

**THIS EXPLANATORY STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE
ATTENTION.**

This Explanatory Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities. None of the securities referred to in this Explanatory Statement may be sold, issued or transferred in any jurisdiction in contravention of applicable law. The securities proposed to be issued pursuant to the Scheme will not be registered with the U.S. Securities and Exchange Commission (“SEC”) under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or the securities law of any state or other jurisdiction, and are being transferred and delivered in reliance upon certain exemptions from the registration requirements of the Securities Act.

EXPLANATORY STATEMENT IN RELATION TO A SCHEME OF ARRANGEMENT

BETWEEN

DIGICEL GROUP HOLDINGS LIMITED

AND

THE DGHL SCHEME CREDITORS

(AS DEFINED IN THIS EXPLANATORY STATEMENT)

IN THE SUPREME COURT OF BERMUDA
UNDER SECTION 99 OF THE COMPANIES ACT 1981

DATE: 25 August 2023

THIS EXPLANATORY STATEMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 99 AND SECTION 100(1)(a) OF THE COMPANIES ACT 1981 OF BERMUDA (this “**Explanatory Statement**”).¹ It is being sent to persons who are believed to be holders of the Existing Notes as of the date of this Explanatory Statement. If you have assigned, sold, or otherwise transferred, or assign, sell or otherwise transfer, any part of your interest in the Existing Notes, 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, such interest.

The Bermuda Court has ordered that the Company be at liberty to convene Scheme Meetings of two classes of DGHL Scheme Creditors for the purposes of voting on the Scheme. The Record Date for the Scheme will be 4:00 p.m. (New York time) on 28 August 2023. The Scheme Meetings for DGHL Scheme Creditors to consider and vote on the Scheme will take place consecutively. The first meeting, for the DGHL Unsecured Noteholders will be held at 5:00 p.m. (Bermuda time) / 4:00 p.m. (New York time) on 25 September 2023. A second meeting for the DGHL Subordinated Noteholders to consider and vote on the Scheme will be held at 5.30 p.m. (Bermuda time) / 4.30 p.m. (New York time) on 25 September 2023. The Scheme Meetings will be held at: [450 Lexington Ave, New York, NY 10017. The notice convening the Scheme Meetings is set out at Appendix 3 (*Notices of Scheme Meetings*) to this Explanatory Statement. Instructions about actions to be taken by all DGHL Scheme Creditors preceding the Scheme Meetings are set out at Appendix 2 (*Ballot Package*) to this Explanatory Statement and in the section entitled *Summary of Actions to Be Taken by All DGHL Scheme Creditors* of this Explanatory Statement.

If you are a DGHL Noteholder as of the Record Date, you are requested to ensure that you: (i) validly complete and submit a Ballot, which is included in the Instruction Packet, in accordance with the instructions therein as soon as possible, whether or not you intend to attend the Scheme Meetings; (ii) make a New Notes Election via DTC’s automated tender offer program (ATOP) or the Deposit or Withdrawal at

¹ 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*) to this Explanatory Statement.

Custodian process (DWAC) and complete the Registration Form included with the New Notes Election, in each case by no later than the Notes Election Deadline.

Notwithstanding the foregoing, in the event that you do not validly complete and/or submit a Ballot, provided that you are a DGHL Noteholder as of the Record Date you will still have the right to attend the relevant Scheme Meeting(s) in person and vote on the Scheme subject to presentation/submission of the documents/evidence described in Appendix 3 (*Notice of Scheme Meetings*) at least four hours prior to scheduled time of the relevant Scheme Meeting.

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 (as amended, “FSMA”) or by an appropriate regulatory body, or from another appropriately authorised independent advisor if you are in a territory outside the United Kingdom.

Further copies of this Explanatory Statement are available to DGHL Scheme Creditors and can be obtained on the Scheme Website (at <https://dm.epiq11.com/digicelgroup>) or by contacting the Information Agent via email to tabulation@epiqglobal.com.

Further important information is set out under the sections entitled *Important Notice* and *Important Securities Law Notice* on pages 4 to 11 (inclusive) of this Explanatory Statement.

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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*) to 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.

Information

This Explanatory Statement has been prepared by the Company in connection with a scheme of arrangement under Section 99 of the Bermuda Companies Act, being a scheme between the Company and the DGHL Scheme Creditors, and has been prepared solely for the purpose of providing information to DGHL Scheme Creditors in relation to the Scheme.

Nothing in this Explanatory Statement or any other document issued with or set out within it should be relied on for any purpose other than for DGHL Scheme Creditors to make a decision on the Scheme, and DGHL 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 interest in the Existing 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 DGHL Scheme Creditor. The failure to distribute this Explanatory Statement to any DGHL Scheme Creditor shall not constitute an admission or assertion by the Company that such person is not a DGHL Scheme Creditor.

No person has been authorised by the Company, Epiq Corporate Restructuring, LLC in its capacity as Information Agent, Wilmington Trust, National Association, in its capacities as Existing Notes Trustee, GLAS Trust Corporation Limited in its capacity as Security Agent or Global Loan Agency Services Limited in its capacities as New Notes Paying Agent, New Notes Registrar, Cash Manager or GLAS Trustees Limited in its capacities as New Notes Agent and Holding Period Trustee to give any information or make any representations concerning the Scheme (including concerning the Company or any other member of the Group) 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 by the Company based upon information available to the Company on or before the Latest Practicable Date. 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, and without limiting any of the DGHL Scheme Creditors' rights to timely information regarding any changes to the scheduling set out herein, 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 DGHL Scheme Creditors to make an informed decision about the effect of the Scheme on them.

None of the DGHL Scheme Creditors, the Ad Hoc Groups or their respective 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.

In making a decision in respect of the Scheme, each DGHL 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 Advisors to the Company or the Ad Hoc Groups has verified that the information contained in this Explanatory Statement is in accordance with the 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 DGHL Scheme Creditor, by its receipt of any DGHL Scheme Consideration pursuant to the Scheme acknowledges that it has:

- (a) not relied on: (i) Epiq Corporate Restructuring, LLC in its capacity as Information Agent or Wilmington Trust, National Association in its capacities as either Existing Notes Trustee, GLAS Trust Corporation Limited in its capacities as Security Agent, GLAS Trustees Limited in its capacity as New Notes Agent and Holding Period Trustee, or Global Loan Agency Services Limited in its capacity as New Notes Paying Agent, New Notes Registrar and Cash Manager; (ii) any person affiliated with the Information Agent, the Existing Notes Trustee, the New Notes Agent, the Holding Period Trustee, the New Notes Paying Agent, the New Notes Registrar, the Cash Manager or the Security Agent; or (iii) any of the Company's Advisors or the Ad Hoc Groups or the Ad Hoc Groups' Advisors in connection with any investigation of the accuracy of any information contained in this Explanatory Statement or its investment decision (including any decision in connection with the Scheme); and
- (b) 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 or 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 Personnel 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 other member of the Group (as applicable) has been advised of the possibility of such damages.

None of the Existing Notes Trustee, GLAS Trust Corporation Limited in its capacity as Security Agent, Global Loan Agency Services Limited in its capacities as New Notes Paying Agent, New Notes Registrar, Cash Manager or GLAS Trustees Limited in its capacity as New Notes Agent and Holding Period Trustee or any person affiliated with the Information Agent, the Existing Notes Trustee, the New Notes Agent, the Holding Period Trustee, the New Notes Paying Agent, the New Notes Registrar, the Cash Manager or the Security Agent has been involved in the negotiation of the commercial terms of the Scheme or has independently verified the statements and information contained in this document and no such party makes any representation or warranty, express or implied, or assumes any responsibility, as to the accuracy or adequacy of their contents.

Tax

In view of the number of different jurisdictions where tax laws may apply to DGHL Scheme Creditors, this Explanatory Statement does not discuss the tax consequences for DGHL Scheme Creditors arising from the implementation of the Scheme other than certain limited information contained herein. DGHL Scheme Creditors are liable for their own taxes and have no recourse to the Company, the Information Agent, the Existing Notes Trustee, the New Notes Agent, the Holding Period Trustee, the New Notes Paying Agent, the New Notes Registrar, the Cash Manager, the Security Agent or any other entity or person named in this Explanatory Statement with respect to taxes arising in connection with the Scheme.

DGHL Scheme Creditors who are in any doubt as to the effect of 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.

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 Information Agent or any person who controls, or is Personnel or an 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 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 any part of your interest in the Existing Notes 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 delivered to you.

Restrictions

The distribution of this Explanatory Statement and the offer or sale of the Scheme Consideration 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 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.

Summary Only

The summary of the principal provisions of the Scheme or of any other Restructuring Document contained in this Explanatory Statement is qualified in its entirety by reference to the full text of the Scheme or the relevant document appended hereto (as the case may be). Each DGHM Scheme Creditor is advised to read and consider carefully the full text of the Scheme and the Restructuring Documents appended hereto. This Explanatory Statement has been prepared solely to assist DGHM 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 OR ANY RESTRUCTURING DOCUMENT APPENDED HERETO, THE TERMS OF THE SCHEME AND/OR THE RELEVANT RESTRUCTURING DOCUMENT (AS APPLICABLE) SHALL PREVAIL.

Prospectus

This Explanatory Statement is not a prospectus within the meaning of Article 5.3 of the Prospectus Regulation, or a prospectus equivalent document.

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, or any member of the Group, except where otherwise specifically stated.

This Explanatory Statement contains various forward-looking statements that reflect management's current views with respect to future events and anticipated financial and operational performance. The words "expect," "estimate," "believe," "project," "anticipate," "should," "intend," "probability," "risk," "may," "target," "goal," "objective" and similar expressions or variations on such expressions are considered forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. These statements appear in a number of places throughout the document. These statements concern, among other things:

- strategies, outlooks and growth prospects;
- new products and services;
- future plans and potential for future growth;

- trends affecting the Group's financial condition or results of operations;
- liquidity, capital resources and capital expenditure;
- growth in demand for the Group's services;
- economic outlook and industry trends;
- development of the Group's markets;
- the impact of regulatory initiatives and the supervision and regulation of the telecommunications markets in general;
- political instability in the markets in which the Group operates;
- operating risks, including natural disasters;
- outbreaks of disease, such as the COVID-19 pandemic;
- possible renewal of licenses;
- competition in areas of the Group's business; and
- plans to launch new networks, products and services.

Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties; actual results may differ materially as a result of various factors. These factors include, but are not limited to:

- general economic conditions, the fluctuations or devaluations of local currencies, government and regulatory policies and business conditions in the markets served by the Group and in markets in which the Group seeks to establish operations;
- telecommunications usage levels, including traffic and customer growth;
- competitive forces, including price pressures, technological developments and the Group's ability to retain market share in the face of competition from existing and new market entrants;
- disruption of supplies and services from principal suppliers;
- regulatory developments and changes, including with respect to the level of tariffs, the terms of interconnection, customer access and international settlement arrangements and the outcome of litigation related to regulation and regulatory processes generally;
- the success of business, operating and financial initiatives, the level and timing of the growth and profitability of new initiatives, start-up costs associated with entering new markets and launching new services, subscriber acquisition costs, costs of handsets and other equipment, the successful deployment of new systems and applications to support new initiatives and local conditions;
- the availability, terms and use of capital, the impact of regulatory and competitive developments on capital outlays, the ability to achieve cost savings and realize productivity improvements, and the success of the Group's investments, ventures and alliances;
- The Group's ability to complete the transactions contemplated by the Scheme and described in this Explanatory Statement; and
- other factors discussed under "Risk Factors."

DGHL Scheme Creditors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the Latest Practicable Date, as actual results could differ. The Company undertakes no obligation

to release publicly the result of any revisions to these forward-looking statements which may be made to reflect events or circumstances after the date hereof, including, without limitation, changes in its business or acquisition strategy or planned capital expenditures, or to reflect the occurrence of unanticipated events.

Risk factors

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

Legal, tax and financial advice

DGHL 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. DGHL Scheme Creditors are recommended to consult their own professional advisors as to legal, tax, financial or other matters relevant to the action DGHL Scheme Creditors should take in relation to the Scheme, or the implications/consequences of those actions.

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

IMPORTANT SECURITIES LAW NOTICE

THIS EXPLANATORY STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITY IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

NONE OF THE SECURITIES REFERRED TO IN THIS EXPLANATORY STATEMENT SHALL BE SOLD, ISSUED OR TRANSFERRED IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW.

General

The distribution of this Explanatory Statement and the offering, sale or delivery of the DGHL Scheme Consideration are subject to restrictions and may not be made except pursuant to registration with or authorisation by the relevant securities regulatory authorities or an exemption therefrom. Therefore, persons who may come into possession of this Explanatory Statement are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Explanatory Statement may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

No action has been or will be taken in any jurisdiction by the Company that would or is intended to permit a public offering, or any other offering under circumstances not permitted by applicable law, of the DGHL Scheme Consideration. Persons into whose hands this Explanatory Statement comes are required by the Company to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver DGHL Scheme Consideration or have in their possession, distribute or publish this Explanatory Statement or any other materials relating to the DGHL Scheme Consideration, in all cases at their own expense.

DGHL Scheme Creditors should consult their own legal, financial and tax advisors with respect to the legal, financial and tax consequences of the Scheme in their particular circumstances.

U.S. Securities Law Considerations

None of the DGHL Scheme Consideration has been or will be registered under the Securities Act or the securities laws of any state of the United States or any other jurisdiction, and the DGHL Scheme Consideration may not be offered or sold within the United States or to any U.S. Persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable laws of other jurisdictions.

The DGHL Scheme Consideration will be issued in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 4(a)(2) thereof and/or Regulation S promulgated thereunder. No public offering of such securities will be made in the United States and the Company has not undertaken to register the DGHL Scheme Consideration under the Securities Act or any state securities laws. 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.

None of the DGHL Scheme Consideration will be listed on a U.S. securities exchange or with any inter-dealer quotation system in the United States. The Company does not intend to take action to facilitate a market in any of the DGHL Scheme Consideration in the United States. Consequently, the Company believes that it is unlikely that an active trading market in the United States will develop for any such securities.

Neither the SEC nor any U.S. federal state or other securities commission or regulatory authority has registered, approved or disapproved any of the DGHL Scheme Consideration or passed upon the accuracy or adequacy of this Explanatory Statement. Any representation to the contrary is a criminal offence in the United States.

Securities Law Considerations for Certain Other Jurisdictions

European Economic Area

The DGHL Scheme Consideration is not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”) or the United Kingdom (the “UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, the “MiFID II”); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “Prospectus Regulation”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Scheme Consideration or otherwise making it available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the DGHL Scheme Consideration or otherwise making it available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation. This Explanatory Statement has been prepared on the basis that any offer of the DGHL Scheme Consideration in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of the DGHL Scheme Consideration. This Explanatory Statement is not a prospectus for the purposes of the Prospectus Regulation.

References to Regulations or Directives include, in relation to the UK, those Regulations or Directives as they form part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 or have been implemented in UK domestic law, as appropriate.

The above selling restriction is in addition to any other selling restrictions set out below.

United Kingdom

This Explanatory Statement has not been approved by an authorised person for the purposes of Section 21 of the FSMA. Accordingly, this Explanatory Statement is not being distributed to, and must not be passed on to, the general public in the UK. This Explanatory Statement is for distribution only to persons who: (i) have professional experience in matters relating to investments and who qualify as investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Financial Promotion Order”); (ii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc.”) of the Financial Promotion Order; (iii) are outside the UK; or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of FSMA) 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”). This Explanatory Statement is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this document relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

Bermuda

The DGHL Scheme Consideration may not be marketed, offered or sold directly or indirectly to the public in Bermuda except in accordance with Bermuda law, and neither this Explanatory Statement, which is not subject to and has not received approval from either the Bermuda Monetary Authority or the Bermuda Registrar of Companies, and no statement to the contrary, explicit or implicit, is authorised to be made in this regard, nor any offering material or information contained herein relating to the DGHL Scheme Consideration, may be supplied to the public in Bermuda or used in connection with any offer for the subscription or sale of DGHL Scheme Consideration to the public in Bermuda except in accordance with Bermuda law.

Canada

The DGHL Scheme Consideration may be offered or sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or Subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the DGHL Scheme Consideration must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Explanatory Statement (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the

time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to Section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this Explanatory Statement.

CERTAIN TAX CONSIDERATIONS

Material Bermuda Tax Considerations

As at the date of this Explanatory Statement, there is no Bermuda income or profits tax, withholding tax, capital gains tax, capital transfer tax, estate duty or inheritance tax payable by DGHL or the New Noteholders in respect of the New Notes.

U.S. Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax considerations of the implementation of the Scheme and ownership of the New Notes to U.S. Holders (as defined below) of Existing Notes in the Exchanges. This summary is based upon the provisions of the United States Internal Revenue Code of 1986, as amended (the “Code”), U.S. Treasury regulations promulgated thereunder, administrative rulings and pronouncements and judicial decisions, all as in effect on the date of this Explanatory Statement and all of which are subject to change or differing interpretations, possibly with retroactive effect, so as to result in U.S. federal income tax consequences different from those set forth below.

This summary does not address any tax considerations arising under the laws of any non-U.S., state or local jurisdiction or the potential application of the U.S. federal estate, gift or alternative minimum tax or the Medicare tax on investment income. This summary assumes that a U.S. Holder holds its Existing Notes as “capital assets” (within the meaning of section 1221 of the Code). Except with respect to the New Notes and Existing Subordinated Notes as discussed below, this summary also assumes that the various debt and other arrangements to which the Company is a party will be respected for U.S. federal income tax purposes in accordance with their form. This summary also does not address the U.S. federal income tax consequences to (i) any U.S. Holder that holds more than one series of Existing Notes, Existing DL Notes, Existing DIFL Term Loans, Existing DIFL Secured Notes, Existing DIFL Unsecured Notes or Existing DIFL Subordinated Notes, (ii) any U.S. Holder of Existing Notes that acts or receives consideration in a capacity different than any other U.S. Holder of the same series of Existing Notes or (iii) any Ineligible Recipient. The U.S. federal income tax consequences for such U.S. Holders may differ materially from that described below and such U.S. Holders are urged to consult their tax advisors. Furthermore, this discussion does not describe all of the U.S. federal income tax consequences that may be relevant to U.S. Holders in light of their particular circumstances or to U.S. Holders subject to special rules, such as:

- banks or other financial institutions;
- insurance companies;
- dealers and traders subject to a mark-to-market method of tax accounting with respect to the Existing Notes or the New Notes;
- persons holding the Existing Notes or the New Notes as part of a hedge, wash sale or other integrated transaction;
- persons whose functional currency is not the U.S. dollar;
- regulated investment companies or real estate investment trusts;
- tax-exempt entities;
- retirement plans;
- persons who hold the Existing Notes or the New Notes through non-U.S. brokers or other non-U.S. intermediaries;
- persons who own (directly, indirectly or constructively), at any point in time, 10% or more of the Company’s equity, including any New Notes treated as equity (by vote or value), as determined for U.S. federal income tax purposes;
- persons subject to special tax accounting rules under Section 451(b) of the Code; or

- entities classified as partnerships or other pass-through entities for U.S. federal income tax purposes or investors therein.

If an entity treated as a partnership for U.S. federal income tax purposes is a U.S. Holder, the tax treatment of each partner in the partnership will generally depend upon the status of the partner and upon the activities of the partnership. Partnerships that are U.S. Holders (and partners therein) should consult their tax advisors regarding the tax consequences relating to the Scheme and ownership of the New Notes.

As used herein, the term “U.S. Holder” means a beneficial owner of an Existing Note that is for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation created or organized under the laws of the United States, any state thereof or the District of Columbia; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

Due to the lack of definitive statutory, judicial and administrative authority in a number of areas, substantial uncertainty exists with respect to the tax consequences described below. The Company has not sought and does not intend to seek a ruling from the Internal Revenue Service (the “IRS”) or any other taxing authority with respect to the tax consequences discussed herein, and the discussion below is not binding upon the IRS or any court. Accordingly, there can be no assurance that the IRS or a court will agree with the U.S. federal income tax consequences described below. U.S. Holders are urged to consult their tax advisors regarding the application of U.S. federal, state and local and non-U.S. income, estate and other tax considerations relating to the Scheme and ownership of the New Notes in light of their particular situations.

THE FOLLOWING SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED ON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A U.S. HOLDER. ALL HOLDERS ARE URGED TO CONSULT THEIR TAX ADVISORS AS TO THE FEDERAL, STATE, LOCAL, AND NON-U.S. INCOME, ESTATE, AND OTHER TAX CONSEQUENCES OF THE SCHEME AND OWNERSHIP OF THE NEW NOTES.

Certain U.S. Federal Income Tax Consequences to the Company.

The Company does not expect to experience material U.S. federal income tax consequences as a result of the Scheme.

