related transactions or is not an Affiliate, or an officer, director, or employee of any Person (other than the Parent Guarantor) who has any direct or indirect financial interest in or with respect to such transaction or series of related transactions.

"**Disqualified Stock**" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to

[4] This will relate to the post-bank restructuring modification undertaking.

a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to the date that is 91 days after the date on which the Notes mature; *provided* that any Capital Stock that would constitute Disqualified Stock solely because the holders thereof have the right to require the repurchase of such Capital Stock upon the occurrence of a change of control or an asset sale shall not constitute Disqualified Stock if the terms of such Capital Stock provide that any such Capital Stock may not be repurchased or redeemed pursuant to such provisions unless such repurchase or redemption complies with the covenant described under "—Certain Covenants—Limitation on Restricted Payments."

"**DTEK Holdings Ltd.**" means DTEK HOLDINGS LIMITED, a limited liability company organized under the laws of the Republic of Cyprus.

"**DTEK O&G Receivable**" (i) the USD 316 million 7% revolving credit facility due December 2023 among DTEK O&G, as obligor, and the Parent Guarantor, as lender (outstanding principal amount of USD 315,520,000.00); and (ii) the €160 million 7% revolving credit facility due December 2024 among DTEK O&G, as obligor, and the Parent Guarantor, as lender (outstanding principal amount of €79,652,135.75), in each case as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time in accordance with the provisions of the Indenture.

"**DTEK Trading Ltd.**" means DTEK TRADING LIMITED, a limited liability company organized under the laws of the Republic of Cyprus.

"**Essential Credit Facilities**" means (i) the EUR 9,921,598.68 Export Credit Facility Agreement dated 9 November 2011 between DTEK Holdings Ltd and the lender thereto, in an aggregate principal amount not to exceed EUR 9,921,598.68 (including any refinancings thereof), (ii) the USD 5,086,299.88 Facility Agreement dated 26 February 2013 between DTEK Holdings Ltd and the lender thereto, in an aggregate principal amount not to exceed USD 5,086,299.88 (including any refinancings thereof) and (iii) the UAH 800,000,000 Facility Agreement dated 4 September 2015 between DTEK Zakhidenergo PJSC and the lender thereto, in an aggregate principal amount not to exceed UAH 800,000,000 (including any refinancings thereof), in each case as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time (subject in each case to the limitations on aggregate principal amount of each such facility (including any replacements or refinancings thereof) set forth in this definition).

"**Equity Interests**" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"**Equity Offering**" means a public or private offering and sale of either (1) of Equity Interests of the Parent Guarantor by the Parent Guarantor (other than Disqualified Stock and other than to a Subsidiary of the Parent Guarantor) or (2) of Equity Interests of a direct or indirect parent entity of the Parent Guarantor (other than to the Parent Guarantor or a Subsidiary of the Parent Guarantor) to the extent that the net proceeds therefrom are contributed to the common equity capital of the Parent Guarantor.

"**European Union**" means the European Union, including the countries of Austria, Belgium, Denmark, France, Finland, Germany, Greece, Ireland, Italy, Luxembourg, The Netherlands, Portugal, Spain, Sweden and the United Kingdom but (unless explicitly stated herein) not including any country which became a member of the European Union after May 6, 2003.

"**Event of Default**" has the meaning ascribed thereto under the section entitled "—Events of Default."

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder;

"**Exchanged Credit Facilities Amounts**" means the principal amount of Indebtedness under Existing Credit Facilities that is exchanged for Notes.

"**Existing Credit Facilities**" means, as amended from time to time on or prior to November 16, 2016 and as in effect on November 17, 2016 (i) $25,605,236.5 facility agreement dated 2 April 2015 between DTEK HOLDINGS LIMITED (as borrower) and the lenders party thereto; (ii) $375,000,000 facility agreement dated 7 August 2013 between, among others, DTEK TRADING SA (as borrower) and the lenders party thereto; (iii) €416,000,000 facility agreement dated 5 October 2012 between, among others, DTEK HOLDINGS LIMITED (as borrower) and the lenders party thereto; (iv) €30,000,000 facility agreement dated 30 September 2011 between DTEK HOLDINGS LIMITED (as borrower) and the lenders party thereto; (v) RUB 10,000,000,000 facility agreement dated 28 September 2011 between, among others, DTEK HOLDINGS LIMITED (as borrower) and the lenders party thereto; (vi) $100,000,000 facility agreement dated 23 December 2013 between DTEK TRADING LLC, DTEK PAVLOGRADUGOL PrJSC, DTEK SKHIDENERGO LLC and the lenders party thereto; (vii) UAH 529,375,000 facility agreement dated 29 November 2012 between DTEK SKHIDENERGO LLC (as borrower) and the lenders party thereto; (viii) ISDA master agreement dated 19 December 2011 between Party A thereunder and DTEK Holdings Ltd as Party B and three cross currency swap transactions thereunder, evidenced separately by a confirmation dated 21 December 2011, a confirmation dated 18 January 2012 and a confirmation dated 31 January 2012 as amended by the Swap Amendment Agreement (as defined in the consent solicitation memorandum dated 17 June 2016) between DTEK Holdings Ltd and Party A thereunder; (ix) €13,845,115 termination agreement dated 2 July 2015 between DTEK INVESTMENTS LIMITED (as borrower) and the lenders party thereto; and (x) up to RUB 5,350,000,000 facility agreement (Facility A) dated 7 August 2013 between DTEK INVESTMENTS LIMITED (as borrower) and the lenders party thereto.

"**Existing Credit Facility Standstill Agreement**" means the standstill agreement dated September 21, 2016 between the Parent Guarantor and the lenders party thereto, as may be extended, as in effect on September 21, 2016.

"**Existing Guarantor Coverage Ratios**" means provisions of the Existing Credit Facilities requiring the provision of guarantees:

(i) to maintain specified guarantor coverage ratios, or

(ii) if any individual Person that is a member of the Group exceeds specified thresholds of revenue, assets or other metrics;

provided, that if any Restricted Subsidiary that is not a Subsidiary Guarantor is required to become a Subsidiary Guarantor under the provisions of the covenant described under "—Additional Guarantees," as a result of such Restricted Subsidiary representing greater than five percent (5%) but not greater than ten percent (10%) of the total consolidated assets, proportionate share of total assets or consolidated income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principle referred to in the definition of "Significant Subsidiary", then

(x) each such specified guarantor coverage ratio shall be deemed to be increased in proportion to the proportion of the Parent Guarantor's revenue, assets or other metric that is used for the calculation of such specified guarantor coverage ratio that is represented by such Restricted Subsidiary, and

(y) each such specified threshold shall be deemed to be decreased to one-half of the amount or percentage of such specified threshold.

"**Fair Market Value**" means, with respect to any property, asset or Investment, the fair market value of such property, asset or Investment at the time of the event requiring such determination, as determined in good faith by the senior management of the Parent Guarantor or of the relevant Subsidiary of the Parent Guarantor, as applicable, or, with respect to any property, asset or Investment in excess of $5.0 million (other than cash or Cash Equivalents), as determined in good faith by the Board of Directors of the Parent Guarantor.

"**Fitch**" means Fitch Ratings Inc.

"**Global Notes**" has the meaning ascribed thereto in the section entitled "—General."

"**Group**" means collectively the Parent Guarantor and its consolidated Subsidiaries from time to time, taken as a whole.

"**guarantee**" means a direct or indirect guarantee by any Person of any Indebtedness of any other Person and includes any obligation, direct or indirect, contingent or otherwise, of such Person (1) to purchase or pay (or advance or supply funds for the purchase or payment of) Indebtedness of such other Person (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services (unless such purchase arrangements are on arm's-length terms and are entered into in the ordinary course of business), to take-or-pay, or to maintain financial statement conditions or otherwise), or (2) entered into for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part); "guarantee," when used as a verb, and "guaranteed" have correlative meanings.

"**Hedging Obligations**" means, with respect to any Person, the obligations of such Person under:

(1) interest rate swap agreements, interest rate cap agreements, interest rate collar agreements and other agreements or arrangements with respect to interest rates;
(2) commodity swap agreements, commodity option agreements, forward contracts and other agreements or arrangements with respect to commodity prices; and
(3) foreign exchange contracts, currency swap agreements and other agreements or arrangements with respect to foreign currency exchange rates.