Certain U.S. Federal Income Tax Consequences to U.S. Holders

Pursuant to the Scheme, in exchange for the release and discharge of the Existing Unsecured Notes, each U.S. Holder thereof will receive the DGHL Scheme Consideration consisting of (a) DGHL Unsecured Notes Cash Distribution and (b) at the U.S. Holder’s election, either (i) New 1A Notes and New 1B Notes or (ii) New 2A Notes and New 2B Notes (the “**Existing Unsecured Notes Exchange**”). In addition, pursuant to the Scheme, in exchange for the release and discharge of the Existing Subordinated Notes, each U.S. Holder thereof will receive the DGHL Scheme Consideration consisting of (a) DGHL Subordinated Notes Cash Distribution and (b) at the U.S. Holder’s election, either (i) New 3A Notes and New 3B Notes or (ii) New 4A Notes and New 4B Notes (the “**Existing Subordinated Notes Exchange**” and together with the Existing Unsecured Notes Exchange, the “**Exchanges**”).

The U.S. federal income tax consequences to a U.S. Holder depend, among other things, on the U.S. federal income tax treatment of the New Notes. There are several possible characterizations of the New Notes, including as equity interests, as contingent payment obligations or as debt instruments. The potential U.S. federal income tax consequences of each of these possible treatments is discussed below. Although it is not free from doubt, the Company intends, if required to take a position for applicable U.S. federal income tax reporting purposes, to treat (a) New 1B Notes, New 2B Notes, New 3B Notes and New 4B Notes (together, the “**New B Notes**”) as equity interests and (b) New 1A Notes, New 2A Notes, New 3A Notes and New 4A Notes (together, the “**New A Notes**”) as debt instruments. Unless otherwise stated, the remainder of this discussion assumes that this treatment is correct. However, there is no statutory, administrative or judicial authority that directly addresses the treatment of instruments similar to the New Notes for U.S. federal income tax purposes, and this treatment may not be respected. For example, it is possible that the New A Notes may instead be treated as equity interests for U.S.

federal income tax purposes. Additional characterizations may also be possible that are not discussed herein. **Consequently, there is significant uncertainty about the tax consequences of the Scheme as well as the tax consequences of ownership of the New Notes.**

The Existing Subordinated Notes are perpetual and therefore the Company has treated such notes as equity interests to the extent the Company were required to take a position for applicable U.S. federal income tax purposes. This discussion assumes that this treatment is correct.

Each U.S. Holder should consult its tax advisor regarding the proper treatment of the New Notes and the Scheme for U.S. federal income tax purposes.

Tax Consequences of DGHL Subordinated Notes Exchange

The Company expects the DGHL Subordinated Notes Exchange to generally be treated as a tax-free exchange for U.S. federal income tax purposes. Subject to the discussion below regarding the rules relating to accrued but unpaid interest, original issue discount (“OID”) and market discount, a U.S. Holder generally will not recognize loss upon such exchange, but may recognize gain equal to the lesser of (A) the difference, if any, between (i) the sum of the total amount of cash, the fair market value of any New B Notes and the issue price of any New A Notes (determined as described below under “—Tax Consequences of Owning and Disposing the New A Notes—Issue Price”), in each case received in the Existing Subordinated Notes Exchange and (ii) the U.S. Holder’s adjusted tax basis in the Existing Subordinated Notes surrendered in the exchange, and (B) the sum of the total amount of cash and the issue price of any New A Notes that are not treated as “securities” for U.S. federal income tax purposes, in each case received in the Existing Subordinated Notes Exchange.

Neither the Code nor the Treasury Regulations promulgated pursuant thereto define the term “security.” Whether a debt instrument constitutes a “security” for U.S. federal income tax purposes is determined based on all the relevant facts and circumstances, but most authorities have held that the length of the term of a debt instrument at initial issuance is an important factor in determining whether such instrument is a security for U.S. federal income tax purposes. These authorities have indicated that a term of less than five years is evidence that the instrument is not a security, whereas a term of ten years or more is evidence that it is a security. There are numerous other factors that could be taken into account in determining whether a debt instrument is a security, including whether the instrument is secured, the creditworthiness of the obligor, the subordination or lack thereof with respect to other creditors, the right to vote or otherwise participate in the management of the obligor, convertibility of the instrument into an equity interest of the obligor, whether payments of interest are fixed, variable or contingent, and whether such payments are made on a current basis or accrued. The Existing Unsecured Notes had a term to maturity of approximately five years when issued. Accordingly, a U.S. Holder of the Existing Subordinated Notes should consult its own tax advisor to determine whether any New A Notes it receives in the Existing Subordinated Notes Exchange should be treated as securities for U.S. federal income tax purposes.

The character of any gain resulting from the Existing Subordinated Notes Exchange as capital gain or as ordinary income will be determined by a number of factors, including the tax status of the U.S. Holder, the nature of the Existing Subordinated Notes in such U.S. Holder’s hands and whether the U.S. Holder previously claimed a worthless stock deduction with respect to the Existing Subordinated Notes. If any recognized gain is capital gain, it generally would be long-term capital gain if the U.S. Holder held its Existing Subordinated Notes for more than one year at the time of the exchange.

A U.S. Holder will generally obtain an aggregate tax basis in the New A Notes (if treated as securities for U.S. federal income tax purposes) and the New B Notes received in the Existing Subordinated Notes Exchange equal to its tax basis in the Existing Subordinated Notes exchanged therefor, decreased by the cash received and the issue price of any New A Notes (if not treated as securities for U.S. federal income tax purposes) (excluding any cash or New A Notes treated as a dividend, as discussed below), and increased by any gain recognized by such U.S. Holder in the exchange. A U.S. Holder will have a holding period for the New A Notes (if treated as securities for U.S. federal income tax purposes) and the New B Notes received in the exchange that includes the holding period of the Existing Subordinated Notes. A U.S. Holder’s tax basis in any New A Notes (if not treated as securities for U.S. federal income tax purposes) will be the issue price of such New A Notes, determined as described below under “—Tax Consequences of Owning and Disposing the New A Notes—Issue Price.”

Under Section 302 of the Code, a portion of the DGHL Scheme Consideration received in the Existing Subordinated Notes Exchange may be treated either as consideration for a sale of the Existing Subordinated Notes by a U.S. Holder or as a distribution in respect of the Existing Subordinated Notes, depending upon the circumstances at the time of the Existing Subordinated Notes Exchange. In addition, even if such amounts are

treated as consideration for a sale of the Existing Subordinated Notes under the relevant tests of Section 302 of the Code, under Section 305 of the Code, it is possible that a U.S. Holder may be treated as receiving constructive dividends with respect to the Existing Subordinated Notes to the extent of any accrued and unpaid interests on the Existing Subordinated Notes. The constructive dividend rules are unclear and dependent on many factors personal to each U.S. Holder. U.S. Holders should consult their own tax advisors regarding whether any portion of the DGHL Scheme Consideration received in the Existing Subordinated Notes Exchange will be treated as distributions or as sale proceeds in light of their particular circumstances.

Tax Consequences of Existing Unsecured Notes Exchange

General

The U.S. federal income tax treatment of the Existing Unsecured Notes Exchange, depends on whether the Existing Notes constitute “securities” for U.S. federal income tax purposes, as discussed above under “—Tax Consequences of Existing Subordinated Notes Exchange.” If the Existing Unsecured Notes are treated as securities, the Existing Unsecured Notes Exchange is expected to be treated as a tax-free exchange, as discussed below. If the Existing Unsecured Notes are not treated as securities, the Existing Unsecured Notes Exchange is expected to be treated as a taxable exchange, as discussed below. U.S. Holders should consult their tax advisors as to whether their Existing Unsecured Notes are securities for U.S. federal income tax purposes.

Treatment as a Tax-Free Exchange

Subject to the rules relating to accrued but unpaid interest, OID and market discount, if the Existing Unsecured Notes Exchange is treated as a tax-free exchange, a U.S. Holder generally will not recognize loss upon such exchange, but may recognize gain (calculated as described below under “—Treatment as a Taxable Exchange”), if any, to the extent of the sum of the amount of cash and the issue price of any New A Notes that are not treated as securities for U.S. federal income tax purposes, in each case received in the Existing Unsecured Notes Exchange. The character of such gain as capital gain or as ordinary income will be determined by a number of factors, including the tax status of the U.S. Holder, the nature of the Existing Unsecured Notes in such U.S. Holder’s hands, whether such notes were purchased at a discount and whether and to what extent the U.S. Holder previously claimed a bad debt deduction with respect to such notes. If any recognized gain is capital gain, it generally would be long-term capital gain if the U.S. Holder held its Existing Unsecured Notes for more than one year at the time of the exchange.

A U.S. Holder will generally obtain an aggregate tax basis in the New A Notes (if treated as securities for U.S. federal income tax purposes) and the New B Notes received in the Existing Unsecured Notes Exchange equal to its tax basis in the Existing Unsecured Notes exchanged therefor, decreased by the cash received and the issue price of any New A Notes not treated as securities for U.S. federal income tax purposes, and increased by any gain recognized by such U.S. Holder in the exchange. A U.S. Holder will have a holding period for the New A Notes (if treated as securities for U.S. federal income tax purposes) and the New B Notes received in the exchange that includes the holding period of the Existing Unsecured Notes (except for any New Notes received in respect of accrued but unpaid interest on the Existing Unsecured Notes). A U.S. Holder’s tax basis in any New A Notes not treated as securities for U.S. federal income tax purposes will be the issue price of such New A Notes, determined as described below under “—Tax Consequences of Owning and Disposing the New A Notes—Issue Price.”

U.S. Holders should consult their tax advisors regarding the U.S. federal income tax treatment of the Existing Unsecured Notes Exchange if treated as a tax-free exchange, including the allocation of the aggregate tax basis among the New A Notes and the New B Notes, if applicable.

Treatment as a Taxable Exchange

Subject to the discussion below regarding the rules relating to accrued but unpaid interest, OID and market discount, if the Existing Unsecured Notes Exchange is not treated as a tax-free exchange, U.S. Holders will generally recognize gain or loss upon the exchange equal to the difference, if any, between (i) the sum of the total amount of cash, the fair market value of any New B Notes and the issue price of any New A Notes (determined as described below under “Tax Consequences of Owning and Disposing the New A Notes—Issue Price”), in each case received in the exchange and (ii) the U.S. Holder’s adjusted tax basis in the Existing Unsecured Notes surrendered in the exchange. The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the U.S. Holder, the nature of the Existing Unsecured Notes in such U.S. Holder’s hands, whether the Existing Unsecured Notes were purchased at

a discount, and whether and to what extent the U.S. Holder previously claimed a bad debt deduction with respect to its Existing Unsecured Notes. If any recognized gain is capital gain, it generally would be long-term capital gain if the U.S. Holder held its Existing Unsecured Notes for more than one year at the time of the exchange. The deductibility of capital losses is subject to certain limitations. A U.S. Holder's holding period for the New Notes received in the exchange will commence on the date immediately following the date of the exchange. The U.S. Holder's initial tax basis in its New Notes received in the exchange will be the fair market value of such New Notes.

Accrued Interest, OID and Market Discount

Accrued Interest and OID

To the extent that any amount received by a U.S. Holder in the Existing Unsecured Notes Exchange is attributable to accrued but unpaid interest (or accrued but untaxed OID) on the Existing Unsecured Notes, the receipt of such amount should be recognized by the U.S. Holder as ordinary interest income (to the extent not already included in income by the U.S. Holder). Conversely, a U.S. Holder may be able to recognize a deductible loss to the extent that any accrued interest previously was recognized by the U.S. Holder but was not paid in full by the Company. Such loss may be ordinary, but the tax law is unclear on this point. The tax basis of any New Notes treated as received in satisfaction of accrued but unpaid interest (or OID) should equal the amount of such accrued but unpaid interest (or OID). The holding period for such New Notes should begin on the day following the receipt of such consideration.

If the sum of the cash, the fair market value of the New B Notes and the issue price of the New A Notes, in each case received in exchange for the Existing Unsecured Notes, is not sufficient to fully satisfy all principal and interest on the Existing Unsecured Notes, the extent to which such consideration will be attributable to accrued but unpaid interest is unclear. Certain legislative history indicates that an allocation of consideration as between principal and interest provided in a plan of reorganization under Chapter 11 of the U.S. Bankruptcy Code is binding for U.S. federal income tax purposes, while certain Treasury Regulations treat payments as allocated first to any accrued but unpaid interest. The Scheme is expected to provide that the aggregate consideration to be distributed to U.S. Holders shall be allocated first to the principal amount of the Existing Unsecured Notes, with any excess allocated to unpaid interest that accrued on these notes, if any. However, the IRS could take the position that the consideration received by the U.S. Holder should be allocated in some way other than as provided in the Scheme.

U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE PROPER ALLOCATION OF THE CONSIDERATION RECEIVED BY THEM UNDER THE SCHEME AND THE U.S. FEDERAL INCOME TAX TREATMENT OF ACCRUED BUT UNPAID INTEREST AND OID.

Market Discount

Under the "market discount" provisions of the Code, some or all of any gain realized by a U.S. Holder of Existing Unsecured Notes may be treated as ordinary income (instead of capital gain) to the extent of the amount of the U.S. Holder's "market discount" on its Existing Unsecured Notes.

In general, a debt instrument is considered to have been acquired with "market discount" if it is acquired other than on original issue and if the U.S. Holder's adjusted tax basis in the debt instrument is less than (a) in the case of a debt instrument issued without OID, the sum of all remaining payments to be made on the debt instrument, excluding "qualified stated interest" or (b) in the case of a debt instrument issued with OID, its "revised issue price," in each case, by at least a de minimis amount.

Any gain recognized by a U.S. Holder on the disposition of Existing Unsecured Notes that were acquired with market discount should be treated as ordinary income to the extent of the market discount that accrued thereon while the Existing Unsecured Notes were considered to be held by the U.S. Holder (unless the U.S. Holder elected to include market discount in income as it accrued). If the Existing Unsecured Notes that were acquired with market discount are exchanged in a tax-free exchange (as described above under "—Treatment as a Tax-Free Exchange"), any market discount that accrued on the Existing Unsecured Notes (up to the time of the Existing Unsecured Notes Exchange) but was not recognized by the U.S. Holder would be carried over to the New B Notes received by the U.S. Holder and any gain recognized on the subsequent sale, exchange, redemption or other disposition of the property is treated as ordinary income to the extent of such market discount.

Tax Consequences of Owning and Disposing of the New B Notes

Distributions

The Scheme is expected to provide that it is intended to be treated as a “plan of liquidation” for U.S. federal income tax purposes. Although not without doubt, the Company intends to treat the distributions on the New B Notes as amounts received by a U.S. Holder in a distribution in complete liquidation of the Company governed by Section 331 of the Code. In that case, the distributions will be treated as in full payment in exchange for the U.S. Holder’s New B Notes and the tax consequences of the distributions to the U.S. Holder will generally be the same as described below under “—Gain or Loss on Sale, Taxable Exchange or Other Taxable Disposition.” The amount of any such distribution will include amounts withheld by the Company (or another applicable withholding agent), if any. The application of the rules under Section 331 to the distributions on the New B Notes is uncertain, and U.S. Holders should consult their tax advisors about the potential tax treatment of the distributions.

Gain or Loss on Sale, Taxable Exchange or Other Taxable Disposition

Subject to the PFIC rules discussed below under the heading “—Passive Foreign Investment Company Rules,” upon any sale, exchange or other taxable disposition of the New B Notes, a U.S. Holder generally will recognize gain or loss in an amount equal to the difference between (i) the sum of (x) the amount of cash and (y) the fair market value of any other property received in such sale, exchange or other taxable disposition and (ii) the U.S. Holder’s adjusted tax basis in such New B Notes. Any such gain or loss generally will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder’s holding period for such New B Notes exceeds one year on the date of such sale, exchange, or other taxable disposition. Long-term capital gain realized by a non-corporate U.S. Holder generally will be taxable at a reduced rate. The deduction of capital losses is subject to limitations. The gain or loss will generally be U.S.-source gain or loss for foreign tax credit purposes.

Passive Foreign Investment Company Rules

In general, a foreign corporation is a “passive foreign investment company” (a “PFIC”) for any taxable year if: (i) 75% or more of its gross income consists of passive income or (ii) 50% or more of the average quarterly value of its assets consists of assets that produce, or are held for the production of, passive income. For purposes of these calculations, a non-U.S. corporation that owns, directly or indirectly, at least 25% by value of the shares of another corporation is treated as if it held its proportionate share of the assets of the other corporation and received directly its proportionate share of the income of the other corporation. Passive income generally includes dividends, interest, rents and royalties (other than rents or royalties derived from the active conduct of a trade or business) and gains from the disposition of passive assets. Cash is a passive asset for these purposes.

It is unclear whether the Company will be a PFIC for the taxable year ending March 31, 2024, and the Company expects to be a PFIC for future taxable years. Whether the Company will be a PFIC in the current or any future year is subject to substantial uncertainty because, among other things, (i) the valuation of its assets, including assets that generate non-passive income for PFIC purposes, is uncertain and may be subject to fluctuation, (ii) the treatment of certain of its assets, such as the Earn-Out Payments, and the income generated by such assets is uncertain, and (iii) after the Restructuring Effective Date, the Company will hold a substantial amount of passive assets. Accordingly, there is a significant risk that the Company may be a PFIC for its taxable year ending March 31, 2024, and the Company expects to be a PFIC for future taxable years. However, such determination can only be made after the end of each taxable year.

If the Company is a PFIC for any year during which a U.S. Holder holds New B Notes, the Company will continue to be treated as a PFIC with respect to that U.S. Holder for all succeeding years during which the U.S. Holder holds any of the Company’s New B Notes or other equity interests, even if the Company ceases to meet the threshold requirements for PFIC status, unless the U.S. Holder elects to recognize gain, if any, as if it sold its New B Notes as of the last day of the last tax year in which the Company is a PFIC (a “Purging Election”).

If the Company is a PFIC for any taxable year during which a U.S. Holder holds New B Notes, gain recognized by the U.S. Holder on the sale or other disposition (including certain pledges) of the New B Notes (including any gain recognized as a consequence of a Purging Election) will be allocated ratably over the U.S. Holder’s holding period for the New B Notes. The amounts allocated to the taxable year of the sale or other disposition and to any year before the Company became a PFIC will be taxed as ordinary income. The amount allocated to each other taxable year will be subject to tax at the highest rate in effect for individuals or corporations, as appropriate, for that taxable year, and an interest charge will be imposed on the resulting tax liability. Further, to the extent that any distribution received by a U.S. Holder on New B Notes exceeds 125% of the average of the annual

distributions on the New B Notes received during the shorter of the preceding three years or the U.S. Holder's holding period, that distribution will be subject to taxation in the same manner as gain.

The Company does not expect elections to be available to U.S. Holders of New B Notes that, if available, could alleviate some of the adverse tax consequences of PFIC status and would result in an alternative treatment of the New B Notes. U.S. Holders should consult their tax advisors regarding whether any election would be available and, if so, what the consequences of the alternative treatments would be in their particular circumstances.

If the Company is a PFIC for a taxable year during which a U.S. Holder holds the New B Notes, the U.S. Holder will generally be required to file an annual report on IRS Form 8621 with its annual U.S. federal income tax returns, subject to certain exceptions. The failure to file IRS Form 8621 could result in the imposition of penalties and the extension of the statute of limitations with respect to U.S. federal income tax.

U.S. Holders should consult their tax advisors regarding the potential applicability of the PFIC rules to the New B Notes.

Tax Consequences of Owning and Disposing the New A Notes

Potential Contingent Payment Debt Treatment

No authority directly addresses the U.S. federal income tax treatment of the New A Notes if treated as debt instruments. Because the timing of the payments on the New A Notes cannot be determined at the time the New A Notes are issued, the New A Notes may be treated as contingent payment debt instruments for U.S. federal income tax purposes. If the New A Notes were treated as contingent payment debt instruments, a U.S. Holder may be required to accrue interest income on the New A Notes at a rate in excess of the OID (as defined below) based upon a "comparable yield." The "comparable yield" is the yield at which the Company would issue a fixed rate debt instrument with no contingent payments, but with terms and conditions similar to those of the New A Notes. In addition, any gain on the sale, exchange, redemption, retirement or other taxable disposition of the New A Notes would be recharacterized as ordinary income. U.S. Holders should consult their tax advisors regarding the tax consequences of the New A Notes being treated as contingent payment debt instruments.

The remainder of this discussion assumes that the New A Notes are not treated as contingent payment debt instruments.

Issue Price

In general, each series of the New A Notes will be treated as having an issue price equal to their fair market value on the Scheme Effective Date if such series of New Notes is considered to be "publicly traded" for U.S. federal income tax purposes. Because the stated principal amount of the New Notes 1A and New Notes 2A is expected to be less than \$100 million, and the stated principal amount of the new Notes 3A and New Notes 4A is less than \$100 million, the Company expects none of the New A Notes to be considered publicly traded. If the Existing Unsecured Notes or Existing Subordinated Notes, as applicable, exchanged for the New A Notes are considered publicly traded, the issue price of such New A Notes will equal the fair market value of such Existing Unsecured Notes or Existing Subordinated Notes. If the Existing Unsecured Notes or Existing Subordinated Notes, as applicable, exchanged for the New A Notes are not publicly traded, the issue price of such New A Notes will equal their imputed principal amount, as determined under applicable Treasury regulations.

Original Issue Discount

Because the New A Notes do not pay interest, they will be treated as issued with OID for U.S. federal tax purposes in an amount equal to the excess of the stated principal amount of the applicable series of New A Notes over the issue price of such series of New A Notes. A U.S. Holder will be required to include such OID in income (as ordinary income) as such OID accrues on a constant yield to maturity basis for U.S. federal income tax purposes in advance of the receipt of cash payments to which such OID is attributable and regardless of the U.S. Holder's method of accounting for U.S. federal income tax purposes. Under this method, a U.S. Holder generally will be required to include in income increasingly greater amounts of OID in successive accrual periods. Any OID accrued with respect to the New A Notes generally will constitute foreign-source income for U.S. federal income tax purposes.

Acquisition Premium

If the New A Notes are treated as securities for U.S. federal income tax purposes, and the U.S. Holder's tax basis in the New A Notes is greater than the issue price of the New A Notes but less than or equal to the stated redemption price at maturity, the U.S. Holder will be considered to have acquired such New A Notes with acquisition premium. Under the acquisition premium rules, the amount of OID that the U.S. Holder must include in its gross income with respect to the New A Notes for any taxable year will be reduced by the portion of acquisition premium properly allocable to that year.

Market Discount

If the New A Notes are treated as securities for U.S. federal income tax purposes and the U.S. Holder's initial tax basis in the New A Notes is less than the issue price of the New A Notes, the amount of the difference will be treated as market discount for U.S. federal income tax purposes, unless this difference is less than a specified de minimis amount. In addition, any accrued market discount on an Existing Unsecured Note not recognized in the exchange should carry over to the New A Notes.

A U.S. Holder will be required to treat any gain on the sale, exchange, retirement or other disposition of the New A Notes as ordinary income to the extent of the market discount accrued on the New A Notes (including any accrued market discount carried over from an Existing Unsecured Note) at the time of such disposition, unless this market discount has been previously included in income by the U.S. Holder pursuant to an election by the holder to include market discount in income as it accrues. If the New A Notes are disposed of in certain nontaxable transactions, accrued market discount will be includible as ordinary income to the U.S. Holder as if the U.S. Holder had sold the New A Notes in a taxable transaction at its then fair market value. In addition, the U.S. Holder may be required to defer, until the maturity of the New A Notes or its earlier disposition (including in certain nontaxable transactions), the deduction of all or a portion of the interest expense (if any) on any indebtedness incurred or maintained to purchase or carry the New A Notes.

Amortizable Bond Premium

If the New A Notes are treated as securities for U.S. federal income tax purposes and the U.S. Holder's initial tax basis in the New A Notes is greater than the New A Notes' stated redemption price at maturity, the U.S. Holder will be considered to have acquired the New A Notes with amortizable bond premium, in which case the U.S. Holder will not be required to include any OID in income. In general, amortizable bond premium with respect to the New A Notes is the excess, if any, of the U.S. Holder's tax basis over the New A Notes' stated redemption price at maturity. A U.S. Holder may generally elect to amortize this premium, using a constant-yield method, over the remaining term of the New A Notes. A U.S. Holder that elects to amortize bond premium must reduce its tax basis in the New A Notes by the amount of the premium amortized in any year. An election to amortize bond premium applies to all taxable debt obligations then owned or thereafter acquired by the U.S. Holder and may be revoked only with the consent of the IRS. A U.S. Holder should consult its tax advisor about the application of these rules to the U.S. Holder's interest in the New A Notes.

Sale, Exchange or Other Taxable Disposition of the New A Notes

Upon a sale, exchange or other taxable disposition (including a retirement or redemption) of the New A Notes, a U.S. Holder will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange or other taxable disposition and the holder's adjusted tax basis in the New A Notes. A U.S. Holder's adjusted tax basis in the New A Notes will equal its initial tax basis in such New A Notes, increased by the amount of any OID and accrued market discount included in income with respect to such New A Notes, and decreased by the amount of any amortizable bond premium previously amortized with respect to such New A Notes.

Subject to the market discount rules described above, any gain or loss recognized on the sale, exchange or other taxable disposition of the New A Notes will generally be capital gain or loss and will be long-term capital gain or loss if at the time of sale, exchange or other taxable disposition, the New A Notes have been held for more than one year or, in the event that the Existing Unsecured Notes Exchange is treated as a tax-free exchange and the New A Notes are treated as securities for U.S. federal income tax purposes, if the combined holding period for the New A Notes and the Existing Unsecured Notes exchanged therefor exceeds one year. Long-term capital gain recognized by non-corporate U.S. Holders is eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. Gain or loss, if any, will generally be U.S.-source income for purposes of computing a U.S. Holder's foreign tax credit limitation.

Potential Alternative Treatment of the New Notes as Contingent Payment Rights

As noted above, there is no statutory, administrative or judicial authority that directly addresses the treatment of instruments similar to the New Notes for U.S. federal income tax purposes. It is possible that the New B Notes and/or the New A Notes could be treated as contingent payment rights. If any New Notes are treated as contingent payment rights that are not equity or debt instruments for U.S. federal income tax purposes, based on Treasury regulations addressing analogous rights, the tax treatment is expected to depend on whether such New Notes have a readily ascertainable fair market value on the Scheme Effective Date. If the fair market value is readily ascertainable, the receipt of the New Notes is expected to be treated as a “closed transaction.” Otherwise, the receipt of New Notes could be treated as an “open transaction.” Applicable tax law states that open transaction treatment will only apply in “rare and extraordinary cases” in which the fair market value of the property received does not have a reasonably ascertainable fair market value. Accordingly, the remainder of this discussion assumes that if any New Notes are treated as contingent payment rights, the receipt of such New Notes would be treated as a closed transaction. If the IRS successfully asserts that any of the New Notes are contingent payment rights and the receipt of such New Notes is treated as an “open transaction,” the timing and character of income, gain or loss recognized by a U.S. Holder could differ materially from the description herein. U.S. Holders are urged to consult their own tax advisors with respect to these principles.

Tax Consequences of the Exchanges

If and to the extent any of the New Notes are treated as contingent payment rights, the tax treatments of the Exchanges depend on whether such contingent payment rights constitute “securities” for U.S. federal income tax purposes, as discussed above under “—Tax Consequences of Exchanging the Existing Unsecured Notes for the DGHL Scheme Consideration—General.”

If the New B Notes are treated as contingent payment rights that constitute securities, regardless of whether the New A Notes are treated as contingent payment rights that constitute securities or not, the tax consequences of the Existing Subordinated Notes Exchange to the U.S. Holders should be generally the same as described above under “—Tax Consequences of Exchanging the Existing Subordinated Notes for the DGHL Scheme Consideration,” and the tax consequences of the Existing Unsecured Notes Exchange to the U.S. Holders should be generally the same as described above under “—Tax Consequences of Exchanging the Existing Unsecured Notes for the DGHL Scheme Consideration,” except any reference to the issue price of the New A Notes should be replaced with fair market value of the New A Notes.

If both the New A Notes and the New B Notes are treated as contingent payment rights that do not constitute securities, the Exchanges are expected to be treated as taxable exchanges, and the tax consequences of the Exchanges to the U.S. Holders should be generally the same as described above under “—Tax Consequences of Exchanging the Existing Unsecured Notes for the DGHL Scheme Consideration—Treatment as a Taxable Exchange.”

If the New A Notes are treated as contingent payment rights that constitute securities, but the New B Notes are treated as contingent payment rights that do not constitute securities, the tax consequences of the Exchanges to the U.S. Holders should be generally the same as described above under “—Tax Consequences of Exchanging the Existing Subordinated Notes for the DGHL Scheme Consideration,” and “—Tax Consequences of Exchanging the Existing Unsecured Notes for the DGHL Scheme Consideration,” except any reference to “New A Notes” should be replaced with “New B Notes,” and any reference to “New B Notes” should be replaced with “New A Notes,” and any reference to issue price should be replaced with fair market value.

If either the New A Notes or the New B Notes are treated as contingent payment rights, but the other is not treated as contingent payment rights, the U.S. federal income tax consequences for the U.S. Holders may differ materially from that described below. U.S. Holders are urged to consult their tax advisors regarding the tax consequences of the Exchanges if the New A Notes and/or the New B Notes are treated as contingent payment rights.

Tax Consequences of Owning and Disposing of the New Notes Treated as Contingent Payment Rights

Upon a sale, exchange or other taxable disposition, a U.S. Holder is expected to recognize gain or loss on New Notes treated as contingent payment rights equal to the difference, if any, between the amount realized on the sale, exchange or other taxable disposition and such U.S. Holder’s tax basis in such New Notes. Gain or loss, if any, realized on the sale, exchange or other taxable disposition of such New Notes is generally expected to be capital gain or loss. The deductibility of capital losses is subject to certain limitations. Gain or loss, if any, will generally be U.S.-source income for purposes of computing a U.S. Holder’s foreign tax credit limitation.

If the Company makes payments in partial satisfaction of the New Notes that are treated as contingent payment rights, a portion of the amount received in respect of the New Notes is expected to be treated as interest income. The remaining amounts are expected to first reduce the U.S. Holder's basis in the New Notes (but not below zero) and thereafter result in income to the U.S. Holder. If no payment is made, or if the final payment is less than the U.S. Holder's tax basis in its New Notes, the U.S. Holder generally should recognize a loss equal to its remaining tax basis. There is no authority directly addressing the character of such loss for U.S. federal income tax purposes and, therefore, the character of such loss is uncertain.

Because the treatment of the New Notes (including whether any New Notes should be treated as contingent payment rights) is subject to substantial uncertainty, there is a significant risk that the IRS could seek to treat them in a manner different from that described above. U.S. Holders should consult their tax advisors regarding the proper treatment and the consequences of the receipt, ownership and disposition of the New Notes for U.S. federal income tax purposes.

Backup Withholding and Information Reporting

Information returns may be filed with the IRS in connection with payments of distributions on the New Notes, accruals of OID and the proceeds from a sale or other disposition (including a retirement or redemption) of the New Notes. A U.S. Holder may be subject to backup withholding on payments of these amounts if the U.S. Holder fails to provide its taxpayer identification number to the paying agent and comply with certain certification procedures or otherwise establish an exemption from backup withholding.

Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's federal income tax liability or may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

Section 6038D

Section 6038D of the Code generally requires U.S. individuals (and certain entities) to file IRS Form 8938 if they hold certain "specified foreign financial assets," the aggregate value of which exceeds certain thresholds. The definition of specified foreign financial assets may include the New Notes unless held in accounts maintained by a U.S. financial institution. If a U.S. Holder does not file a required IRS Form 8938, such holder may be subject to substantial penalties and the statute of limitations on the assessment and collection of all U.S. federal income taxes of such U.S. Holder for the related tax year may not close before the date which is three years after the date on which such form is filed. U.S. Holders should discuss these reporting obligations, and the substantial penalties for non-compliance, with their own tax advisors.

DGHL EXPLANATORY STATEMENT: LETTER FROM THE BOARD OF DIRECTORS

Dear DGHL Scheme Creditors,

Background

The Digicel Group is a leading integrated communications and entertainment provider in the Caribbean and Central America, providing a comprehensive range of mobile communications, business solutions, cable television, broadband, mobile financial services and other related products and services to retail, corporate (including small and midsize enterprises) and government customers.

In 2020, the Group completed a comprehensive restructuring of its funded debt which resulted in a reduction of the Group's total indebtedness by approximately \$1.7 billion. Pursuant to the 2020 Restructuring, the Company was incorporated on 1 April 2020 with the name "Digicel Group 0.5 Limited" (it subsequently changed its name to Digicel Group Holdings Limited on 4 August 2020).

Following the conclusion of the 2020 Restructuring, the Company acceded to the role of the new parent company for the Group by: (a) issuing the Existing Notes (as defined below) in exchange for notes issued by one of the Group's former holding companies, Digicel Group One Limited; and (b) acquiring substantially all of the assets and liabilities previously held by Digicel Group One Limited. As a consequence of these transactions, immediately following the 2020 Restructuring, the Company's balance sheet can be summarised as follows:

- (i) material liabilities which consisted of:
 - a. \$941 million in principal amount of 8.0% cash pay/2.0% PIK secured notes due 2024 (the "**DGL0.5 Secured Notes**") issued and constituted pursuant to an indenture originally dated as of 23 June 2020, between the Company and Deutsche Bank Trust Company Americas as trustee, as amended from time to time;
 - b. \$400 million in principal amount of 5.0% senior cash pay/3.0% PIK Notes due 2025 (the "**Existing Unsecured Notes**") issued and constituted pursuant to an indenture originally dated as of 23 June 2020 (the "**Existing Unsecured Notes Indenture**"), between the Company and Wilmington Trust, National Association, (the "**Existing Notes Trustee**") as the successor trustee to Deutsche Bank Trust Company Americas, as amended from time to time;
 - c. \$200 million in perpetual convertible notes (the "**Existing Subordinated Notes**" and together with the Existing Unsecured Notes, the "**Existing Notes**") issued and constituted pursuant to an indenture originally dated as of 23 June 2020 (the "**Existing Subordinated Notes Indenture**" and together with the Existing Unsecured Notes Indenture, the "**Existing Notes Indentures**") between the Company and the Existing Notes Trustee, as the successor trustee to Deutsche Bank Trust Company Americas, as amended from time to time; and
 - d. intercompany debts owed to the Company's subsidiaries, Digicel Limited ("**DL**") and Digicel International Finance Limited ("**DIFL**") (the "**Intercompany Claims**"). The balance of these Intercompany Claims fluctuated from time to time but immediately following the 2020 Restructuring, were \$566 million.
- (ii) material assets which consisted of:
 - a. its equity in Digicel Pacific Limited ("**DPL**"), an intermediate holding company for the Group's telecommunications business in various South Pacific islands; and
 - b. its equity in DL, one of the Company's direct subsidiaries and one of a number of intermediate holding companies for the Group's business in the Caribbean and Central America.

Indebtedness following the 2020 Restructuring

On 24 October 2021, the Company announced that it had entered into an agreement (the “**Telstra SPA**”) to sell its equity in DPL (the “**Pacific Sale**”) to a subsidiary of the Australian telecommunications company, Telstra Corporation Limited (“**Telstra**”). The Pacific Sale closed on 13 July 2022. A payment of approximately \$1.6 billion (the “**DPL Sale Proceeds**”), before earn-outs, deductions for tax, customary working capital and other adjustments, was paid to the Company on completion of the Pacific Sale. The DPL Sale Proceeds were used to, among other things, redeem approximately \$1.1 billion in principal and accrued interest of the DGL0.5 Secured Notes, repay a secured debt facility of \$78 million owed by a DPL subsidiary, and fund approximately \$177 million into certain escrow accounts pursuant to the Telstra SPA (the “**Escrow Amounts**”). Part of the consideration due to the Company for the Pacific Sale is to be received as earn-out payments, which are dependent upon the performance of DPL following completion of the Pacific Sale (the “**Earn-Out Payments**”). In addition, a portion of the Escrow Amounts may be released to the Company at various intervals in accordance with the Telstra SPA (the release of such Escrow Amounts to DGHL, the “**Escrow Release Payments**” and, together with the Earn-Out Payments, the “**Future DPL Proceeds**”).

Following completion of the Pacific Sale, the Group commenced restructuring efforts to address, in the first instance, approximately \$925 million of senior unsecured notes issued by DL (the “**Existing DL Notes**”) which had a contractual maturity of 1 March 2023. However the performance of the Group’s remaining Caribbean operations materially deteriorated. In particular, in September 2022, economic conditions in Haiti (the Group’s single-largest market in terms of revenue) materially worsened when Prime Minister Ariel Henry announced that fuel subsidies would be eliminated, resulting in a rapid increase in inflation within the Haitian economy. Among other things, the deterioration of the Group’s Haitian businesses resulted in a significant reduction in free cash flow on which the Group relied to service its entire debt load, including indebtedness of the Company. Largely as a result of this deterioration in Haiti, the Group determined that it would be unable to successfully refinance or restructure the Existing DL Notes and furthermore a more comprehensive restructuring the Group’s indebtedness was required.

Negotiations with creditors and events leading to the proposed Restructuring

The Group began negotiations with an ad hoc group representing certain of the Existing DL Noteholders, consisting of funds and/or accounts managed and/or advised by PGIM, Inc. (“**PGIM**”), Contrarian Capital Management L.L.C. (“**Contrarian**”) and GoldenTree Asset Management L.P. (“**GoldenTree**”) (PGIM, Contrarian and GoldenTree together, the “**Crossover Ad Hoc Group**”). This Crossover Ad Hoc Group also holds approximately 42.8% of the Existing Unsecured Notes and 40.4% of the Existing Subordinated Notes (in each case by principal amount outstanding as of the date of the RSA (as defined below)), so in tandem with refinancing negotiations in respect of the Existing DL Notes, the Company pursued a restructuring solution with respect to its remaining indebtedness with the Crossover Ad Hoc Group. While such negotiations were ongoing, the Company was also engaging with another ad hoc group of creditors represented by Weil, Gotshal & Manges LLP (the “**DGHL Ad Hoc Group**”). The DGHL Ad Hoc Group holds approximately 39.9% of the outstanding aggregate principal amount of the Existing Unsecured Notes and approximately 45.6% of the Existing Subordinated Notes (in each case by principal amount outstanding as of the date of the RSA (as defined below)).

Due to ongoing negotiations with the Crossover Ad Hoc Group and the DGHL Ad Hoc Group in relation to the Restructuring, DL did not redeem the Existing DL Notes on their maturity date, and entered into a 30 day grace period under the terms of the Existing DL Notes to defer repayment while negotiations with DL creditors continued. This grace period was subsequently extended numerous times by the Existing DL Noteholders.

On 10 March 2023, Solus Long-Term Opportunities Fund Master LP (the “**Petitioner**”), a member of the DGHL Ad Hoc Group, presented a petition against the Company in order for the Petitioner to apply for the appointment of joint provisional liquidators (the “**JPLs**”) to the Company for restructuring purposes (the “**JPL Summons**”). The Petitioner asserted that an event of default had occurred under the Existing Unsecured Notes due to the failure of DL to repay the Existing DL Notes on their maturity. The Petitioner also raised arguments that the Intercompany Claims should not properly be characterised as debts, and therefore should not rank rateably with the Existing Unsecured Notes (or the Existing Subordinated Notes) on a winding-up of the Company.

The Company opposed the JPLs Summons, as did the Crossover Ad Hoc Group. In the period between the issuing of the JPL Summons and its hearing, the Company continued to negotiate with its various stakeholders, including the DGHL Ad Hoc Group, the Crossover Ad Hoc Group and the Supporting Shareholder, in order to reach a restructuring solution that was acceptable to all such stakeholders. On 29 May 2023, an agreement was reached as to a proposed restructuring, and the JPL Summons was withdrawn by consent by the Petitioner. The withdrawal was effected pursuant to the terms of a Restructuring Support Agreement (the “**RSA**”), effective as of the same date of the withdrawal of the JPL Summons), and executed by the Company, the Petitioner and the other members of the DGHL Ad Hoc Group, the members of the Crossover Ad Hoc Group, DL, DIFL and the Supporting Shareholder. Holders of more than 82.7% of the Existing Unsecured Notes and more than 84.6% of the Existing Subordinated Notes by value are signatories to the RSA.

The Proposed Restructuring

The terms of the Restructuring, agreed pursuant to the RSA, reflect the fact that the Company’s creditors are structurally subordinated to the creditors of DL, and that, simultaneous with restructuring negotiations between the Company and its creditors, DL reached an agreement with its creditors which envisages the Existing DL Noteholders exchanging their debt for equity of Digicel Holdings (Bermuda) Ltd. (“**DHL**”, which is currently a subsidiary of DL and a holding company of DIFL, but will no longer be owned by DL following the Restructuring), together with holders of subordinated notes issued by DIFL. The overall effect of these debt to equity exchanges will result in DL ceasing to hold any equity interests in DHL and DIFL, meaning that DL will cease to have any material assets, which in turn means that the Company’s equity in DL will cease to have any real economic value.

For the purposes of the Restructuring, the Company’s primary assets therefore consist of: (i) cash on hand; and (ii) its rights to the Future DPL Proceeds. The Company has certain other assets that will be realised so that the proceeds can be distributed to the holders of the New Notes, DL and DIFL. In addition to the Claims of the DGHL Noteholders and the Intercompany Claims, the Company expects that these assets would also become subject to claims to fund Escrow Amounts, pursuant to the terms of the Telstra SPA, together with general expenses that arise in connection with the Company’s continued corporate existence (such as legal, accounting and board fees).