"**holder**" or "**Holder**" or "**Noteholder**" means the Person in whose name a Note is registered on the Registrar's books.

"**IFRS**" means International Financial Reporting Standards, as in effect from time to time, and which are consistent with the accounting principles and practices then applied by the Parent Guarantor, and any variation to such accounting principles and practices which is not material.

"**Incur**" has the meaning ascribed thereto in the covenant described above under "—Certain Covenants—Limitation on Indebtedness."

"**Indebtedness**" means, without duplication, with respect to any specified Person, any indebtedness of such Person, whether or not contingent (including, without limitation, guarantees):

(1) in respect of moneys borrowed or raised;
(2) evidenced by bonds, notes, debentures, loan stock or similar instruments or letters of credit (or reimbursement agreements in respect thereof), excluding letters of credit or similar instruments supporting (i) trade payables (including any financial liabilities that constitute restructured trade payables) or (ii) obligations funding the acquisition of equipment or other tangible assets, in each case in the ordinary course of business that are not overdue by 45 days or more or are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted;
(3) in respect of bankers' acceptances;
(4) in respect of the balance deferred and unpaid of the purchase price of any property, except any such balance that constitutes an accrued expense or trade payable (including any financial liabilities that constitute restructured trade payables);
(5) representing Capital Lease Obligations or Attributable Indebtedness;
(6) representing net obligations under Hedging Obligations (the amounts of any such obligations to be equal at any time to the termination value of such agreement or arrangement giving rise to such obligation that would be payable by such Person at such time);
(7) all Disqualified Stock of such Person valued at the greater of its voluntary maximum fixed repurchase price and involuntary maximum fixed repurchase price but excluding accrued dividends; and
(8) Preferred Stock of any Subsidiary of the Parent Guarantor, excluding accrued dividends;

if and to the extent any of the preceding items (other than letters of credit, Attributable Debt and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with IFRS and, in addition, the term "Indebtedness" of a specified Person includes all indebtedness of any other Person secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, any guarantee by the specified Person of any Indebtedness of any other Person, and the amount of any Indebtedness outstanding as of any date shall be the accreted value thereof, in the case of any Indebtedness issued with original issue discount and the principal amount thereof, in the case of any other Indebtedness; *provided* that for the avoidance of doubt the term "Indebtedness" does not include trade payables, current liabilities (other than short-term debt and the current portion of long-term debt), retirement benefit obligations or investment obligations pursuant to concession or long-term lease agreements entered into with respect to assets leased by the Group from the Ukrainian Government.

"**Independent Appraiser**" means any independent investment banking, accountancy or appraisal firm of internationally recognized standing or external audit firm of the Parent Guarantor selected by the Parent Guarantor in good faith, *provided* it is not an Affiliate of the Parent Guarantor.

"**Initial Subsidiary Guarantors**" means [DTEK Holdings Ltd., DTEK Trading Ltd., DTEK TRADING SA, DTEK INVESTMENTS LIMITED and each Initial Ukrainian Surety].

"**Initial Ukrainian Sureties**" means DTEK TRADING LLC, DTEK SKHIDENERGO LLC, DTEK PAVLOGRADUGOL PrJSC, DTEK MINE KOMSOMOLETS DONBASSA PrJSC, TEHREMPOSTAVKA LLC, DTEK POWER GRID LLC, DTEK ENERGY LLC, DTEK DOBROPOLYEUGOL LLC, DTEK ROVENKYANTHRACITE LLC, DTEK SVERDLOVANTHRACITE LLC, DTEK DNIPROENERGO PJSC, DTEK ZAKHIDENERGO PJSC, KYIVENERGO PJSC, DTEK ENERGOUGOL ENE PrJSC, and DTEK DNIPROOBLENERGO PJSC, each of the foregoing being organized under the laws of Ukraine (and each of the foregoing an "**Initial Ukrainian Surety**").