Given this context, the Company considers that its assets are insufficient to discharge its liabilities under the Existing Notes and the Intercompany Liabilities in full, and that there is no realistic prospect of the value of the Company’s assets increasing in the future to a level that would make such discharge possible. The Company is therefore balance sheet insolvent, with no remaining economic interest in the Group. There is therefore little realistic prospect of the Company continuing as a going concern. On this basis, the RSA envisages the Restructuring that is designed to implement an accelerated distribution of the Company’s current assets amongst the DGHL Noteholders, the Intercompany Claims and the Supporting Shareholder, and to allow the Company’s creditors and the Supporting Shareholder to share in Future DPL Proceeds, while foregoing the costs and delays associated with a formal liquidation of the Company.

The New Notes

The Restructuring provides that Scheme Creditors will receive the DGHL Scheme Consideration, which includes the New Notes issued by DGHL.

Eight series of New Notes will be issued, with four of those series comprising of series A (the “**New A Notes**”) and four of those series comprising series B (the “**New B Notes**”). The numerical designation of each New Note is intended to correspond to a particular allocation of Future DPL Proceeds under the Intercreditor Agreement. For example, and as described further below, New Notes 1 (comprising New 1A Notes and New 1B Notes) will be subject to a different allocation of Future DPL Proceeds to New Notes 2 (comprising New 2A Notes and New 2B Notes). Each of the eight series of will have separate CUSIPs and ISINs.

The New Notes will be issued in the following amounts/proportions, assuming a New Notes Election Deadline of 12 October 2023 (which is the date by which Scheme Claims will be valued for the purposes of issuing the New Notes).

\$millions	%

New A Notes (being the New 1A Notes and New 2A Notes) issued to the DGHL Unsecured Noteholders	110.4	30.7%
New B Notes (being the New 1B Notes and New 2B Notes) issued to the DGHL Unsecured Noteholders	248.7	69.3%
	\$millions	%
New A Notes issued (being the New 3A Notes and New 4A Notes) to the DGHL Subordinated Noteholders	4.7	2.1%
New B Notes (being the New 3B Notes and New 4B Notes) issued to the DGHL Subordinated Noteholders	213.1	97.9%

Summary of Restructuring

In summary, the Restructuring provides for the Existing Notes and the Intercompany Claims to be compromised and released in consideration for:

- in the case of the Existing Unsecured Notes:
 - \$163,500,000 in cash, subject to certain holdbacks as described in Part C (*Overview of Scheme Consideration, Intercreditor Agreement and Proposed Governance*) (the “**DGHL Unsecured Notes Cash Distribution**”); and
 - a choice between (a) limited recourse senior secured notes known as “**New 1A Notes**” together with limited recourse senior secured notes known as “**New 1B Notes**” (New 1A Notes and New 1B Notes being, together, the “**New Notes 1**”), and (b) limited recourse senior secured notes known as “**New 2A Notes**” together with limited recourse senior secured notes known as “**New 2B Notes**” (New 2A Notes and New 2B Notes being, together, the “**New Notes 2**”) (New Notes 1 and New Notes 2 being, together, the “**New Senior Notes**”) which shall all be issued by the Company on substantially the same terms as those set forth Part C (*Overview of Scheme Consideration, Intercreditor Agreement and Proposed Governance*), and shall together be issued in a total principal amount equal to the total principal amount (and accrued unpaid interest and default interest, if any) outstanding under the Existing Unsecured Notes as at the New Notes Election Deadline. As further described in Part C, the difference between the New Notes 1 and New Notes 2 relates to the allocation of the DPL Future Proceeds to the Supporting Shareholder. Such New Senior Notes will differ from customary bonds in that they will not accrue interest. In addition, the New Senior Notes will be limited recourse instruments used to distribute certain: (i) Future DPL Proceeds; and (ii) net cash proceeds generated by the Company in connection with or from the disposal of certain miscellaneous assets (the “**Additional Assets**”) as they arise and are received by the Company to the New Senior Noteholders net of costs incurred by the continued operation of the Company (the “**New Senior Notes Proceeds**”) pursuant to the terms of the Intercreditor Agreement. The value of the Additional Assets is expected to be relatively immaterial in context. Although a valuation is difficult to ascribe given the nature of such assets the Company has provisionally estimated that such assets may realize between \$6 million and \$14 million, although exact realisations are currently uncertain.
- in the case of the Existing Subordinated Notes:
 - \$19,500,000 in cash, subject to certain holdbacks as described in Part C (*Overview of Scheme Consideration, Intercreditor Agreement and Proposed Governance*) (the “**DGHL Subordinated Notes Cash Distribution**”), and, together with the DGHL Subordinated Notes Cash Distribution, the “**Noteholders Cash Distribution**”); and

- a choice between (a) limited recourse subordinated secured notes known as “**New 3A Notes**” together with limited recourse subordinated secured notes known as “**New 3B Notes**” (New 3A Notes and New 3B Notes being, together, the “**New Notes 3**”), and (b) limited recourse subordinated secured notes known as “**New 4A Notes**” together with limited recourse subordinated secured notes known as “**New 4B Notes**” (New 4A Notes and New 4B Notes being, together, the “**New Notes 4**”) (New Notes 3 and New Notes 4 being, together, the “**New Subordinated Notes**”) which shall all be issued by the Company on substantially the same terms as those set out in Part C (*Overview of Scheme Consideration, Intercreditor Agreement and Proposed Governance*) and shall together be issued in a total principal amount equal to the total principal amount (and accrued unpaid interest and default interest, if any) outstanding under the Existing Subordinated Notes as at the New Notes Election Deadline. Like the New Senior Notes, the New Subordinated Notes will not accrue interest and will be limited recourse instruments used to distribute certain: (i) Future DPL Proceeds; and (ii) net cash proceeds generated by the Company in connection with or from the disposal of the Additional Assets as they arise and are received by the Company to the New Subordinated Noteholders net of costs incurred by the continued operation of the Company (the “**New Subordinated Notes Proceeds**” and, together with the New Senior Notes Proceeds, the “**New Notes Proceeds**”) pursuant to the terms of the Intercreditor Agreement.
- in case of the Intercompany Claims, DL and DIFL (including their successors, assigns and/or transferees) and the Company will enter into the Settlement Agreement in order to compromise the Intercompany Claims in consideration of the following entitlements:
 - \$110,200,000 in cash, subject to certain holdbacks as described in Part C (*Overview of Scheme Consideration, Intercreditor Agreement and Proposed Governance*) to DIFL and DL (to be allocated among themselves in such proportions as they agree) (the “**DIFL/DL Cash Distribution**”), and together with the Noteholder Cash Distribution, the “**Cash Distribution**”); and
 - rights under the Intercreditor Agreement governing the relationship between the New Senior Notes, the New Subordinated Notes, the Supporting Shareholder, DL and DIFL which will provide for DL and DIFL to receive a share of the Future DPL Proceeds, and a share of the Additional Assets proceeds, as further detailed in Part C (*Overview of Scheme Consideration, Intercreditor Agreement and Proposed Governance*), provided that DL and DIFL’s share in Future DPL Proceeds will be subject to a maximum of \$75.24 million following the allocation of such proceeds (as agreed between the DGHL Scheme Creditors and the Supporting Shareholder) and provided further that DL and DIFL shall not share in Future DPL Proceeds and Additional Assets proceeds that are in excess of an aggregate \$190 million.

The Restructuring also contemplates that Denis O’Brien will remain involved in the Company following the implementation of the Restructuring. In particular, in his capacity as Supporting Shareholder, Mr. O’Brien will be entitled to share in Future DPL Proceeds and Mr O’Brien (or his nominee) will continue serving on the Board of the Company alongside two Independent Directors appointed by the New Noteholders, both as further detailed in Part C (*Overview of Scheme Consideration, Intercreditor Agreement and Proposed Governance*). The Company, and those DGHL Noteholders who have signed the RSA, believe that Mr O’Brien’s continued involvement in the management of the Company is crucial to maximising Future DPL Proceeds, given his detailed operational knowledge of the former Digicel Pacific assets.

In furtherance of the Restructuring and in contemplation of its implementation via the Scheme, on 16 June 2023 the Company applied to the Bermuda Court and received a validation order validating an interim distribution to the DGHL Unsecured Noteholders of \$113,500,000 and a payment on account of the Intercompany Claims of \$76,500,000 (collectively, the “**Interim Distribution**”). The Interim Distribution payments will be applied as a credit against the Cash Distributions detailed above, reducing the total amount of cash payable pursuant to the Scheme to the Existing Unsecured Notes.

On or immediately prior to the Scheme Effective Date of the Restructuring, reserve accounts will be established in the amounts set out in the Post-Closing Budget. These reserve accounts will be used to fund the Company’s ongoing operating expenses. Additionally, on the Scheme Effective Date, the Telstra Reserve will be established

to cover any payments into escrow accounts that may become due under the Telstra SPA, including due to a change of control of DL arising from the unrelated restructuring agreed between DL and the Existing DL Noteholders or otherwise. Reserves will be funded from the Company's cash on hand as of the Scheme Effective Date. To the extent, there is insufficient cash on hand to fund the Reserves and pay the Cash Distribution, the Cash Distribution will be rateably reduced such that an amount equal to the shortfall multiplied by the product of (110.2/293.2) (approximately 37.59%) shall be deducted from the DIFL/DL Cash Distribution, an amount equal to the shortfall multiplied by the product of (163.5/293.2) (approximately 55.76%) shall be deducted from the DGHL Unsecured Notes Cash Distribution, and an amount equal to the shortfall multiplied by the product of (19.5/293.2) (approximately 6.65%) shall be deducted from the DGHL Subordinated Notes Cash Distribution. Any deduction shall be deemed to create a "**Cash Allocation Shortfall**" which shall be reimbursed upon the Company realising proceeds from the disposal of Additional Assets as set out below, and from the release of monies in the Escrow Accounts in accordance with the Telstra SPA as distributed in accordance with the Intercreditor Agreement.

Following the compromise of the Existing Notes in consideration for the Company issuing the New Notes (and following the entry by DL and DIFL into the Settlement Agreement) Future DPL Proceeds shall be allocated pursuant to the Intercreditor Agreement amongst the New Noteholders, the Supporting Shareholder, DL and DIFL as follows:

- **Initial DPL Amount:** the initial amounts received by the Company, up to \$150,000,000;
- **Additional DPL Amount:** the subsequent amounts received by the Company following receipt of the Initial DPL Amount, which in the aggregate, when combined with the maximum amount of the Initial DPL Amount, shall not exceed \$190,000,000; and
- **Final DPL Amount:** all amounts in excess of \$190,000,000 received by the Company.

I. To Waterfall A, the Initial DPL Amount:

- A. **New Note 1** shall receive the product of (x) 50.4% and (y) the original principal amount of New Note 1 divided by the aggregate original principal amount of New Note 1 and New Note 2 (which amounts shall be paid *first* to the holders of New 1A Notes and *second* to the holders of New 1B Notes);
- B. **New Note 2** shall receive the product of (x) 53.2% and (y) the original principal amount of New Note 2 divided by the aggregate original principal amount of New Note 1 and New Note 2 (which amounts shall be paid *first* to the holders of New 2A Notes and *second* to the holders of New 2B Notes);
- C. **DIFL and DL** shall collectively receive 39.6%; and
- D. **Supporting Shareholder** shall receive the sum of the following:
 - (1) the product of (x) 10.0%, (y) the original principal amount of New Note 1 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 56.0%;
 - (2) the product of (x) 5.0%, (y) the original principal amount of New Note 2 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 56.0%; and
 - (3) 4.4%.

II. To Waterfall B, the Additional DPL Amount:

- E. **New Note 1** shall receive the product of (x) 50.4% and (y) the original principal amount of New Note 1 divided by the aggregate original principal amount of New Note 1 and New Note 2 (which amounts shall be paid *first* to the holders of New 1A Notes and *second* to the holders of New 1B Notes);
- F. **New Note 2** shall receive the product of (x) 44.8% and (y) the original principal amount of New Note 2 divided by the aggregate original principal amount of New Note 1 and New Note 2 (which amounts shall be paid *first* to the holders of New 2A Notes and *second* to the holders of New 2B Notes);

- G. **DIFL and DL** shall collectively receive 39.6%; and
- H. **Supporting Shareholder** shall receive the sum of the following:
 - (1) product of (x) 10.0%, (y) the original principal amount of New Note 1 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 56.0%;
 - (2) product of (x) 20.0% and (y) the original principal amount of New Note 2 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 56.0%; and
 - (3) 4.4%.

III. **To Waterfall C, the Final DPL Amount:**

- A. **New Note 1** shall receive the product of (x) 73.125% and (y) the original principal amount of New Note 1 divided by the aggregate original principal amount of New Note 1 and New Note 2 (which amounts shall be paid *first* to the holders of New 1A Notes and *second* to the holders of New 1B Notes);
- B. **New Note 2** shall receive the product of (x) 65.0% and (y) the original principal amount of New Note 2 divided by the aggregate original principal amount of New Note 1 and New Note 2 (which amounts shall be paid *first* to the holders of New 2A Notes and *second* to the holders of New 2B Notes);
- C. **New Note 3** shall receive the product of (x) 16.875% and (y) the original principal amount of New Note 3 divided by the aggregate original principal amount of New Note 3 and New Note 4 (which amounts shall be paid *first* to the holders of New 3A Notes and *second* to the holders of New 3B Notes);
- D. **New Note 4** shall receive the product of (x) 15.0% and (y) the original principal amount of New Note 4 divided by the aggregate original principal amount of New Note 3 and New Note 4 (which amounts shall be paid *first* to the holders of New 4A Notes and *second* to the holders of New 4B Notes); and
- E. **Supporting Shareholder** shall receive the sum of the following:
 - (1) the product of (x) 10.0%, (y) the original principal amount of New Note 1 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 81.25%;
 - (2) the product of (x) 20.0%, (y) the original principal amount of New Note 2 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 81.25%;
 - (3) the product of (x) 10.0%, (y) the original principal amount of New Note 3 divided by the aggregate original principal amount of New Note 3 and New Note 4, and (z) 18.75%; and
 - (4) the product of (x) 20.0% and (y) the original principal amount of New Note 4 divided by the aggregate original principal amount of New Note 3 and New Note 4, and (z) 18.75%.

Following the application of the allocations set out in the Waterfalls above, the maximum DL and DIFL would receive of Future DPL Proceeds (as set out below) is \$75.24 million following allocations to the Supporting Shareholder of Future DPL Proceeds as set out in (D) in Waterfall A and Waterfall B above. Allocations to the Supporting Shareholder are conditional upon his continued compliance with the terms of the Restructuring Documents to which he is a party.

Additional Assets Proceeds shall be allocated in accordance with the Intercreditor Agreement and will first be paid to reimburse amounts reserved in accordance with the Post-Closing Budget or used to reimburse any Cash Allocation Shortfall. Reimbursement of amounts reserved in accordance with the Post-Closing Budget and reimbursement of the Cash Allocation Shortfall shall be allocated in accordance with the pro rata allocations of shortfalls of the Cash Distributions set out above.

Thereafter, Additional Assets Proceeds shall be allocated in accordance with the following waterfall (the “**Additional Assets Waterfall**”):

- (a) if the aggregate amount of Future DPL Proceeds and Additional Assets Proceeds is less than or equal to \$190,000,000:
 - (i) DIFL and DL shall collectively receive 44.0% of such Additional Assets Proceeds; and
 - (ii) New Note 1 and New Note 2 shall each receive their pro rata share of 56.0% of such Additional Assets Proceeds (which amounts shall be paid *first* to the holders of New 1A Notes and New 2A Notes, on a pro rata basis², and *second* to the holders of New 1B Notes and New 2B Notes, on a pro rata basis); and
- (b) if the aggregate amount of Future DPL Proceeds and Additional Assets Proceeds is more than \$190,000,000:
 - (i) New Note 1 and New Note 2 shall each receive their pro rata share of 81.25% of such Additional Assets Proceeds (which amounts shall be paid *first* to the holders of New 1A Notes and New 2A Notes, on a pro rata basis, and *second* to the holders of New 1B Notes and New 2B Notes, on a pro rata basis); and
 - (ii) New Note 3 and New Note 4 shall each receive their pro rata share of 18.75% of such Additional Assets Proceeds (which amounts shall be paid *first* to the holders of New 3A Notes and New 4A Notes, on a pro rata basis, and *second* to the holders of New 3B Notes and New 4B Notes, on a pro rata basis).

The Proposed Scheme

The signatories to the RSA do not represent all of the DGHL Noteholders. Therefore, the purpose of the Scheme is to effect a compromise and arrangement, pursuant to section 99 of the Act, between the Company and all of the DGHL Scheme Creditors against the Company arising directly or indirectly out of, in relation to and/or in connection with the Existing Notes and the Existing Notes Indentures (including, without limitation, each of the transactions contemplated by the Scheme) (the “**Scheme Claims**”). If the Scheme becomes effective, all of the DGHL Scheme Creditors (irrespective of whether or not they voted in favour of the Scheme) will be bound by the terms of the Scheme and the Scheme will alter the rights of the DGHL Scheme Creditors.

Upon the Scheme Effective Date, all Scheme Claims are expected to be compromised as follows:

- (i) each class of Existing Notes shall receive its respective Noteholder Cash Distribution, net of any Noteholder Cash Allocation Shortfall;
- (ii) the Existing Unsecured Notes shall be cancelled and exchanged for New Senior Notes; and
- (iii) the Existing Subordinated Notes shall be cancelled and exchanged for the New Subordinated Notes.

The Scheme affords the option for a DGHL Scheme Creditor to select one of two series of New A Notes (and they will then also receive New B Notes from the corresponding series) (i.e. DGHL Unsecured Noteholders may elect to receive either New 1A Notes or New 2A Notes, (and they will also receive New 1B Notes and New 2B Notes respectively), and DGHL Subordinated Noteholders may elect to receive either New 3A Notes or New 4A Notes (and they will also receive New 3B Notes or New 4B Notes respectively)).

As summarised above and further detailed in Part C (*Overview of Scheme Consideration, Intercreditor Agreement and Proposed Governance*), the two different series of New A Notes (and corresponding series of B Notes) which each DGHL Scheme Creditor will be entitled to choose from differ primarily in the rate and threshold at which they receive Future DPL Proceeds under the Intercreditor Agreement. DGHL Scheme Creditors should make their relevant New Notes Election (which tender will automatically block their corresponding holding of Existing Notes) via DTC’s ATOP or DWAC pursuant to notices distributed via DTC to DGHL Noteholder on or around the date of this Explanatory Statement. If a DGHL Noteholder fails to make a valid New Notes Election by the New Notes Election Deadline, then if the DGHL Noteholder is a DGHL Unsecured Noteholder they shall be deemed to have elected New Note 1 (and will be entitled to New 1A Notes and New 1B Notes) of the New Senior Notes, and if the DGHL Noteholder is a DGHL Subordinated Noteholder, they shall be deemed to have elected New Note 3 (and will be entitled to New 3A Notes and 3B) of the New Subordinated Notes.

² References to “pro rata” amounts are on the basis of the principal amounts outstanding of the New Notes as at the date of their issuance.

In connection with the Scheme, the Company shall enter in to the Intercreditor Agreement which shall govern the allocations of Future DPL Proceeds and the allocation of Additional Assets Proceeds as summarised above and as described in Part C (*Overview of Scheme Consideration, Intercreditor Agreement and Proposed Governance*).

For the avoidance of doubt, a proposed compromise of the Intercompany Claims will be settled on a consensual basis outside of the Scheme pursuant to the Settlement Agreement, so DL and DIFL are not therefore proposed to be DGHL Scheme Creditors. Such settlement is expected to be conditional upon and occur simultaneously with the effectiveness of the Scheme.

Alternatives to the Restructuring

The proposed Restructuring is the result of extensive, arms-length negotiations with the Ad Hoc Groups, with the objective of treating all stakeholders fairly and in accordance with their respective legitimate expectations and following a comprehensive consideration of the strategic options available to the Company. As explained further in Part A (*Background and Potential Alternatives to the Scheme*), the Company does not believe there are alternatives to the Restructuring that would produce a better economic outcome for DGHL Noteholders, that is, the DGHL Scheme Creditors. The Company considers that there is a real risk of an insolvent liquidation absent the Restructuring. In such a scenario, DGHL Scheme Creditors would most likely face protracted delay to receive any distribution from the Company, and would be subject to greater dilution in respect of their share of the Company's assets due to the Intercompany Claims being a proportionately greater claim in an insolvent liquidation than their proposed treatment under the Restructuring and the costs of the liquidation itself.

Process for Voting on and Implementation of the Scheme

For the purposes of the Scheme, the Bermuda Court is ordered at the Convening Hearing for the Scheme that neither the Existing Notes Trustee, nor the Existing Depository Nominee shall be treated as DGHL Scheme Creditors for the purposes of voting. Instead, DGHL Noteholders, being those with a Beneficial Interest who are also the owners of the ultimate economic interest in the Existing Notes shall be the only DGHL Scheme Creditors recognised for voting purposes (see "*Identity of DGHL Scheme Creditors*").

If you are a DGHL Noteholder as of the Record Date, to vote on the Scheme you must either attend the Scheme Meeting or complete and submit a Ballot to the Information Agent. Please refer to the detailed instructions in relation to voting at the Scheme Meeting in the section entitled "*Summary of Actions to be Taken by all DGHL Scheme Creditors*" and Appendix 2 (*Ballot Package*).

As explained further in Part B (*Overview of the Scheme*), each of the DGHL Unsecured Noteholders and the DGHL Subordinated Noteholders shall vote in separate classes. There shall therefore be two Scheme Meetings, one for each class of creditors and the approval of each class by the requisite statutory majority, being 75% in value and a majority in number of those present and voting (in person or by proxy), shall be required for the Scheme to be approved. Notwithstanding the foregoing, if you hold both Existing Unsecured Notes and Existing Subordinated Notes, you may vote in respect of both classes and both Scheme Meetings on one Ballot as set out in Appendix 2 (*Ballot Package*).

In order to receive its relevant allocation of New Notes, a DGHL Scheme Creditor must complete a Registration Form in the form attached to the New Notes Election notices issued via DTC. In submitting a Registration Form, a DGHL Noteholder will also be required to make certain securities law representations customary for private placements as set out in the Registration Form, and to supply any required "know-your-customer" information to the New Notes Registrar as further set out in the Registration Form.

Scheme Sanction Hearings

Under Section 99 of the Bermuda Companies Act, a Bermuda scheme of arrangement becomes effective in accordance with its terms and is binding on the relevant company and all its creditors when the order of the Bermuda Court sanctioning the scheme of arrangement is delivered to the Bermuda Registrar of Companies. The Company expects that the Scheme Sanction Hearing in respect of the Scheme will take place on or about [6 October] 2023. Once the date of the Scheme Sanction Hearing is confirmed by the Bermuda Court, the Company will provide notice of the date and time of that hearing to the DGHL Scheme Creditors.

Scheme Effective Date

As soon as reasonably practicable after receiving the Sanction Order, the Company intends to deliver the Sanction Order to the Bermuda Registrar of Companies. The Scheme Effective Date will occur following the satisfaction or waiver of all conditions precedent to the Scheme which include the delivery of the Sanction Order to the Bermuda Registrar of Companies and the entry of an order by the U.S. Bankruptcy Court pursuant to Chapter 15 of the U.S. Bankruptcy Code that recognises and enforces the Scheme. The Company will notify the DGHL Scheme Creditors of the occurrence of the Scheme Effective Date.

Recommendation

This letter is part of the Explanatory Statement distributed to you because the Company believes you are DGHL Scheme Creditor as of the Record Date. In considering the Scheme, you should not rely only on this letter, but you should also consider the more detailed information contained in the remainder of the Explanatory Statement (including the Scheme).

The board of directors of the Company considers the proposed Restructuring to be in the best interests of the DGHL Scheme Creditors and recommends that the DGHL Scheme Creditors vote in favour of the Scheme at the Scheme Meeting.

Yours faithfully,

Board of Directors for and on behalf of
Digicel Group Holdings Limited

EXPECTED TIMETABLE OF PRINCIPAL EVENTS³

Event	Expected time and date
Practice Statement Letter Issued	24 July, 2023
Record Date	4:00 pm (New York time) 28 August 2023
Chapter 15 Filing	As soon as reasonably practicable after the date of this Explanatory Statement is sent to DGHL Scheme Creditors
Voting Instruction Deadline: latest time and date for receipt of Ballots by the Information Agent in order for DGHL Scheme Creditors' voting instructions to be taken into account for the purposes of the Scheme Meeting.	5:00p.m. (New York time) on 20 September 2023
Scheme Meetings⁴:	
The first meeting of the DGHL Unsecured Noteholders.	5:00 p.m. (Bermuda time) / 4:00 p.m. (New York time) on [25 September] 2023
The second meeting of the DGHL Subordinated Noteholders	5.30 p.m. (Bermuda time) / 4.30 p.m. (New York time) on [25 September] 2023
Scheme Sanction Hearing⁵	6 October 2023

³ Unless otherwise stated, all references to time in this Explanatory Statement are to New York time. 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 Scheme Effective Date may be delayed if any person appeals the Convening Order.

⁴ Any DGHL Scheme Creditor that wishes to attend the Scheme Meetings and vote in person must provide: (i) a duplicate copy of the validly completed Ballot (in any) delivered on their behalf; (ii) evidence of their Beneficial Interest in the Existing Notes as of the Record Date with accompanying proof from the relevant DTC Participant; (iii) evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board minutes); and (iv) evidence of personal identity (a passport or other equivalent identification), in each case by email to tabulation@epiqglobal.com (with "DGHL Scheme" in the subject line) no later than four hours before the scheduled time of the Scheme Meeting for the purposes of registering a DGHL Scheme Creditor's attendance at the applicable Scheme Meeting.

⁵ The Bermuda Court will be requested to sanction the Scheme. The date for that hearing has not yet been fixed, although it is expected to be on or about 6 October 2023. If this date changes, the dates of all subsequent steps, including the Scheme Effective Date, may be affected. In this event, the rescheduled hearing date will be announced at the Scheme Meetings to the extent then known or otherwise notified to the DGHL Scheme Creditors by the Information Agent. A notice regarding the dates and times of the hearing will be circulated to the DGHL Scheme Creditors by the Information Agent once the hearing has been scheduled.

New Notes Election Deadline⁶

5:00p.m. (New York time) on 12
October 2023

Registration Deadline⁷

5:00p.m. (New York time) on 19
October 2023

Scheme Effective Date

On or around 20 October 2023

⁶ A DGHL Noteholder must have made New Notes Election via ATOP or DWAC (which will automatically block their Existing Notes). If no election is made by this date, a deemed election will be made as described in this Explanatory Statement.

⁷ This is deadline for submitting a valid Registration Form (together with any applicable KYC Requirements) in order to be considered an Eligible Recipient for the purposes of the receipt of New Notes on or around the Scheme Effective Date.

IDENTITY OF SCHEME CREDITORS

The following persons have interests in the Existing Notes:

1. DTC Participants: you are a DTC Participant in respect of the Existing Notes if you are recorded directly in the records of Cede & Co. (as the Existing Depository Nominee) and DTC as holding a Beneficial Interest in such Existing Notes in an account held with DTC, either for your own account or on behalf of an underlying client.
2. Intermediary: you are an Intermediary in respect of the Existing Notes if you hold a Beneficial Interest in those Existing Notes on behalf of another person or other persons (and are therefore the owner of the ultimate economic interest in such Existing Notes) and you do not otherwise hold that same Beneficial Interest in such Existing Notes as a DTC Participant.
3. DGHL Unsecured Noteholder: you are a DGHL Unsecured Noteholder in respect of the DGHL Unsecured Notes if you hold a Beneficial Interest in such DGHL Unsecured Notes and you are also the owner of the ultimate economic interest in such DGHL Unsecured Notes. A DTC Participant may also be a DGHL Unsecured Noteholder.
4. DGHL Subordinated Noteholder: You are a DGHL Subordinated Noteholder in respect of the DGHL Subordinated Notes if you hold a Beneficial Interest in such DGHL Subordinated Notes and are also the owner of the ultimate economic interest in such DGHL Subordinated Notes. A DTC Participant may also be a DGHL Subordinated Noteholder.
5. The Existing Depository Nominee and the Existing Notes Trustee.

DGHL 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 DGHL Scheme Creditors:

6. the Existing Notes Trustee;
7. the Existing Depository Nominee, as registered holder of the Existing Global Note Certificates; and
8. the DGHL Noteholders, as contingent creditors.

The Existing Notes Trustee and the Existing Depository Nominee have been directed by the Bermuda Court not to vote at the Scheme Meeting.

Persons who are either (a) Intermediaries in respect of Existing Notes, or (b) DTC Participants who are not also DGHL Noteholders, are not DGHL Scheme Creditors in respect of those Existing Notes because they do not hold the ultimate economic interest in those Existing Notes for their own behalf.

Only DGHL Noteholders holding Scheme Claims as of the Record Date shall be entitled to vote at the relevant Scheme Meeting.

As described in the section of this Explanatory Statement entitled *Summary of Actions to Be Taken by All DGHL Scheme Creditors* and Appendix 2 (*Ballot Package*) to this Explanatory Statement, the assistance of Intermediaries may be required in connection with the voting procedures of the Scheme.

If you are a DGHL Noteholder that is not a DTC Participant and/or you hold your interests via an Intermediary you should contact your DTC Participant and/or Intermediary and provide them with a Ballot, so that these may be submitted on your behalf by the relevant DTC Participant or Intermediary. The form of Ballot is set out in Appendix 2 (*Ballot Package*) to this Explanatory Statement.

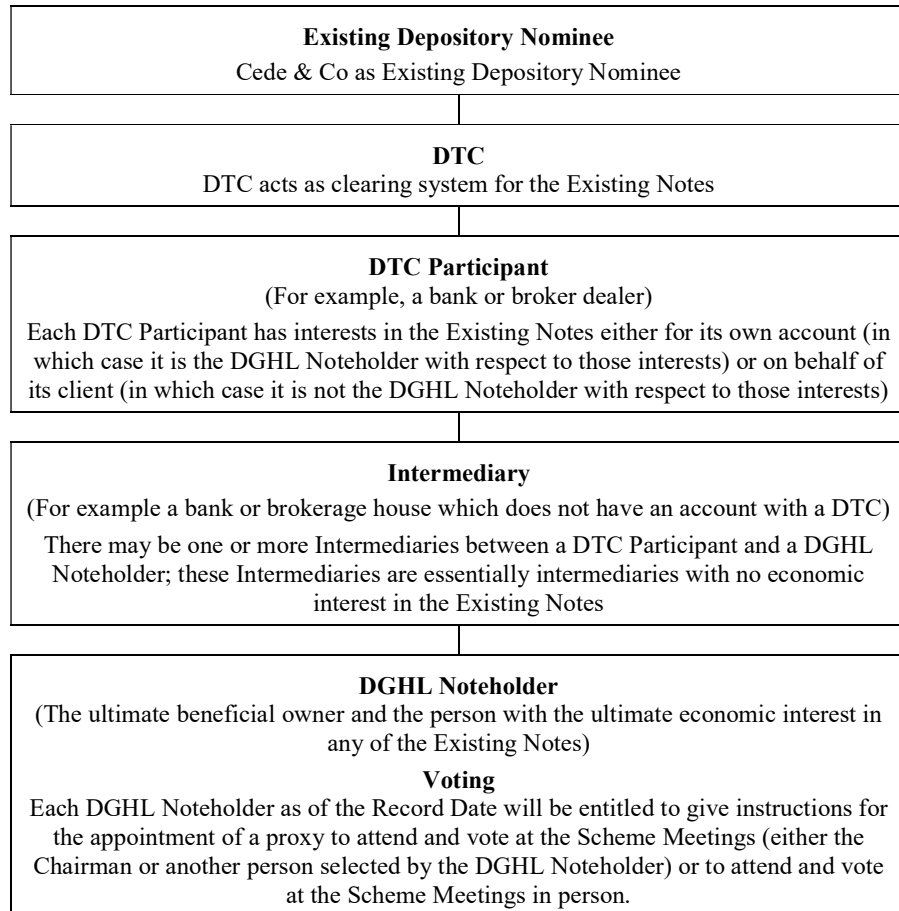
In determining whether a particular person is the ultimate beneficial owner and therefore a DGHL Scheme Creditor entitled to vote, each of the Company and the Information Agent may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if 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.

The number of DGHL Scheme Creditors voting and the votes cast by them at each Scheme Meeting 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 DGHL Noteholders and persons with an interest in the Existing Notes, see the section of this Explanatory Statement entitled *Summary of Actions to Be Taken by All DGHL Scheme Creditors* and Appendix 2 (*Ballot Package*) to this Explanatory Statement.

The following diagram illustrates the relationship between certain persons with interests in the Existing Notes, which are held in global form through DTC:



SUMMARY OF ACTIONS TO BE TAKEN BY ALL DGHL SCHEME CREDITORS

1. MEETINGS OF DGHL SCHEME CREDITORS

- 1.1 By an order dated on or around the date of this Explanatory Statement, the Bermuda Court has granted the Company permission to convene Scheme Meetings for two classes of DGHL Scheme Creditors to consider and, if thought fit, approve the Scheme (with or without modifications).
- 1.2 For the purposes of voting at the Scheme Meeting, the Bermuda Court has directed that the Existing Notes Trustee and the Existing Depository Nominee shall not be entitled to vote and that the actions described in herein shall not be applicable to the Existing Notes Trustee and the Existing Depository Nominee.

2. ACTIONS TO BE TAKEN IN ORDER TO VOTE AT THE SCHEME MEETING

- 2.1 If you are a DGHL Noteholder of either class of Existing Notes as of the Record Date, you may vote at the Scheme Meeting by following the voting procedures set out in detail in Appendix 2 (*Ballot Package*) to this Explanatory Statement. The Ballot Package is set out at and will also be made available to DGHL Noteholders on the Scheme Website. DGHL Scheme Creditors may obtain access to the Scheme Website by emailing tabulation@epiqglobal.com, with reference to “DGHL Scheme” in the subject line. DGHL Scheme Creditors must provide proof of their holdings to receive access to the Scheme Website.
- 2.2 Validly completed Ballots should be submitted by email. DGHL Noteholders are also entitled to vote at the Scheme Meeting in person, but to do so must provide: (i) a duplicate copy of the validly completed Ballot (if any) delivered on their behalf; (ii) evidence of their Beneficial Interest in the Existing Notes as of the Record Date with accompanying proof from the relevant DTC Participant; (iii) evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board minutes); and (iv) evidence of personal identity (a passport or other equivalent identification), in each case by email to tabulation@epiqglobal.com, with reference to “DGHL Scheme” no later than four hours before the scheduled time of the relevant Scheme Meeting for the purposes of registering their attendance at the relevant Scheme Meeting.
- 2.3 Detailed instructions on the actions which DGHL Scheme Creditors, Intermediaries and DTC Participants should take in order to vote at the Scheme Meeting are set out in this Explanatory Statement and the Instruction Packet and are summarised below.
- 2.4 Each DGHL Scheme Creditor should read this Explanatory Statement as a whole, in conjunction with the Instruction Packet. The Instruction Packet includes:
 - (a) the Explanatory Statement;
 - (b) a Ballot (which includes a section for the appointment of a proxy); and
 - (c) the Notice of the Scheme Meeting.

For the avoidance of doubt, if you are both a DGHL Unsecured Noteholder and a DGHL Subordinated Noteholder, you may vote in respect of both classes and both Scheme Meetings on one Ballot.
- 2.5 The following are the key dates that should be noted by DGHL Noteholders wishing to vote at the Scheme Meeting:
 - (a) 4:00 p.m. (New York time) on 28 August 2023: Record Date;
 - (b) 5:00p.m. (New York time) on 20 September 2023: Voting Instruction Deadline for the receipt of a Ballot by the Information Agent; and
 - (c) 25 September 2023: Scheme Meetings.

- 2.6 Each DGHL Noteholder as of the Record Date who that wishes to vote at the Scheme Meeting, other than by attending in person, will be required to do the following:

DGHL Noteholders holding Existing Notes through DTC Participant or Intermediaries

- (a) Return a signed and completed Ballot (with instructions for the Chairman to vote on the beneficial holder's behalf at the meeting) to the applicable Intermediary with sufficient time for the Intermediary (if it is not a DTC Participant) to forward the Ballot to its DTC Participant or (if the Intermediary is a DTC Participant) to submit to the Information Agent so that it is actually received by the Information Agent by 5:00 p.m. (New York time) on **20 September 2023** (the "**Voting Instruction Deadline**").

DGHL Noteholders holding Existing Notes in their name at DTC

- (b) A DGHL Noteholder who is a record holder in DTC in its own name should vote on the Scheme by completing and signing a Ballot and returning it directly to the Information Agent as described in the Ballot.

Intermediaries and DTC Participants

- (c) An Intermediary that, on the Record Date, is the record holder of the Existing Notes for one or more DGHL Noteholders can obtain the votes of the DGHL Noteholder of such Existing Notes, consistent with customary practices for obtaining the votes of securities held in "street name," by forwarding to the DGHL Noteholder the unsigned Ballots, together with this Explanatory Statement. Each such DGHL Noteholder must then indicate his, her, or its vote on the Ballot (or by using customary practices), complete the information requested on the Ballot, review the certifications contained on the Ballot, execute the Ballot, and return the Ballot to the Intermediary. After collecting the Ballots, the Intermediary should, either: (i) if it is a DTC Participant, deliver the Ballot to the Information Agent so that it is **ACTUALLY RECEIVED** by the Information Agent on or before the Voting Instruction Deadline. All Ballots returned by DGHL Noteholders should either be forwarded to the Information Agent or retained by DTC Participants for inspection for at least one year from the Voting Instruction Deadline; or (ii) if it is not a DTC Participant, immediately forward all Ballots to its DTC Participant.

For the avoidance of doubt, Intermediaries are authorised to collect votes and proxies from their beneficial holder clients in accordance with their customary practices, including the use of a "voting instruction form" in lieu of (or in addition to) a Ballot, as well as collecting votes from DGHL Noteholders through online voting, by phone, facsimile, or other electronic means.

EACH INTERMEDIARY SHOULD ADVISE ITS DGHL NOTEHOLDERS TO RETURN THEIR BALLOTS TO THE INTERMEDIARY BY A DATE CALCULATED BY THE INTERMEDIARY OR THE INTERMEDIARY'S DTC PARTICIPANT (AS THE CASE MAY BE) TO ALLOW IT (OR ITS DTC PARTICIPANT) TO PREPARE AND RETURN ANY BALLOTS TO THE INFORMATION AGENT SO THAT IT IS RECEIVED BY THE INFORMATION AGENT ON OR BEFORE THE VOTING INSTRUCTION DEADLINE.

Instructions for Voting by Proxy

- (d) Each Ballot contains a section for the appointment of a proxy in respect of both the Existing Unsecured Notes and the Existing Subordinated Notes. DGHL Noteholders should read the language on the Ballot pertaining to the appointment of a proxy carefully and follow the instructions contained therein if they wish to vote by proxy.
- (e) DGHL Noteholders intending to vote by proxy must check the appropriate box on the Ballot (with respect to their relevant holdings of either or both Existing Unsecured Notes or Existing Subordinated Notes) appointing the Chairman as its proxy for the relevant Scheme Meeting(s) or, alternatively, nominate an individual other than the Chairman (as applicable) in accordance with the instructions included on the Ballot. The DGHL Noteholder is then required to submit the completed Ballot in accordance with the instructions provided so that the Ballot, including

the proxy, is actually received by the Information Agent by no later than the Voting Instruction Deadline.

- (f) The appointment of a proxy will not preclude a DGHL Noteholder from attending and voting in person at the relevant Scheme Meeting(s) should it wish to do so. In the event that a DGHL Noteholder votes in person at the relevant Scheme Meeting(s), any returned Ballot with such DGHL Noteholder's vote and proxy included therein will be deemed to have been revoked for the relevant Scheme Meeting(s). DGHL Noteholders attending in person must provide: (i) a duplicate copy of the validly completed Ballot (if any) delivered on their behalf; (ii) evidence of their Beneficial Interest in the Existing Notes as of the Record Date with accompanying proof from the relevant DTC Participant; (iii) evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board minutes); and (iv) evidence of personal identity (a passport or other equivalent identification), in each case by email to tabulation@epiqglobal.com (with "DGHL Scheme" in the subject line) no later than four hours before the scheduled time of the relevant Scheme Meeting for the purposes of registering their attendance at the relevant Scheme Meeting.

Even if you do not appoint a proxy and you do not attend and vote at the relevant Scheme Meeting(s), you will still be bound by the outcome of the relevant Scheme Meeting(s). You are therefore strongly encouraged to attend and vote at the relevant Scheme Meeting(s) in person or by proxy.

3. ATTENDANCE AT SCHEME MEETINGS

- 3.1 The Scheme Meetings will be held at the following dates and times:
- (a) the Scheme Meeting for DGHL Unsecured Noteholders to consider and vote on the Scheme will be held at 4:00 p.m. (New York time) / 5:00 p.m. (Bermuda time) on 25 September 2023.
 - (b) the Scheme Meeting for DGHL Subordinated Noteholders to consider and vote on the Scheme will be held at 4:30 p.m. (New York time) / 5:00 p.m. (Bermuda time) on 25 September 2023.