"**Investments**" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the form of (a) Equity Interests and the making of capital contributions, corporate bonds, promissory notes, commercial paper, certificates of deposit and other securities, the granting of loans and the making of advances (excluding commission, travel, housing, transportation and similar advances to officers and employees made in the ordinary course of business), the extension of credit (including, without limitation, commodity credits) and (e) the acquisition, as creditor, of any Indebtedness (including guarantees, indemnities or other like obligations), together with all items that are or would be classified as investments on a balance sheet prepared in accordance with IFRS. If (a) the Parent Guarantor or any Restricted Subsidiary sells or otherwise disposes of any Equity Interests of any Restricted Subsidiary of the Parent Guarantor or such Restricted Subsidiary issues any Equity Interests, in each case, such that, after giving effect to any such sale, disposition or issuance, as the case may be, such Person is no longer a Restricted Subsidiary, or (b) such Restricted Subsidiary for any other reason ceases to be a Restricted Subsidiary, the Parent Guarantor shall be deemed to have made an Investment on the date of any such sale, disposition, issuance or cessation, as the case may be, equal to the Fair Market Value of the Equity Interests of such Restricted Subsidiary held directly or indirectly by the Parent Guarantor (immediately following such sale, disposition, issuance or cessation, as the case may be). Except as otherwise provided in the Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"**Issue Date**" means the initial date on which Notes are issued pursuant to the Indenture.

"**Lien**" means any mortgage, charge, pledge, lien or other form of encumbrance or security interest.

"**LTM Period**" means, as of any Transaction Date, the most recently ended two consecutive six-month fiscal periods prior to such Transaction Date for which IFRS consolidated financial

statements have been provided to the Trustee in accordance with the covenant described under "— Reports to Holders."

"**Maturity Date**" means December 31, 2024.

"**Moody's**" means Moody's Investors Service, Inc.

"**Net Available Cash**" from an Asset Sale means cash payments received (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise, but only as and when received, but excluding any other consideration received in the form of assumption by the acquiring person of Indebtedness or other obligations relating to the properties or assets that are the subject of such Asset Sale or received in any other non-cash form) therefrom, in each case net of:

(1) all legal, accounting, investment banking, title and recording tax expenses, commissions and other fees and expenses incurred, and all Taxes paid or required to be paid or accrued as a liability under IFRS, as a consequence of such Asset Sale;
(2) all payments made on any Indebtedness which is secured by any assets subject to such Asset Sale, in accordance with the terms of such Indebtedness or any Lien upon such assets, or which must by its terms, or in order to obtain a necessary consent to such Asset Sale, or by applicable law, be repaid out of the proceeds from such Asset Sale;
(3) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures as a result of such Asset Sale; and
(4) the deduction of appropriate amounts required to be provided by the seller as a reserve or indemnification obligation, in accordance with IFRS, against any liabilities associated with the assets disposed of in such Asset Sale and retained by the Parent Guarantor or any Restricted Subsidiary after such Asset Sale.

"**Offering Memorandum**" means the final offering memorandum dated April 28, 2015, relating to the offer by the Issuer of its 10.375% Senior Notes due 2018.

"**Opinion of Counsel**" means a written opinion from legal counsel satisfactory to the Trustee. The counsel may be an employee of or external counsel to the Issuer.

"**Parent**," with respect to any Person, any direct or indirect parent entity of such Person.

"**Parent Guarantee**" means the Parent Guarantor's guarantee of the Issuer's obligations under the Indenture.

"**Parent Guarantor**" means DTEK ENERGY B.V., a company organized under the laws of The Netherlands.

"**Permitted Business**" means any business which is the same as any of the following businesses of the Parent Guarantor and Restricted Subsidiaries on the Issue Date: (i) coal mining and related coal exploration and development, (ii) heat and power generation, (iii) electricity transmission and distribution and (iv) any business related, ancillary or complementary to the foregoing.

"**Permitted Carry Forward Amounts**" for any fiscal year means the lesser of (x) the Business Plan Capital Expenditure for the immediately preceding fiscal year less the actual Capital Expenditure incurred in the immediately preceding fiscal year (other than any Additional Regulatory Capital Expenditure and any Consent Capital Expenditure) and (y) the amount of Permitted Carry Forward Capital Expenditure indicated below in UAH equivalent based on the average exchange rate for such fiscal year calculated using daily official exchange rates of the National Bank of Ukraine during that fiscal year (with such splits of UAH and USD being indicative).