4. ACTIONS TO BE TAKEN TO MAKE A NEW NOTE ELECTION

- 4.1 Each series of the New Senior Notes (i.e. New Note 1 and New Note 2) and each series of the New Subordinated Notes (i.e. New Note 3 and New Note 4) differ as it relates to the rate of allocation of the DPL Future Proceeds as between holders of the relevant series of New Notes and the Supporting Shareholder. DGHL Scheme Creditors are therefore required to make an election as to which series of New Notes they wish to receive in respect of their Existing Notes (i.e. New Note 1 or New Note 2 in respect of the DGHL Unsecured Notes; New Note 3 or New Note 4 in respect of the DGHL Subordinated Notes). For the avoidance of doubt, when electing a series of New Notes, a DGHL Noteholder shall receive both the A and B tranche of that series (i.e. a New Note 1 election will result in an entitlement to New 1A Notes and New 1B Notes).
- 4.2 A DGHL Scheme Creditor should make its New Notes Election via DTC's ATOP or DWAC. A notice pertaining to the New Note Election is expected to be issued to DGHL Scheme Creditors on or around the date of this Explanatory Statement. A New Notes Election may be made at any time prior to the New Notes Election Deadline.
- 4.3 To make a New Notes Election, DGHL Noteholders must provide the completed New Notes Election Form to their DTC Participant (via any Intermediaries, if relevant) or follow other instructions required by their DTC Participant (and any Intermediaries if relevant) with sufficient time to allow such DTC Participant (and any Intermediaries if relevant) to deliver their Existing Notes via ATOP or DWAC before the New Notes Election Deadline. New Notes Election Deadline is 12 October 2023 at 5:00 p.m. (New York time), unless extended. Each DTC Participant will determine the time by which it must receive any New Note Election instruction from a DGHL Noteholder.
- 4.4 Part from to the extent subsequently withdrawn (such withdrawal only being possible prior to the New Notes Election Deadline), once submitted into ATOP or DWAC, the Existing Notes cannot be transferred. Further, once the New Notes Election Deadline has passed, DGHL Noteholders may not

withdraw (or therefore transfer) their Existing Notes, and will not, after the New Notes Election Deadline be able to withdraw their New Notes Election.

- 4.5 **If a DGHL Noteholder fails to make a valid New Notes Election by the New Notes Election Deadline, then if the DGHL Noteholder is a DGHL Unsecured Noteholder they shall be deemed to have elected New Note 1 (and will be entitled to New 1A Notes and New 1B Notes) of the New Senior Notes, and if the DGHL Noteholder is a DGHL Subordinated Noteholder, they shall be deemed to have elected New Note 3 (and will be entitled to New 3A Notes and New 3B Notes) of the New Subordinated Notes. In addition, if a DGHL Noteholder fails to make a valid New Notes Election by the New Notes Election Deadline then, notwithstanding their deemed election, settlement and exchange of their Existing Notes for the relevant series of New Notes may be delayed.**

5. ACTIONS TO BE TAKEN IN ORDER TO RECEIVE NEW NOTES

- 5.1 In order to receive its relevant allocation of New Notes, a DGHL Scheme Creditor must also complete a Registration Form by the Registration Deadline in the form attached to the New Notes Election notices issued on or around the date of this Explanatory Statement via DTC. In submitting a Registration Form, a DGHL Noteholder will also be required to make certain securities law representations customary for the private placements as set out in the Registration Form, and to supply any required “know-your-customer” information to the New Notes Registrar as further set out in the Registration Form. The Registration Deadline is one week after the New Notes Election Deadline to allow DGHL Scheme Creditors extra time to complete the formalities associated with the Registration Form.
- 5.2 Registration Forms will be used to generate a register of holders of interests in the New Senior Notes and New Subordinated Notes. The Company shall, upon the Scheme Effective Date, issue the New Notes in book-entry form to (a) those identified in validly completed Registration Forms and (b) the Holding Period Trustee to hold on trust for Ineligible Recipients (as applicable) as described in the next paragraph. No physical New Notes certificates shall be delivered.
- 5.3 If a DGHL Noteholder does not submit a valid Registration Form by the Registration Deadline, then such DGHL Noteholder’s entitlement to New Notes shall be held by the Holding Period Trustee until the earlier of: (i) (A) receipt of a valid Registration Form (or such alternative evidence as the Holding Period Trustee and Company may, in their discretion, determine acceptable), (B) completion of know-your-customer checks and (C) compliance with any other steps set out in the Holding Period Trust Deed required in order to transfer the relevant New Notes from the Holding Period Trustee to the applicable DGHL Noteholder, which may include execution of an instrument of transfer; (ii) an instruction from the relevant Ineligible Recipient to sell the entitlement and distribute to the Ineligible Recipient the proceeds of that sale, pursuant to the terms of the Holding Period Trust Deed; or (iii) termination of the Holding Period Trust 18 months after the Scheme Effective Date. **If you do not submit a Registration Form prior to the termination of the Holding Period Trust, your entitlement to receive New Notes as DGHL Scheme Consideration shall be irrevocably waived, such portion of New Notes as you would have been entitled to shall be cancelled, and any cash payments made in respect of such portion of New Notes that will have been paid during the Holding Trust Period shall be returned to the Company to be distributed as Additional Assets under the terms of the Intercreditor Agreement.**
- 5.4 Following the Scheme Effective Date, the Information Agent shall notify DGHL Scheme Creditors of the Scheme Effective Date by:
- (a) providing such notice to the Existing Notes Trustee;
 - (b) circulating such notice to DGHL Scheme Creditors via DTC; and
 - (c) posting such notice on the Scheme Website.
- 5.5 On or around the Scheme Effective Date, the Company shall:
- (a) fund the Reserves in a total amount to be agreed, but anticipated to be between \$75 million to \$85 million;

- (b) determine any relevant Cash Shortfall Allocation and apply it to reduce the Noteholder Cash Distributions (with any reduction in Noteholder Cash Distributions split between DGHL Unsecured Noteholders and DGHL Subordinated Noteholders in a proportion of approximately 89.3% and 10.7% respectively);
- (c) distribute the Noteholder Cash Distributions via DTC net of amounts previously distributed pursuant to the Interim Distribution and any amounts deducted due to a relevant Cash Shortfall Allocation);
- (d) deliver a register of interests for each of the New Notes to the New Notes Registrar with a copy to the New Notes Paying Agent, the New Notes Agent and the Holding Period Trustee and issue the New Notes in book-entry form to those identified in valid Registration Forms or the Holding Period Trustee.
- (e) enter into the Intercreditor Agreement;
- (f) enter into all other Restructuring Documents;
- (g) adopt the Amended and Restated Bye-laws and appoint the two independent directors required thereunder;
- (h) make all Work Payments in full; and
- (i) cause the Existing Notes to be irrevocably cancelled.

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.

PART A
BACKGROUND AND POTENTIAL ALTERNATIVES TO THE SCHEME

6. THE COMPANY'S PRINCIPAL FINANCIAL INDEBTEDNESS

- 6.1 The principal outstanding financial indebtedness of the Company consists of the Existing Notes and the Intercompany Claims.

The Existing Notes

- 6.2 On 23 June 2020, the Company issued the Existing Notes as exchange consideration for certain 8.250% Senior Notes due 2022 and 9.125% Senior Cash Pay/PIK Notes due 2024, both previously issued by Digicel Group Two Limited (a former Affiliate of Digicel Group One Limited (“**DGL1**”), the predecessor to Company). No cash proceeds were received at the time of the issue of the Existing Unsecured Notes.
- 6.3 The Existing Unsecured Notes bear interest at a rate of 8.00% per annum payable semi-annually (5.00% of which is cash pay, 3.00% of which is PIK) in arrears and are repayable in full in 2025. As of the date of this Explanatory Statement, approximately \$324.5 million in principal amount was outstanding under the Existing Unsecured Notes, and approximately \$3.9 million of interest had accrued.
- 6.4 The Existing Subordinated Notes bear interest at a rate of 7.00% PIK, and have no maturity date. As of the date of this Explanatory Statement, \$215 million in principal amount was outstanding under the Existing Subordinated Notes.
- 6.5 The Company did not pay the scheduled cash or PIK interest payment on the either of the Existing Notes on 1 April 2023.

Other Group Indebtedness

- 6.6 On 3 March, 2015, DL issued \$925 million in aggregate principal amount of the Existing DL Notes. Interest on the Existing DL Notes accrues at the rate of 6.750% per year and is payable semi-annually in arrears on 1 March and 1 September of each year. The Existing DL Notes matured on 1 March 2023. The Existing DL Notes are DL's general unsecured unsubordinated obligations and rank equal in right of payment with all of DL's existing and future unsecured unsubordinated obligations. As of 31 March 2023, \$925 million in aggregate principal amount of the Existing DL Notes was outstanding.
- 6.7 DIHL and DIFL co-issued approximately \$250 million of the Existing DIFL Subordinated Notes. In addition, the Existing DIFL Subordinated Notes are guaranteed on a senior secured basis by DHL. DHL's guarantee of the Existing DIFL Subordinated Notes is secured by certain intercompany promissory notes pledged by certain non-guarantor subsidiaries of DIFL in favour of DHL. Interest on the Existing DIFL Subordinated Notes accrues at a rate of 8.0% per year and is payable semi-annually in arrears on 15 June and 15 December of each year. The Existing DIFL Subordinated Notes will mature on 31 December 2026. The Existing DIFL Subordinated Notes are general unsecured obligations of DIFL, DIHL and the Existing DIFL Subordinated Guarantors, and are subordinated in right of payment with all of DIFL, DIHL's and Existing DIFL Subordinated Guarantors' existing and future senior debt obligations in accordance with the subordination provisions of the indenture governing the Existing DIFL Subordinated Notes. As of 31 March 2023, approximately \$250 million in aggregate principal amount of the Existing DIFL Subordinated Notes was outstanding.
- 6.8 On 23 June 2020, DIHL and DIFL co-issued approximately \$317.2 million in aggregate principal amount of the Existing DIFL Unsecured Notes, guaranteed on a senior unsecured basis by each of the DIFL Guarantors. Cash interest on the Existing DIFL Unsecured Notes accrues at a rate of 6.0% per year and is payable semi-annually in arrears in 15 June and 15 December of each year. In addition, PIK Interest on the Existing DIFL Unsecured Notes accrues at a rate of 7.0% per year and is payable semi-annually in arrears in 15 June and 15 December of each year. The Existing DIFL Unsecured Notes will mature on 31 December 2025. The Existing DIFL Unsecured Notes are general unsecured unsubordinated

obligations of DIFL, DIHL and the DIFL Guarantors, and rank equal in right of payment with all of DIFL, DIHL's and the DIFL Guarantors' existing and future unsecured unsubordinated obligations. As of 31 March 2023, approximately \$381 million in aggregate principal amount of the Existing DIFL Unsecured Notes was outstanding.

- 6.9 On 15 March 2019, DIHL and DIFL co-issued \$600 million in aggregate principal amount of the Existing DIFL Secured Notes, guaranteed on a senior secured basis by the DIFL Guarantors. On 23 June 2020, DIFL completed an exchange offer, in which DIFL exchanged approximately \$1.3 billion of DL's then-existing 6.00% Notes due 2021 for (x) approximately \$626.3 million of additional Existing DIFL Secured Notes, (y) approximately \$317.2 million of the Existing DIFL Unsecured Notes and (z) approximately \$250.0 million of the Existing DIFL Subordinated Notes. Interest on the Existing DIFL Secured Notes accrues at a rate of 8.750% per year and is payable semi-annually in arrears in 15 May and 15 November of each year. The Existing DIFL Secured Notes will mature on 25 May 2024. The Existing DIFL Secured Notes are general secured obligations of DIHL, DIFL and the DIFL Guarantors, secured by a first priority lien on the assets of DIHL, DIFL and the DIFL Guarantors that secure the DIFL Facility. The Existing DIFL Secured Notes are effectively senior to all of DIHL's, DIFL's and the DIFL Guarantors' existing and future indebtedness that is unsecured or secured by junior liens, in each case to the extent of the value of the assets of DIHL, DIFL and the DIFL Guarantors that secure the DIFL Facility. As of 31 March 2023, \$1,226.3 million in aggregate principal amount of the Existing DIFL Secured Notes was outstanding.
- 6.10 On 25 May 2017, DIFL entered into the DIFL Facility comprising:
- (a) \$236.3 million of Term A loans denominated in U.S. dollars and €33.2 million of Term A loans denominated in euros;
 - (b) \$955.0 million of Term B loans denominated in U.S. dollars; and
 - (c) \$100.0 million of revolving credit loans denominated in U.S. dollars.

The Term A Loan Facility and the Term B Loan Facility were drawn in full on 25 May 2017.

- 6.11 On 29 January 2018, DIFL entered into an amendment to the DIFL Facility to increase the principal amount of the Term B loans thereunder by US\$100 million to approximately \$1,052.6 million and to reduce the interest rate margin on all of the Term B. The net proceeds of the Existing DIFL Term Loans, which have terms and provisions identical to those applicable to the initial Term B loans incurred under the DIFL Facility, were used to repay Revolving Credit Loans outstanding under the DIFL Facility. During March and April 2018, those Revolving Credit Loans were borrowed in full.
- 6.12 On 26 February 2019, DIFL entered into an amendment to the DIFL Facility to increase the maximum total debt to Adjusted EBITDA (as defined in the DIFL Facility) financial maintenance ratio from 4.5x to 5.0x. On 15 March 2019, DIFL used the net proceeds from the issuance of the Existing DIFL Secured Notes of \$594 million to repay all amounts drawn under the Revolving DIFL Facility, to repay all of its Term A loans and to pay related fees and expenses.
- 6.13 DGHL has not guaranteed any of the forgoing facilities, but as of 27 June 2023 certain members of the Crossover Ad Hoc Group who hold debt issued by DL, DIHL and DIFL, together with DGHL, DL, DIHL and DIFL have entered into a restructuring support agreement in relation to the restructuring of the foregoing facilities, as further detailed below.

7. EVENTS LEADING UP TO THE SCHEME

Background

- 7.1 The Company, via its operating subsidiaries, is a leading integrated communications and entertainment provider in the Caribbean and Central America, providing a comprehensive range of mobile communications, business solutions, cable television, broadband, mobile financial services, and other

related products and services to retail, corporate (including small and midsize enterprises), and government customers.

- 7.2 Founded in the early 2000s principally as a mobile telephone provider in Jamaica, the Group quickly expanded to a range of new markets and businesses through a combination of new ventures and acquisitions of existing companies. Today, the Group’s business consists of three principal segments—mobile, Digicel+ (cable TV and broadband), and business solutions. The Group employs a global workforce of approximately 5,500 people and provides products and services to over 10 million customers, including individuals, corporations, and governments, across 25 markets around the Caribbean and Central America, including Bermuda.
- 7.3 The Group provides essential telecommunications services in the 25 markets in which it operates. In most of its markets, it has either the largest or second-largest market share among mobile phone providers, and operates a number of key telecommunications cables linking countries in the Caribbean and Central America. Its networks are viewed as services of significant importance, and, on account of this importance, the Group and the industry in which it operates, are heavily regulated in each market.
- 7.4 The Company is the sole shareholder of Digicel Limited (“**DL**”). DL is the sole shareholder of Digicel Holdings (Bermuda) Limited (“**DHL**”), which in turn is the sole shareholder of Digicel Intermediate Holdings Limited (“**DIHL**”). DIHL is the sole shareholder of Digicel International Finance Limited (“**DIFL**”). Digicel operates its telecommunications businesses through a number of additional subsidiaries incorporated in the markets that the Group serves. DGHL’s equity is privately held and indirectly owned by Denis O’Brien (approximately 99.94%) (the “**Supporting Shareholder**”) and Sir Julian Horn-Smith (approximately 0.06%).
- 7.5 As described in “*Other Group Indebtedness*” above, the Group has a large and complex capital structure. In total, the Group has approximately \$4.4 billion of funded indebtedness outstanding as of the date of this Explanatory Statement. Not all of the Group’s funded debt is issued by a single issuer; rather, a number of different entities, including DGHL, are issuers under the applicable debt instruments as summarised below:

Issuer	Shareholder	Primary Funded Indebtedness Obligations
Digicel Group Holdings Limited (DGHL)	Digicel Investments Limited (as nominee for Supporting Shareholder)	Existing Subordinated Notes
		Existing Unsecured Notes
Digicel Limited	DGHL	Existing DL Notes
Digicel Holdings (Bermuda) Limited	DL	N/A
Digicel Intermediate Holdings Limited	DHL	N/A
Digicel International Finance Limited (DIFL)	DIHL	Existing DIFL Subordinated Notes
		Existing DIFL Unsecured Notes
		Existing DIFL Secured Notes
		DIFL Facility

The 2020 Restructuring

- 7.6 In the years preceding the 2020 Restructuring, the Group experienced significant reductions in voice revenues largely due to the industry-wide trend of customers shifting from using voice-based services to data-based services.
- 7.7 At the same time, the Group's revenue from its other businesses, such as the business solutions and cable television and broadband segments, did not grow sufficiently to offset this decline. Moreover, the Group's costs of financing were increasing. The Group also faced other significant pressures on its businesses and ability to generate operating free cash flow to service its debt, including significant capital expenditures that the Group had made in connection with the expansion of its business solutions and cable television business, increased competitive pressures from other mobile operators, and these were further exacerbated by the COVID-19 pandemic.
- 7.8 As a result, as of 2020, the Group's level of financial indebtedness had become untenable. As of September 2019, the Group's total outstanding debt was approximately \$7.4 billion. Financing charges related to this debt exceeded half a billion dollars on an annual basis. Given certain near-term maturities, increasing finance costs, and increasing revenue losses, the Group determined that a comprehensive restructuring of its capital structure was necessary.
- 7.9 To that end, in April 2020, after extensive, good-faith, arm's-length negotiations, the Group and an ad hoc group of holders of its funded indebtedness at differing levels of the capital structure agreed to tender their existing notes for new notes to be issued by Digicel pursuant to a series of tender offers and exchanges (the "**2020 Exchanges**"). The Existing Notes were among the new notes issued pursuant to the 2020 Exchanges. The 2020 Exchanges secured a number of benefits for the Group, including reducing the Group's leverage, extending its debt maturities, reducing its interest costs, and improving its liquidity position.
- 7.10 To effectuate a comprehensive restructuring, DGHL's predecessor, DGL1, also commenced a reorganisation proceeding before the Bermuda Court in the Civil Jurisdiction (Commercial Court) entitled *In the Matter of Digicel Group One Limited (Provisional Liquidators Appointed for Restructuring Purposes) and In the Matter of Section 99 of the Companies Act 1981 concerning a scheme of arrangement (under Section 99 of the Companies Act* (the "**2020 Scheme**"). The Scheme contemplated, among other things, that DGL1 would transfer all of its assets and liabilities to DGHL as reflected in the balance sheet appended to the explanatory statement submitted to the Bermuda Court in connection with the 2020 Scheme (the "**2020 Balance Sheet**").
- 7.11 The 2020 Balance Sheet reflected, among other assets and liabilities, intercompany payables and receivables which at the time totalled approximately \$566 million. These payables consisted of, among other things, an unsubordinated intercompany payable owed from DGHL to DL in the amount of approximately \$34 million and another unsubordinated intercompany payable owed from DGHL to DIFL in the amount of approximately \$478 million.
- 7.12 The 2020 Scheme received the support of 99.3% of the creditors by value. The Bermuda Court sanctioned the 2020 Scheme on 8 June 2020, and the 2020 Scheme became effective on 18 June 2020. Pursuant to these sanction orders, DGL1 transferred all assets and liabilities listed on the 2020 Balance Sheet to DGHL, including the intercompany payables described in paragraph 7.11. This transfer was the genesis of the Intercompany Claims that are subject to compromise in the proposed Restructuring pursuant to the Settlement Agreement.

Sale of DPL, Earn-Out and Escrow Amounts

- 7.13 Prior to the Pacific Sale, DGHL owned certain telecommunication businesses in the South Pacific operated by Digicel Pacific Limited and its subsidiaries. DPL was wholly owned by DGHL and, as of the closing of the Pacific Sale, served over 2.5 million customers in six markets: Fiji, Nauru, Papua New Guinea, Samoa, Tonga and Vanuatu.