For the fiscal year ending:	Permitted Carry Forward Capital Expenditure:
December 31, 2017	UAH 1,036.6 million, plus USD 37.4 million
December 31, 2018	UAH 1,655.3 million, plus USD 58.5 million
December 31, 2019	UAH 994.6 million, plus USD 34.8 million

December 31, 2020	UAH 949.0 million, plus USD 32.9 million
December 31, 2021	UAH 619.6 million, plus USD 21.3 million
December 31, 2022	UAH 820.6 million, plus USD 27.5 million
December 31, 2023	UAH 920.3 million, plus USD 30.0 million
December 31, 2024	UAH 1,030.9 million, plus USD 32.7 million

"**Permitted Holders**" means Mr. Rinat Akhmetov, Mrs. Liliya Akhmetova, any Affiliate of Mr. Rinat Akhmetov that is controlled, directly or indirectly, by Mr. Rinat Akhmetov and/or any Affiliate of Mrs. Liliya Akhmetova that is controlled, directly or indirectly, by Mrs. Liliya Akhmetova and (b) any Person acting in the capacity as an underwriter in connection with any public or private offering of the Parent Guarantor's or any of its Affiliates' Capital Stock. Any person or group whose acquisition of beneficial ownership constitutes a Change of Control in respect of which a Change of Control Offer is made in accordance with the requirements of the Indenture will thereafter, together with its or their Affiliates, constitute an additional Permitted Holder.

"**Permitted Investments**" means:

(1) any Investment in the Parent Guarantor or in a Restricted Subsidiary (including in any Equity Interests of a Restricted Subsidiary);
(2) any Investment in cash or in Cash Equivalents;
(3) any Investment by the Parent Guarantor or a Restricted Subsidiary in a Person if as a result of such Investment such Person becomes a Restricted Subsidiary or such Person, in one transaction or a series of substantially concurrent related transactions, is merged, consolidated or amalgamated with or into, transfers or conveys substantially all of its assets to, or is liquidated into, the Parent Guarantor or a Restricted Subsidiary;
(4) Investments in stock, obligations or securities received in settlement of debts created in the ordinary course of business and owing to the Parent Guarantor or any Restricted Subsidiary or in satisfaction of judgments or administrative or tribunal decisions or pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of a debtor;
(5) Investments in receivables owing to the Parent Guarantor or any Restricted Subsidiary, if created or acquired in the ordinary course of business;
(6) Investments represented by Hedging Obligations that are incurred for the purpose of fixing, hedging, swapping or managing interest rate, commodity price or foreign currency exchange rate risk, and not for speculative purposes;
(7) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made in compliance with the covenant described under "—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock;"
(8) any purchases or repurchases of Notes;
(9) advances, loans or extensions of credit to suppliers in the ordinary course of business;
(10) Investments received in satisfaction of judgments;
(11) extensions of credit in the nature of accounts receivable or notes receivable arising in the sale or lease of goods in the ordinary course of business;
(12) any guarantee of Indebtedness permitted to be incurred by the covenant described under "—Certain Covenants—Limitation on Indebtedness;" and
(13) any Investment or cash payment in an amount not to exceed $4.0 million in the aggregate in any calendar month (when taken together with all other Investments made pursuant to this clause (13) in such calendar month); and
(14) Investments acquired after the Issue Date as a result of the acquisition by the Parent Guarantor or any Restricted Subsidiary of another Person, including by way of a merger, amalgamation or consolidation with or into any member of the Group in a transaction that is not prohibited by Article 5 after the Issue Date; provided that such Investments were not made in contemplation of such acquisition, merger,

amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation.