- 7.14 On 24 October 2021, DGHL announced that it had entered into an agreement to sell DPL to a subsidiary of the Australian telecommunications company, Telstra Corporation Limited. The Pacific Sale closed on 13 July 2022 (the “**Pacific Sale Scheme Effective Date**”). A payment of approximately \$1.6 billion before deduction for customary working capital and other adjustments, was paid to DGHL upon closing. The DPL Sale Proceeds were used to, among other things, redeem approximately \$1.1 billion in principal and accrued interest of secured notes that had been issued by the Company in the 2020 Restructuring, repay a secured debt facility of \$78 million owed by a DPL subsidiary, and fund approximately \$177 million into certain escrow payments due pursuant to the Telstra SPA.
- 7.15 The Pacific Sale valued DPL at up to \$1.85 billion, inclusive of a three year, \$250 million earn-out (the “**Earn-Out**”) that is based on DPL’s service revenue performance over FY22-FY24. The Earn-Out is paid pursuant to a sliding scale with triggers set at 100%, 99%, and 97% of DPL’s forecasted service revenues for FY22-FY24, respectively. The one hundred percent threshold for DPL’s forecasted service revenue was exceeded in FY22 and the first Earn-Out payment of \$50 million was paid in September 2022. If forecasted services revenues were greater than 100% of the FY23 DPL service revenue forecast, then DGHL would have received a \$75 million Earn-Out (the same is true for FY24). Finally, if cumulative service revenues between FY22 and FY24 outperform forecasts by 5%, then DGHL will be owed an additional \$50 million Earn-Out Payment.
- 7.16 The Escrow Amounts include:
- (a) approximately \$99 million to cover a potential tax burden imposed by the state of Papua New Guinea (the “**PNG Escrow**”), the imposition of which is currently being arbitrated before the International Centre for Settlement of Investment Disputes (the “**PNG Arbitration**”);
 - (b) approximately \$28 million to cover certain known tax issues identified during the Pacific Sale’s diligence process (the “**Tax Escrow**”); and
 - (c) approximately \$50 million to generally cover claims (the “**Telstra Claims**”) arising under the Telstra SPA (the “**Telstra General Escrow**”). As of the date of this Explanatory Statement, there is approximately \$30 million (denominated in Papua New Guinea Kina) held in the Telstra General Escrow (such amount, the “**Existing General Escrow Amount**”).
- 7.17 The Escrow Amounts are slated to be released to DGHL at different intervals pursuant to the terms of the Telstra SPA (the “**Escrow Releases**”).
- 7.18 Furthermore, while not already prefunded into escrow, under the Telstra SPA, DGHL may be required to increase the amount of the Telstra General Escrow (the “**CoC Escrow Increased Amount**”) if: (i) there is a change of control under the Telstra SPA; and (ii) a guarantee from DL or its successor is not put in place as part of such change of control. The amount of the CoC Escrow Increased Amount decreases over time as follows:
- (a) between 0 and 12 months after the Pacific Sale Scheme Effective Date, the CoC Escrow Increased Amount was \$240 million;
 - (b) between 12 and 18 months after the Pacific Sale Scheme Effective Date, the CoC Escrow Increased Amount is \$100 million;
 - (c) between 18 and 30 months after the Pacific Sale Scheme Effective Date, the CoC Escrow Increased Amount is \$32 million; and
 - (d) between 30 and 48 months after the Pacific Sale Scheme Effective Date, the CoC Escrow Increased Amount is \$16 million.
- 7.19 As of the date of this Explanatory Statement, more than 12 months have elapsed since the Pacific Sale Scheme Effective Date, meaning the maximum amount of a prospective CoC Escrow Increased Amount is \$100 million. Accordingly, there is a maximum as CoC Escrow Top-Up Requirement of \$70 million in light of the Existing General Escrow Amount noted above.

Initial Restructuring Discussions and DL Ad Hoc Group

- 7.20 Notwithstanding the Pacific Sale, the Group still faced the near-term maturity of the Existing DL Notes. Accordingly, following the Pacific Sale, the Group began to evaluate various strategic alternatives to reduce the Group's indebtedness and in particular, address the pending maturity of the Existing DL Notes.
- 7.21 Among other things, the Group, with the assistance of the Digicel Advisors, began to engage with one of its bondholders, PGIM Inc. ("**PGIM**"), to discuss a consensual refinancing of the Existing DL Notes. Although a member of the Crossover Ad Hoc Group, PGIM also holds approximately 48% of the Existing DL Notes.
- 7.22 On 28 September 2022, Digicel was informed by PGIM and Contrarian Capital Management ("**Contrarian**") that they wanted to appoint Greenhill & Co., LLC ("**Greenhill**") as their financial advisor. The Group agreed to this request and with the assistance of the Digicel Advisors, began to engage with PGIM and Contrarian (PGIM and Contrarian together, the "**DL Ad Hoc Group**") to discuss a consensual refinancing of the DL Unsecured Notes.
- 7.23 The DL Ad Hoc Group holds approximately 37% of the Group's total outstanding indebtedness across the entirety of its capital structure, including 69% of the Existing DL notes, 13% of the Existing Unsecured Notes and 31% of the Existing Subordinated Notes.
- 7.24 Digicel's Advisors engaged extensively with the DL Ad Hoc Group and its advisors throughout October and November. These negotiations resulted in a number of proposals, however, as explained below a rapid deterioration in the Group's business in Haiti meant that these initial proposals ceased to be economically viable.

Deterioration of the Group's Business in Haiti

- 7.25 While negotiations with the DL Ad Hoc Group regarding a restructuring of DL's obligations continued, in September 2022, economic conditions in Haiti materially worsened when Prime Minister Ariel Henry announced that fuel subsidies would be eliminated, resulting in a rapid increase in inflation within the Haitian economy. As of the six months ending 30 September 2022, Haiti was the Group's single-largest market in terms of revenue (followed very closely by Jamaica).
- 7.26 In November 2022, the Company announced that Group's upcoming earnings would be significantly impacted by the economic and humanitarian crisis in Haiti. The Company estimated that "[a]djusted EBITDA for H2 FY23 (the six-month period ending 31 March 2023) in Haiti would be in the region of US\$25-35 million compared to US\$74 million in the prior half year." For the quarter ending 30 September 2022, the Group also reported that Q2 FY23 EBITDA in Haiti was only approximately \$28 million, compared to approximately \$42 million for the same period in the prior year.
- 7.27 EBITDA forecasts for Haiti for the financial year ending 31 March 2023 were included in the Group's regular monthly board reports. The EBITDA forecasts for Haiti included in the Group's board reports declined from \$156 million in August 2022 to \$91 million in December 2022.
- 7.28 Thus, toward the end of 2022, in light of the crisis in Haiti and its material effects on the Group's EBITDA, it became clear that a more comprehensive restructuring of the Group's capital structure was necessary. Among other things, the deterioration of the Group's Haitian businesses resulted in a significant reduction in free cash flow on which the Group relied to service the debt load of the entire Group, including indebtedness of DGHL. Moreover, a refinancing transaction that dealt only with DL's indebtedness's and the Existing DL Notes would be insufficient to make up for the loss in EBITDA that the Group suffered as a result of the deterioration of its Haitian business.

Negotiations with the Crossover Ad Hoc Group and DIFL Ad Hoc Group

- 7.29 Following intensive daily engagement in January and February, on 28 February 2023, after weeks of negotiations, the Group (through DL) reached an agreement in principle with the Crossover Ad Hoc

Group to comprehensively restructure the Group's debt obligations. The Crossover Ad Hoc Group Proposal contemplated, among other things:

- (a) fully equitizing the Existing DL Notes and the DIFL Subordinated Notes due 2026;
- (b) extending the maturity of the DIFL Term Loans and the DIFL Secured Notes due 2024;
- (c) amending the DIFL Unsecured Notes due 2025 to include certain economic enhancements; and
- (d) distributing cash currently held by DGHL and granting contingent rights in future cash proceeds from the Pacific Sale to DGHL Noteholders.

- 7.30 The Crossover Ad Hoc Group separately reached an agreement in principle prior to 28 February 2023 with the Supporting Shareholder, in order to retain his services on a go-forward basis due to the importance of the Supporting Shareholder's involvement in the daily operations of the Group.
- 7.31 At the same time that the Group was negotiating with the Crossover Ad Hoc Group, the Group also sought to engage constructively with, and encourage dialogue among, its other major creditor constituencies, on the terms of a proposed transaction, including an ad hoc group of creditors represented by Paul Hastings, LLP and Evercore Group L.L.C. (the "**DIFL Ad Hoc Group**" and, the members thereof, the "**DIFL Ad Hoc Group Members**"). The DIFL Ad Hoc Group owns 64% of the DIFL Term Loans due 2024 and approximately 46% of the DIFL Secured Notes. In aggregate, the DIFL Ad Hoc Group holds approximately 30% of the total amount of the Group's funded indebtedness. Thus, together, the Crossover Ad Hoc Group and the DIFL Secured Ad Hoc Group hold approximately 80% of the total amount of the Group's funded indebtedness.
- 7.32 Shortly after reaching the agreement in principle with the Group outlined above, the Crossover Ad Hoc Group and members of the steering committee of the DIFL Ad Hoc Group reached agreement on the key terms of the comprehensive restructuring of the Group's balance sheet.
- 7.33 Crucially the agreement reached by the Company, DL, DIFL with the Crossover AHC and the DIFL Ad Hoc Group contemplates equitisation of the Existing DL Notes and the DIFL Unsecured Notes such that the Company shall no longer have any interest in DHL and DIFL. This agreement reflects a recognition by all stakeholders that the Company's equity interest in DL (and by extension its equity in any other Group member) no longer has any economic value.

The DGHL Ad Hoc Group and the RSA

- 7.34 In addition to engagement with the Crossover Ad Hoc Group and the DIFL Ad Hoc Group, the Group also engaged with DGHL Ad Hoc Group. The DGHL Ad Hoc Group holds approximately 39.9% of the outstanding aggregate principal amount of the Existing Unsecured Notes and approximately 45.6% of the Existing Subordinated Notes. Unlike the Crossover Ad Hoc Group, the DGHL Ad Hoc Group did not own significant debt issued by other members of the Group.
- 7.35 On 10 March 2023, Solus Long-Term Opportunities Fund Master LP (the "**Petitioner**"), a member of the DGHL Ad Hoc Group, presented a petition against the Company in order for it to apply for the appointment of joint provisional liquidators (the "**JPLs**") to the Company for restructuring purposes. This summons lead to intensive further negotiations between the Company, the Crossover Ad Hoc Group and the DGHL Ad Hoc Group, which resulted in a restructuring support agreement dated 29 May 2023, pursuant to which the Petitioner withdrew their application to appoint JPLs. Holders of more than 82.7% of the Existing Unsecured Notes and more than 84.6% of the Existing Subordinated Notes by value are signatories to the RSA.
- 7.36 Due to the agreement in principle reached in respect of the restructuring of indebtedness issued by DL and DIFL (in particular the equitisation of the Existing DL Notes and the DIFL Subordinated Notes into shares in DHL), the RSA does not envisage a recapitalisation of the Company, but rather contemplates a Restructuring that is designed to implement an accelerated distribution of the Company's current assets amongst DGHL Noteholders, the Intercompany Claims and the Supporting Shareholder, and to allow the

Company's creditors and the Supporting Shareholder to share the Future DPL Proceeds, while foregoing the costs and delays associated with a formal liquidation of the Company. Following the final distribution of the Company's assets, it is anticipated that the Company will be wound up on a solvent basis. The key terms of this Restructuring are outlined in the "*Letter from the Board of Directors*".

Work Payments and Professional Fees

7.37 Pursuant to a 29 May 2023 letter, (the "**Work Payments Letter**"), the Company has agreed to pay to the members the members of the Crossover Ad Hoc Group and the DGHL Ad Hoc Group:

- (a) a fee in cash equal to their pro rata share of \$5,900,000 calculated by reference to the outstanding principal amount of the Existing Unsecured Notes aggregately held by the Crossover Ad Hoc Group and the DGHL Ad Hoc Group as at 29 May 2023; and
- (b) a fee in cash equal to their pro rata share of \$900,000 calculated by reference to the outstanding principal amount of the Existing Subordinated Notes aggregately held by the Crossover Ad Hoc Group and the DGHL Ad Hoc Group as at 29 May 2023,

(collectively the "**Work Payments**").

7.38 The Company has also agreed to pay the fees, costs and expenses of the professional advisors to those groups incurred in connection with the Scheme.

7.39 The Work Payments together with the reimbursement obligation for professional advisors under the RSA represents compensation for those members of the Crossover Ad Hoc Group and the DGHL Ad Hoc Group who undertook negotiations with the Company which resulted the proposed Restructuring, under which all DGHL Scheme Creditors stand to benefit.

8. THE SCHEME

8.1 The purpose of the Scheme is to effect a compromise and arrangement between the Company and the DGHL Scheme Creditors that will apply to all Scheme Claims. Details of the Scheme can be found in Part B (*Overview of the Scheme*) and Part F (*The Scheme*) of this Explanatory Statement. The Scheme is intended to bind all DGHL Scheme Creditors, not just the signatories to the RSA.

8.2 For the reasons set out herein and in the Practice Statement Letter, the Company has proposed and the Bermuda Court has ordered that DGHL Scheme Creditors wishing to vote on the Scheme should do so in two class meetings. However, as stated in the Practice Statement Letter, issues relating to the constitution of the class of creditors or issues which might otherwise affect the conduct of the Scheme Meeting should have been raised at the Convening Hearing. The Court would expect those DGHL Scheme Creditors who raise objections at the Sanction Hearing to show good reason why they did not previously raise any such issues at the Convening Hearing.

9. CHAPTER 15 RECOGNITION OF THE SCHEME

9.1 Chapter 15 of the U.S. Bankruptcy Code is designed to give judicial access to a foreign debtor (or representative thereof) to, among other things, protect the foreign debtor's U.S. assets and authorise the foreign debtor or its representative to administer the foreign debtor's U.S. assets. Chapter 15 is predicated on principles of comity and the fair and efficient administration of cross-border insolvencies. Chapter 15 functions through "recognition" of a foreign proceeding.

9.2 The Chapter 15 Filing is an application for such recognition and it is a Condition Precedent to the Scheme Effective Date that the Company has obtained the Chapter 15 Recognition Order. If the U.S. Bankruptcy Court recognises the Scheme as the foreign "main" proceeding or foreign "non-main" proceeding of the Company, the automatic stay and selected other provisions of the U.S. Bankruptcy Code take effect within the United States. Once a foreign proceeding is "recognised" under Chapter 15, orders issued in the foreign proceeding may be recognised unless "manifestly contrary to the public policy of the United States," which is a very demanding standard.

- 9.3 The Existing Notes are governed by New York law, the Company, in the Existing Notes Indenture, has submitted to the jurisdiction of New York courts, and certain of the DGHL Scheme Creditors are expected to be U.S. persons. In order to mitigate the risk of enforcement in the United States and to give effect to the Scheme (if approved by the requisite majorities of the DGHL Scheme Creditors and sanctioned by the Bermuda Court) in the United States, the Company has resolved to appoint Lawrence Hickey, as its foreign representative (the “**Foreign Representative**”) and to commence the Chapter 15 Filing by them with the U.S. Bankruptcy Court in the Southern District of New York (the “**U.S. Bankruptcy Court**”) on or around the date of this Explanatory Statement.
- 9.4 The Company, through its Foreign Representative, will request that the U.S. Bankruptcy Court hold a recognition hearing as soon as possible after the Scheme Sanction Hearing to avoid any delays in the consummation of the Restructuring.
- 9.5 Notice of the Chapter 15 Filing and the relevant dates of the Chapter 15 proceeding will be served upon the following parties:
- (a) the Company;
 - (b) the office of the U.S. Trustee for the Southern District of New York;
 - (c) counsel to the Crossover Ad Hoc Group and DGHL Ad Hoc Group;
 - (d) the Existing Notes Trustee;
 - (e) the SEC;
 - (f) all persons or bodies authorised to administer the Scheme proceedings;
 - (g) DTC;
 - (h) the Information Agent;
 - (i) any other parties with an interest in the relevant proceedings that have timely requested notice pursuant to Rule 2002 of the U.S. Federal Rules of Bankruptcy Procedure; and
 - (j) all other parties that the U.S. Bankruptcy Court directs.
- 9.6 Additionally, the Company will publish notice of the Chapter 15 Filing on the Scheme Website.

10. IMPACT OF THE SUCCESSFUL IMPLEMENTATION OF THE SCHEME

- 10.1 If the requisite majorities to approve the Scheme at the Scheme Meetings are obtained, the Scheme is sanctioned at the Scheme Sanction Hearing and the Scheme is successfully implemented, all DGHL Scheme Creditors (including those who do not vote in favour of the Scheme) will be bound by the terms of the Scheme, along with the Company. As set out in detail below in Part B (*Overview of the Scheme*) and Part F (*The Scheme*) of this Explanatory Statement, the Scheme provides for a compromise of all Scheme Claims. In accordance with the terms of the Scheme, on the Scheme Effective Date the Company shall distribute the Net Cash Distribution to the DGHL Noteholders, and thereafter issue the New Notes in consideration for the Existing Notes, the Existing Notes Indenture and all other related instruments, certificates, agreements and other documents being cancelled, released, terminated, extinguished and discharged without any further act or action by the Company, the Existing Notes Trustee or any DGHL Scheme Creditor (provided, however, that such documents shall continue in effect for the limited purpose of: (i) allowing the DGHL Scheme Creditors to receive their respective DGHL Scheme Consideration and, if applicable, Work Payments; and (ii) preserving all rights of the Existing Notes Trustee thereunder, including with respect to the Existing Notes Trustee’s Fees and Expenses).
- 10.2 If the Scheme is successfully implemented and the Scheme Effective Date occurs, the Company will continue to exist to the limited purpose of servicing its obligations in respect of the New Notes. The

Board of the Company following the Scheme Effective Date is expected to diligently pursue maximising the Future DPL Proceeds, and conduct, in the most efficient manner possible, a disposal of the Additional Assets. All such proceeds generated thereby will be applied by the Company in accordance with the Intercreditor Agreement, including in discharging amounts payable pursuant to the New Notes. Following the payment of all Future DPL Proceeds and Additional Asset Proceeds and, subject to making provision for any Liabilities, the Company expects to conduct a solvent liquidation and thereafter cease to exist.

11. CONSEQUENCES OF A FAILURE TO IMPLEMENT THE SCHEME

- 11.1 The proposed Restructuring has been formulated on the basis of extensive negotiations with the Crossover Ad Hoc Group and the DGHL Ad Hoc Group, with the objective of treating all stakeholders fairly and in accordance with their respective legitimate expectations and following a comprehensive consideration of the strategic options available to the Company. The scope of feasibility of these options has been limited as a result of impairments in the Group's business, which in turn have led to the Company to ascribe no value to its equity interest in DL. Necessarily, any Restructuring was therefore limited to allocating the Company's remaining assets amongst its creditors in a manner that was acceptable to various stakeholders.
- 11.2 The Company is currently balance sheet insolvent and in default of its obligation to pay interest on the Existing Notes. Such default permits the Existing Notes to be accelerated, meaning the entire principal amount of the Existing Notes would become immediately due and payable. In these circumstances, the Company would have insufficient liquid assets to discharge its liabilities under the Existing Notes. Therefore, if the Restructuring were not consummated (of which the Scheme is an essential part), it is probable that the Board would have no other option but to petition the Bermuda Court that the Company proceed to be wound up on the basis of its insolvency. Accordingly, the relevant comparator to the Scheme is an insolvent winding-up of the Company, which would be value-destructive and detrimental to the Company and all of its stakeholders, including the DGHL Scheme Creditors for the reasons set out below. In those circumstances, the Company would not be able to satisfy its creditors (including the DGHL Scheme Creditors) in full, nor provide as much value as they would receive in the Restructuring and the quantum and timing of any distributions to its creditors (including the DGHL Scheme Creditors) would be very uncertain, and the recoveries for creditors would be lower than otherwise available through the Scheme.
- 11.3 In particular, the Company believes that an insolvent winding-up administered under Bermuda law would produce a worse outcome for DGHL Scheme Creditors due to the following factors:
 - (a) the costs associated with professional liquidators would most likely outweigh those paid under the DGHL/DIFL Services Agreement or to Board members of the Company if the Scheme were to be implemented. Furthermore, it is uncertain whether DGHL Scheme Creditors would benefit from the same level of visibility and financial reporting as will be afforded to them under the information covenants of the New Notes to be issued pursuant to the Scheme;
 - (b) it doubtful whether professional liquidators, who would be expected not to have in depth knowledge of the telecommunications sector, particular in markets such as the South Pacific, would have the same level of knowledge as the Supporting Shareholder, and it is certain that liquidators would not benefit from the Supporting Shareholder's position as a director on the board of Telstra; there is therefore a strong likelihood that professional liquidators would be unable to maximise Future DPL Proceeds to the same extent the Supporting Shareholder will be able to under the terms of the proposed Restructuring;
 - (c) The Restructuring (and the Scheme) avoids value destructive and time consuming litigation that might arise in the context of a formal liquidation, particularly (i) in relation to disputes over the value of differing creditors' claims and (ii) as may arise under the Telstra SPA (including, for example Telstra ceasing to pay Future DPL Proceeds or demanding increased escrow provisions on the basis of DGHL's insolvency); and

- (d) the agreement by DL and DIFL to compromise their otherwise *pari passu* senior unsecured claims under the Settlement Agreement means that DGHL Scheme Creditors will receive proportionately more of the Company's assets than they would in an insolvent liquidation if DL and DIFL were to assert the full value of their present claims. For the purposes of illustration only, taking the Company's available cash balance of approximately \$300 million, the following table compares the allocation of this cash under Bermuda's winding-up regime versus the proposed allocation in the Restructuring (for these purposes a senior unsecured claim value of \$509 million based upon the 31 December 2022 financial statements of the Company):

	Allocation in Winding-Up ⁸	Allocation in Restructuring
Intercompany Claims	\$159.43 million	\$110.2 million
Existing Unsecured Notes	\$139.94 million	\$163.5 million
Existing Subordinated Notes	\$0 (due to subordination)	\$19.5 million

The above does not take into account Future DPL Proceeds or Additional Assets Proceeds; as with the Company's available cash, DL and DIFL have agreed to accept a proportionally lower allocation of these proceeds than they would under a the terms of a *pari passu* winding-up if they were to assert the full amount of their claims, including by agreeing to caps on their share in Future DPL Proceeds (being subject to a maximum of \$75.24 million following the allocation of such proceeds as agreed between the DGHL Scheme Creditors and the Supporting Shareholder) and of the proceeds realised in connection with or from the disposal of the Additional Assets, (being subject to an overall cap that DL and DIFL shall not share in Future DPL Proceeds and Additional Assets proceeds that are in excess of an aggregate \$190 million).