"**Permitted Lien**" means:

(1) any Lien in respect of Indebtedness created by a Person prior to it becoming a Subsidiary of the Parent Guarantor or a Restricted Subsidiary, provided that such Lien was not created in contemplation thereof or in connection therewith;

(2) any Lien on property (including Capital Stock) existing at the time of acquisition of such property by the Parent Guarantor or any Restricted Subsidiary, provided that such Lien was not created in contemplation of such acquisition or in connection therewith;

(3) any Lien in favor of the Parent Guarantor or any Restricted Subsidiary;

(4) any Lien created to secure liabilities under letters of credit or bank guarantees issued in connection with the acquisition and disposal of inventory, stock in trade, goods, services and other current assets (and, in each case, the proceeds thereof) in the ordinary course of business;

(5) any Lien in respect of Hedging Obligations that are incurred under clause (5) of the second paragraph of the covenant described under "—Certain Covenants—Limitation on Indebtedness" for the purpose of fixing, hedging or swapping interest rate, commodity price or foreign currency exchange rate risk, and not for speculative purposes, and that do not increase the Indebtedness of the obligor outstanding at any time other than as a result of fluctuations in interest rates, commodity prices or foreign currency exchange rates or by reason of fees, indemnities and compensation payable thereunder;

(6) any Lien arising in the ordinary course of banking transactions (including, without limitation, sale and repurchase transactions and share, loan and bond lending transactions), *provided* that the Lien is limited to the assets which are the subject of the relevant transaction, and any netting or set-off arrangements entered into by the Parent Guarantor or any Restricted Subsidiary for the purpose of netting debit and credit balances;

(7) any Lien in existence on the Issue Date;

(8) judgment or attachment liens against the Parent Guarantor or any Restricted Subsidiary not giving rise to an Event of Default;

(9) any Lien securing Permitted Refinancing Indebtedness, *provided* such Lien shall be limited to (a) all or part of the same property and assets that secured the Indebtedness being refinanced or (b) property and assets having an aggregate book value less than or equal to the property and assets which originally secured the Indebtedness being refinanced;

(10) any Lien for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; provided that any reserve or other appropriate provision as is required in conformity with IFRS has been made therefor;

(11) any Lien imposed by law, such as carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business;

(12) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(13) any Lien on insurance policies and proceeds thereof, or other deposits, to secure insurance premium financings;

(14) any Lien on cash, Cash Equivalents or other property or assets used to defease or to satisfy and discharge Indebtedness; provided that such defeasance or satisfaction and discharge is not prohibited by the Indenture;

(15) any Lien to secure the performance of statutory obligations, insurance, surety or appeal bonds, workers compensation obligations, performance bonds or other obligations of a like nature incurred in the ordinary course of business (including Liens to secure letters of credit issued to assure payment of such obligations);

(16) any encumbrance or restriction with respect to Capital Stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

(17) any extension, renewal or replacement in whole or in part of any Lien referred to in the foregoing paragraphs (1) through (16), inclusive, provided, however, that (i) the principal amount of Indebtedness secured thereby shall not exceed the principal amount of Indebtedness so secured at the time immediately preceding the time of such extension, renewal or replacement, and (ii) such extension, renewal or replacement shall be limited to all or a part of the assets which were covered by the Lien so extended, renewed or replaced;

(18) any Lien securing Indebtedness under clauses (10) or (11) of the second paragraph of the covenant described under "—Certain Covenants—Limitation on Indebtedness"; *provided* that, the aggregate book value of the assets (as reflected in the audited consolidated balance sheet for the Parent Guarantor as of the end of the most recent fiscal year or, if any such assets have been acquired since the date of such balance sheet, the cost of such acquired assets) subject to Liens incurred or existing pursuant to this clause (18) does not in the aggregate exceed 200.0% of the aggregate principal amount of Indebtedness secured by such Liens;

(19) any Lien securing Indebtedness under clause (9) of the second paragraph of the covenant described under "—Certain Covenants—Limitation on Indebtedness";

(20) any Liens securing Indebtedness under the Restructured Credit Facilities on "cash sweep" deposit accounts into which the Parent Guarantor and any Restricted Subsidiary may be required to deposit excess cash under the terms of the Restructured Credit Facilities; and

(21) Liens under the Security Documents securing the Notes and the Notes Guarantees;

provided that with respect to the Collateral, Permitted Liens shall mean Liens described in clauses (6), (8), (10), and (11).

"**Permitted Refinancing Indebtedness**" means any Indebtedness of the Parent Guarantor or any Restricted Subsidiary issued in exchange for, or the net proceeds of which are used to renew, refund, extend, refinance, replace, defease or discharge other Indebtedness of the Parent Guarantor or any of its Subsidiaries (other than intercompany Indebtedness); *provided* that:

(1) the principal amount (or accreted value) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness extended, refinanced, renewed, replaced, defeased, refunded or discharged (plus all accrued interest on the Indebtedness and the amount of all expenses and premiums incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has (a) a final maturity date equal to or later than (i) the final maturity date of the Indebtedness being extended, refinanced, renewed, replaced, defeased, refunded or discharged or (ii) 91 days after the maturity date of the Notes and (b) a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being extended, refinanced, renewed, replaced, defeased, refunded or discharged;

(3) if the Indebtedness being extended, refinanced, renewed, replaced, defeased, refunded or discharged is subordinated in right of payment to the Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Notes on terms at least as favorable to the holders of Notes as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; and

(4) if the Indebtedness being extended, refinanced, renewed, replaced, defeased, refunded or discharged is Indebtedness of the Issuer or a Guarantor, such Permitted Refinancing Indebtedness is incurred only by the Issuer or a Guarantor.

"**Person**" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity.

"**Preferred Stock**" of any Person means any Capital Stock of such Person that has preferential rights in relation to any other Capital Stock of such Person with respect to dividends or redemptions or upon liquidation.

"**Responsible Officer**," when used with respect to the Trustee, means any vice president, assistant vice president, senior trust officer, trust officer or any other officer within the Corporate Trust department of the Trustee (or any successor group of the Trustee) or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers, and when used with respect to a particular corporate trust matter, also means, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject, and, in each case, who shall have direct responsibility for the administration of the Indenture.

"**Restricted Investment**" means any Investment other than a Permitted Investment.

"**Restricted Payment Conditions**" means, at the time of such Restricted Payment, (a) after giving *pro forma* effect to such Restricted Payment as if such Restricted Payment had been made at the beginning of the most recently ended LTM Period prior to the date of such Restricted Payment, the Consolidated Leverage Ratio would not be greater than 1.5 to 1.0, (b) after giving *pro forma* effect to such Restricted Payment, Available Cash would be greater than $110.0 million, (c) (x) the Existing Credit Facilities have been exchanged, or renewed, refunded, refinanced, replaced, defeased or discharged, in full and (y) Restructured Credit Facilities have been repaid (and commitments thereunder terminated, if applicable) in an amount equal to or greater than 50% of the sum of (i) the aggregate principal amount of Indebtedness funded under Restructured Credit Facilities plus (ii) the Exchanged Credit Facilities Amounts and (d) the average trading price of the Notes as quoted by Bloomberg Finance LP has been at least 93.0% of the par value (including, for the avoidance of doubt, capitalized interest) of the Notes on 75% of the 90 calendar days immediately preceding the date of such Restricted Payment.

"**Restricted Payments**" has the meaning ascribed thereto in the covenant described under "—Certain Covenants—Limitation on Restricted Payments."

"**Restricted Subsidiary**" means any Subsidiary of the Parent Guarantor other than an Unrestricted Subsidiary.

"**Restructured Credit Facilities**" means any Permitted Refinancing Indebtedness (other than Additional Notes) issued in exchange for, or the net proceeds of which are used to renew, refund, extend, refinance, replace, defease or discharge, the Existing Credit Facilities, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time.

"**S&P**" means Standard & Poor's, a division of The McGraw-Hill Companies, Inc. and any successor thereto.

"**Sale and Leaseback Transaction**" means any arrangement relating to property owned or hereafter acquired by the Parent Guarantor or any Restricted Subsidiary whereby the Parent Guarantor or such Restricted Subsidiary transfers such property to a Person and the Parent Guarantor or any Restricted Subsidiary leases such asset from such Person.

"**Securities Act**" means the U.S. Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

"**Security Documents**" means, collectively, the pledge or charge agreements and any other agreements or instruments that, including the Indenture, may evidence or create any security interest in favor of the Trustee, the Security Agent and/or any holders in any or all of the Collateral.

"**Significant Subsidiary**" means any Restricted Subsidiary which meets any of the following conditions:

(1) the Parent Guarantor and the Restricted Subsidiaries' investments in and advances to such Subsidiary exceed five percent (5%) of the total consolidated assets of the Parent Guarantor and the Restricted Subsidiaries as of the end of the most recently completed financial year; or the Parent Guarantor and the Restricted Subsidiaries' proportionate share of the total assets (after intercompany eliminations) of such Restricted Subsidiary exceeds five percent (5%) of the total consolidated assets of the Parent Guarantor and the Restricted Subsidiaries as of the end of the most recently completed financial year; or

(2) the Parent Guarantor and the Restricted Subsidiaries' equity in the consolidated income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principle of such Restricted Subsidiary exceeds five percent (5%) of such consolidated income of the Parent Guarantor and the Restricted Subsidiaries for the most recently completed financial year.

"**Stated Maturity**" means, with respect to any installment of interest or principal on any Indebtedness, the date on which such payment of interest or principal was scheduled to be paid in the original documentation governing such Indebtedness, and shall not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for payment thereof.

"**Subordinated Indebtedness**" means any Indebtedness of the Issuer or any Guarantor that is subordinate or junior in right of payment to the Notes or the relevant Notes Guarantee, as the case may be, pursuant to a written agreement.

"**Subsidiary**" means:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or Trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership or limited liability company of which (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and 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 (b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"**Transaction Date**" means, with respect to any incurrence of Indebtedness by any Person, the date such Indebtedness is to be incurred.

"**Ukrainian Government**" means the official government of Ukraine.

"**Unrestricted Subsidiary**" means any Subsidiary of the Parent Guarantor and its direct or indirect Subsidiaries that is designated at any time by the Board of Directors of the Parent Guarantor as an Unrestricted Subsidiary, but only if such designation and the related Investment of the Parent Guarantor in such Subsidiary complies with the limitations of the covenant described under "—Certain Covenants—Limitation on Restricted Payments," and if:

(1) no Default or Event of Default will have occurred and be continuing or would otherwise result therefrom;

(2) after giving effect to such designation, the Consolidated Leverage Ratio would not be greater than 3.0 to 1.0;

(3) all the Indebtedness of such Subsidiary and its Subsidiaries shall, at the date of designation and at all times thereafter, consist of non-recourse debt to the Parent Guarantor or any Restricted Subsidiary (other than recourse to the Equity Interests of an Unrestricted Subsidiary);

(4) neither such Subsidiary nor any of its Subsidiaries are party to any agreement, contract, arrangement or understanding with the Parent Guarantor, the Issuer or any Restricted Subsidiary unless the terms of any such agreement, contract, arrangement or understanding (a) are no less favorable to the Parent Guarantor or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Parent Guarantor or (b) are (or at the time of entering into the contract, agreement, arrangement, understanding or obligation would have been) otherwise permitted under the covenant described under "—Certain Covenants—Limitation on Affiliate Transactions;"

(5) each of such Subsidiary and its Subsidiaries is a Person with respect to which neither the Parent Guarantor nor any Restricted Subsidiary has any direct or indirect obligation (A) to subscribe for additional Equity Interests of such Person or (B) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results;

(6) neither such Subsidiary nor any of its Subsidiaries owns any Equity Interests or Indebtedness of, or has any Investment in or owns or holds any Lien on any property of, the Parent Guarantor or any other Subsidiary of the Parent Guarantor which is not a Subsidiary of the Subsidiary to be so designated or otherwise an Unrestricted Subsidiary; and

(7) such designation is consented to by the Holders of at least 90% of the aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes).

"**U.S. dollar equivalent**" means, with respect to any monetary amount in a currency other than the U.S. dollar, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the spot rate for the purchase of U.S. dollars with the applicable foreign currency as quoted by Reuters at approximately 11:00 a.m. (New York time) on the date not more than two Business Days prior to the date of the determination.

"**U.S. dollars**," "**USD**," "**$**" or "**dollars**" means such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

"**U.S. Government Obligations**" means direct non-callable obligations of, or guaranteed by, the United States of America for the payment of which guarantee or obligations the full faith and credit of the United States is pledged.

"**Voting Stock**" of any person means the Capital Stock of such Person that is ordinarily entitled to vote in the election of the Board of Directors of such Person.

"**Weighted Average Life to Maturity**" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal,

including payment at final maturity, in respect of the Indebtedness, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the date of the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

ANNEX C – GROUP STRUCTURE CHART