⁸ These figures are illustrative based on a notional \$300 million cash as against principal values as at 31 March 2023 for each class of debt.

PART B 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 reference to, the more detailed information presented elsewhere in this Explanatory Statement and which forms part of this Explanatory Statement, and the Scheme.

12. SCHEME OF ARRANGEMENT OVERVIEW

- 12.1 The compromise and arrangement in respect of the Scheme Claims is proposed to be effected by way of the Scheme.
- 12.2 A scheme of arrangement is a formal procedure under Section 99 of the Bermuda Companies Act 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. Under Bermuda law, 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 or classes of creditors present in person or by proxy and voting at each of the relevant meeting convened to approve the scheme of arrangement;
 - (b) the approval of the Bermuda 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 Bermuda Registrar of Companies.
- 12.3 If a scheme of arrangement is approved by the requisite majorities at the relevant scheme meeting(s) and sanctioned by the Bermuda Court and the order sanctioning the scheme of arrangement is delivered to the Bermuda Registrar of Companies, such scheme will become effective in accordance with its terms and bind all the creditors subject to it, including those creditors who voted in favour of it and those creditors who voted against it or did not vote at all and in each case with their successors and assigns.
- 12.4 A scheme of arrangement cannot be sanctioned by the Bermuda Court unless the Bermuda Court is satisfied, among other things, that the relevant provisions of Section 99 of the Bermuda Companies Act, have been complied with.
- 12.5 The Scheme is being proposed because the Company is incorporated in Bermuda.
- 12.6 For the reasons set out in paragraph 14.5 below, the Company has proposed that DGHL Scheme Creditors wishing to vote on the Scheme should do so in two classes, at two Scheme Meetings, one for DGHL Unsecured Noteholders, and one for DGHL Subordinated Noteholders.
- 12.7 The actions to be taken by all DGHL Scheme Creditors in order to receive DGHL Scheme Consideration in accordance with the Scheme are set out in the section entitled *Summary of Actions to Be Taken by All DGHL Scheme Creditors* and Appendix 2 (*Ballot Package*) to this Explanatory Statement, to which DGHL Scheme Creditors should refer.
- 12.8 A summary of: (a) the identities of the DGHL Scheme Creditors; (b) the process for attending and voting at the Scheme Meetings; (c) when the Scheme will become effective; (d) the terms of the Scheme; and (e) when the DGHL Scheme Consideration will be distributed, is set out below.

13. IDENTITY OF DGHL SCHEME CREDITORS

- 13.1 The Scheme is being proposed by the Company in respect of the Scheme Claims of the DGHL Scheme Creditors.
- 13.2 As the Existing Notes are securities which are held in global form, the creditors under Existing Notes comprise:
- (a) the Existing Notes Trustee who, whilst having no economic interest in the Existing Notes, is nevertheless a creditor of the Company by virtue of its right to enforce payments due in respect of the Existing Notes pursuant to various clauses in the Existing Notes Indenture;
 - (b) Cede & Co as nominee for The Depository Trust Company (“DTC”) who, whilst also having no economic interest in the Existing Notes, is nevertheless a creditor of the Company by virtue of the fact that it has physical possession of the negotiable instruments and is the registered legal holder of the Existing Notes in global form;
 - (c) participants in the Depository Trust Company (the “DTC Participants”) who hold their beneficial interests in the Existing Notes in book-entry form through DTC. DTC Participants are generally large banks, broker-dealers or other major financial institutions which hold securities accounts with DTC and prime brokerage clients. DTC Participants may hold beneficial interests in the Existing Notes for their own account (in which case they will be DGHL Noteholders) or as agents for the account of their clients (in which case they have no economic interests in the Existing Notes, and may be known as “intermediaries” or “participants”);
 - (d) Intermediaries who hold interests in the Existing Notes for the account of their clients but are not themselves DTC Participants or holders of the Beneficial Interests in the Existing Notes; and
 - (e) those DGHL Noteholders who have beneficial interests in the Existing Notes and who are also the owners of the ultimate economic interest in the Existing Notes, which they may hold directly or through an intermediary or participant. In the context of a Scheme, DGHL Noteholders are considered contingent creditors of the Company as a result of their entitlement (pursuant to the terms of the relevant Existing Notes Indentures) to exchange their Beneficial Interests in the global certificates representing the Existing Notes for individual certificated notes (registered in their names) in certain limited circumstances. DGHL Noteholders may hold their Beneficial Interest indirectly via DTC Participants or may hold their Beneficial Interest via other nominees, with these nominees in turn holding beneficial interests via DTC Participants. These nominees are not creditors because they hold no real economic interest in the Existing Notes, nor are they shown as holding a beneficial interest in the Existing Notes in the records of DTC.

For the purposes of voting at the Scheme Meeting, the Bermuda Court has ordered that only DGHL Scheme Creditors who are DGHL Noteholders as of the Record Date shall be entitled to vote.

14. SCHEME MEETING: CLASSES FOR VOTING PURPOSES

Classes of DGHL Scheme Creditors

- 14.1 Under the provisions of Section 99 of the Bermuda Companies Act, in order for the Scheme to become legally binding on the Company and the DGHL Scheme Creditors, the Scheme must be approved by a majority in number, representing at least 75% in value, of each class of the DGHL Scheme Creditors present and voting either in person or by proxy at the relevant Scheme Meetings. The Scheme must then be sanctioned by the Bermuda Court at a subsequent Bermuda Court hearing and a copy of the order delivered to the Bermuda Registrar of Companies before it can become effective.
- 14.2 If the rights of creditors affected by the Scheme are so different or would be affected so differently by the Scheme as to make it impossible for them to consult together with a view to their common interest,

they must be divided into separate classes for purposes of voting on the Scheme and a separate voting meeting must be held for each class of creditor.

- 14.3 It is the responsibility of the Company to formulate the class or classes of creditors for the purpose of convening creditor meeting(s) to consider and, if thought fit, approve the Scheme. The final decision as to class composition will be a matter for the Bermuda Court at the Sanction Hearing after taking into account any objections from DGHL Scheme Creditors.
- 14.4 The Company has considered the existing and prospective rights of the DGHL Scheme Creditors against the Company in the absence of the Scheme (i.e., in a winding-up of the Company) and the rights of the DGHL Scheme Creditors under the proposed Scheme. Having considered these rights, the Company has concluded that it is appropriate that there be two classes of creditors consisting of: (i) the DGHL Unsecured Noteholders; and (ii) the DGHL Subordinated Noteholders.
- 14.5 The Company considers such class composition is appropriate for the following reasons:
- (a) The rights of the DGHL Unsecured Noteholders and the DGHL Subordinated Noteholders are materially different: they are governed by different documentation, with differing contractual maturities and interest rates. Furthermore, the claims of DGHL Subordinated Noteholders are contractually subordinated to those of DGHL Unsecured Noteholders and on a winding-up DGHL Unsecured Noteholders would expect to be paid in priority to DGHL Subordinated Noteholders.
 - (b) The DGHL Scheme Consideration offered to the DGHL Unsecured Noteholders is materially different to that offered to the DGHL Subordinated Noteholders. DGHL Unsecured Noteholders are contemplated to receive a proportionately greater amount of cash by reference to the outstanding principal amount of the Existing Unsecured Notes than that offered to the DGHL Subordinated Noteholders in respect of the DGHL Subordinated Notes. Furthermore, the allocation of Future DPL Proceeds and Additional Assets Proceeds to DGHL Unsecured Noteholders pursuant to the terms of the New Senior Notes is materially different than such allocation to DGHL Subordinated Noteholders pursuant to the terms of the New Subordinated Notes.
 - (c) Conversely, as amongst themselves each DGHL Unsecured Noteholder holds economic and beneficial interests in the one single series of debt securities issued by the Company and has a claim against the Company in the principal amount of the Existing Unsecured Notes held by it (plus accrued interest), which ranks *pari passu* with any claim by any other DGHL Unsecured Noteholder. The same is true as amongst the DGHL Subordinated Noteholders with respect to the Existing Subordinated Notes.
 - (d) In addition, each DGHL Unsecured Noteholder will be treated identically under the Scheme and shall be entitled to its pro rata share (based upon the principal amount of its Existing Unsecured Notes) of DGHL Scheme Consideration. The same is true as amongst the DGHL Subordinated Noteholders.

Impact of the Work Payments Letter and the RSA

- 14.6 With respect to the fact that some DGHL Scheme Creditors are party to the RSA and others are not, the Company is of the view that the rights of the DGHL Scheme Creditors that are party to the RSA are not so dissimilar to those that are not a party to it so as to make it impossible for them all to vote together in the same class. This is on the basis that, other than potentially being eligible to receive the Work Payments and the reimbursement of the professional fees of their advisors which, as discussed below, does not, in the Company's view prevent the DGHL Scheme Creditors from voting together in one creditor class, those DGHL Scheme Creditors who are party to the RSA are treated under the Scheme in the same manner as DGHL Scheme Creditors who are not party to the RSA.
- 14.7 The Company has considered whether its obligation to pay the Work Payments pursuant to the Work Payments Letter, and to reimburse the members of the Crossover Ad Hoc Group and the DGHL Ad Hoc

Group the fees, costs and expenses of the professional advisors to those groups incurred in connection with the Scheme requires the constitution of additional scheme classes.

- 14.8 The Company has concluded it does not. The agreement to reimburse the professional fees of the advisors to the foregoing groups and to pay the Work Payments constitutes a commercially justifiable payment for the foregoing groups' time and expense in working with the Company to formulate a restructuring solution. The work undertaken was for the benefit of all DGHL Noteholders. No DGHL Noteholders outside such groups have undertaken a similar role, meaning it would be inappropriate to pay any other DGHL Noteholder any such equivalent sum. The Company also considers that the reimbursement obligations and the Work Payments are immaterial in context of the overall value of the DGHL Scheme Consideration and the Restructuring.
- 14.9 In addition, certain members of the Crossover Ad Hoc Group are holders of debt issued by other subsidiaries of the Company. The Company considered whether the presence of these cross-holdings necessitates constituting the Crossover Ad Hoc Group as a separate class for the purposes of the Scheme. The Company does not believe this is a relevant consideration, as the Restructuring proposed to be implemented by the Scheme is not conditional upon, nor does it entail, the restructuring of any other indebtedness of any other Group member.
- 14.10 Finally, in negotiating the Scheme and pursuant to the RSA, the Company has agreed that approval by members of the Ad Hoc Groups of both a Post-Closing Budget (which shall provide a budget for the Company's operations following the Scheme Effective Date) and a Distributions Allocation Funds Flow (which shall set out the anticipated payments to be made on the Scheme Effective Date) shall be a condition precedent to the Scheme Effective Date. Since the members of the Ad Hoc Groups collectively hold more than 80% of the Existing Notes and their consent rights are both supervisory in nature and likely to be consistent with the interests of all DGHL Scheme Creditors, the Company does not consider that these limited approval rights create a class issue.

The Supporting Shareholder

- 14.11 The Supporting Shareholder is a DGHL Noteholder in respect of de minimis amounts of the Existing Notes (approximately \$517,000 in principal amount of the Existing Unsecured Notes and \$93,000 in principal amount of the Existing Subordinated Notes). Although the Supporting Shareholder may, in his individual capacity, become entitled to Future DPL Proceeds under the terms of the RSA (see further the illustrative waterfall in "*Letter from the Board of Directors*"), no different or special treatment is proposed in respect of the Supporting Shareholder's holding of Existing Notes (i.e. the Supporting Shareholder shall receive DGHL Scheme Consideration in respect of his holding of Existing Notes of the same kind and any the same rate as each other DGHL Scheme Creditor). The Company therefore considers that it is not necessary to place the Supporting Shareholder in a separate scheme class, on the basis that the Company is advised that it is the rights of the Supporting Shareholder as a creditor under the Existing Notes and the proposed treatment of his rights as a creditor under the Existing Notes pursuant to the Scheme that are relevant to class composition, not the Supporting Shareholder's overall commercial interest in the Restructuring.

Conclusion

- 14.12 The Company has concluded and the Bermuda Court has ordered that it is appropriate that the Scheme Meetings be convened with two classes DGHL Scheme Creditors comprising the DGHL Unsecured Noteholders and the DGHL Subordinated Noteholders.

15. SCHEME MEETING: PROCESS FOR VOTING

- 15.1 DGHL Scheme Creditors should refer to the instructions in relation to voting at the Scheme Meetings in the section entitled *Summary of Actions to Be Taken by All DGHL Scheme Creditors* and Appendix 2 (*Ballot Package*) to this Explanatory Statement. Please note that the DGHL Noteholders, as the beneficial owners of the Existing Notes who are also the persons with the ultimate economic interest in the Existing Notes, are the persons with the "real" interest in the Scheme Claims represented by the Existing Notes. Accordingly, and in line with the practice most commonly adopted in Bermuda, only the DGHL

Noteholders as of the Record Date will be entitled to vote as DGHL Scheme Creditors at the Scheme Meetings and the Company will seek directions from the Bermuda Court that, in the event of a vote being cast by more than one creditor in respect of the same debt, the Chairman shall be authorised to count only the votes of the person with the ultimate economic interest in that debt.

- 15.2 The amount of the Scheme Claims of each DGHL Scheme Creditor who submits a valid Ballot in respect of the Scheme Claims will be calculated for voting purposes as of the Record Date based upon the principal amount of Existing Notes represented by such Scheme Claims (including any accrued interest or other amounts due pursuant to the Existing Notes or the Existing Notes Indenture) and upon information confidentially provided to the Company by the Information Agent, which shall include any documents or information provided by each DGHL Scheme Creditor in support of its Scheme Claims. This information will be used by the Chairman to determine whether each resolution is validly passed at the Scheme Meetings. Specifically, votes of DGHL Scheme Creditors will be admitted at the Scheme Meeting at a value equal to their holding of the outstanding principal amount of the Existing Notes (excluding any accrued interest or other amounts due pursuant to the Existing Notes or the Existing Notes Indenture) in which each DGHL Scheme Creditor held an economic or beneficial interest as principal as of the Record Date (without double counting).
- 15.3 If a Scheme Claim is unascertained, contingent or disputed (in part) but the Chairman is able to estimate a minimum value of that Scheme Claim, then the Chairman may admit the Scheme Claim for voting purposes at that minimum value. If a Scheme Claim is disputed in its entirety, or the Chairman is otherwise unable to place a minimum value on it, then that Scheme Claim shall be rejected by the Chairman in its entirety for voting purposes. If a discretion is granted to the Chairman as a proxyholder to vote a Scheme Claim, the Chairman will vote such a Scheme Claim in favour of the Scheme.

16. WHEN WILL THE SCHEME BE EFFECTIVE?

Scheme Sanction Hearings

- 16.1 Under Section 99 of the Bermuda Companies Act, a Bermudian scheme of arrangement becomes effective in accordance with its terms and is binding on the relevant company and all its creditors who are intended to be bound by the scheme, when the order of the Bermuda Court sanctioning the scheme of arrangement is delivered to the Bermuda Registrar of Companies. The Company expects that the Scheme Sanction Hearing will take place on or about 6 October 2023. Once the date of the Scheme Sanction Hearing is confirmed by the Bermuda Court, the Information Agent will provide notice to the DGHL Scheme Creditors.

Occurrence of the Scheme Effective Date

- 16.2 Pursuant to the Scheme, the Scheme Effective Date will occur following:
- (a) the approval of the Scheme (with or without modifications, pursuant to the terms of the Scheme) at the Scheme Meetings by a simple majority in number of each class of the DGHL Scheme Creditors entitled to vote at the Scheme Meetings either in person or by proxy representing at least three fourths in value of the Scheme Claims of the relevant class;
 - (b) the sanction of the Scheme (with or without modifications, subject to the terms of the Scheme) by the Court;
 - (c) entry into the Restructuring Documents and satisfaction of any conditions precedent thereunder;
 - (d) adoption of the Amended and Restated Bye-laws and appointment of each of the independent directors required thereunder, including the AHG Board Nominees;
 - (e) entry of an order by the US Bankruptcy Court pursuant to Chapter 15 of the US Bankruptcy Code, recognising and enforcing the Scheme, with such order not having been reversed, stayed, modified or vacated on appeal;

- (f) payment in full, in cash of Existing Notes Trustee's Fees and Expenses that have been invoiced to the Company no less than two (2) Business Days prior to the Scheme Effective Date;
- (g) payment of all outstanding or otherwise reasonable and documented Professional Fees in full;
- (h) payment of all Work Payments in full;
- (i) the delivery of an office copy of the Sanction Order to the Registrar of Companies for registration;
- (j) the approval by the members of the Ad Hoc Groups of the Post-Closing Budget;
- (k) execution of consents to act by the AHG Board Nominees;
- (l) the approval by the members of the Ad Hoc Groups of the Distributions Allocation Funds Flow; and
- (m) following completion of the final condition to occur of (a) to (l) above, written confirmation from the Company that the Restructuring Support Agreement has not been terminated by any of the parties thereto and it remains in full force and effect.

17. WHAT WILL THE SCHEME DO?

Funding of Reserves and calculation of Cash Allocation Shortfall

- 17.1 On the Scheme Effective Date and immediately prior to making the Noteholder Cash Distributions, the Company shall establish the Expense Reserve account with the amounts as set out in the Post-Closing Budget (anticipated to be approximately \$5 million to \$15 million). The Expense Reserve is intended to ensure the Company has sufficient working capital to fund its ongoing operations and corporate existence while Future DPL Proceeds and Additional Asset Proceeds are realised. In addition, the Telstra Reserve is intended to provide a contingency for any liabilities that may arise under or in connection with the Telstra SPA (including in respect of Escrow Amounts, see further "*Sale of DPL, Earn-Out and Escrows*" in Part A (*Background and Alternatives to the Scheme*)), so as to avoid Telstra being able to bring any claim that would prejudice the Restructuring.
- 17.2 To the extent that, after the payment of the Existing Notes Trustee's Fees and Expenses, Professional Fees, the Work Payments, funding of the Reserves and payment of any other amounts shown as payable on the Scheme Effective Date in the Distributions Allocations Funds Flow, the Company has insufficient available cash to make the full Noteholder Cash Distributions and the DIFL/DL Cash Distribution then:
 - (a) the Company shall calculate the aggregate shortfall between:
 - (i) its available cash; and
 - (ii) the sum of the Noteholder Cash Distributions and the DIFL/DL Cash Distribution (such amount a "**Cash Allocation Shortfall**");
 - (b) the Company shall deduct from the DGHL Unsecured Notes Cash Distribution and the DGHL Subordinated Notes Cash Distribution, the relevant Cash Allocation Shortfall Pro-Rata; and
 - (c) those reduced amounts shall be the cash payable by the Company to the DGHL Unsecured Noteholders and the DGHL Subordinated Noteholders pursuant to the Scheme.
- 17.3 Following the Scheme Effective Date, the DGHL Unsecured Noteholders and the DGHL Subordinated Noteholders, as well as DL and DIFL (or their respective successors, assigns or transferees) shall be

reimbursed in respect of the amounts used to fund any Cash Allocation Shortfall from any Additional Assets Proceeds as set out in the Intercreditor Agreement

DGHL Scheme Consideration and Release of Scheme Claims

17.4 On or around the Scheme Effective Date:

- (a) the Company shall make the Noteholder Cash Distributions (subject to such deductions and/or adjustment made to account for any Cash Allocation Shortfall as described above) available for payment via DTC to DGHL Noteholders;
- (b) immediately following the payments in paragraph (a) above, the Company shall:
 - (i) issue the New Senior Notes pursuant to the Note Agreement. The New Senior Notes shall be issued to each DGHL Unsecured Noteholder who is an Eligible Recipient in an amount equal to such DGHL Unsecured Noteholder's pro rata portion (based upon their Scheme Claim relative to the aggregate amount of all Scheme Claims of all DGHL Unsecured Noteholders on the New Notes Election Deadline) of the aggregate principal amount of the Existing Unsecured Notes. Any DGHL Unsecured Noteholder who is an Eligible Recipient but failed to make an Existing Unsecured Notes Election by the New Notes Election Deadline and any Ineligible Recipient shall be deemed to have elected to receive New 1A Notes and New 1B Notes in respect of their entitlements and shall not receive New 2A Notes or New 2B Notes. New 1A Notes and New 1B Notes shall be issued in the name of the New Note 1 Recipients and New 2A Notes and New 2B Notes shall be issued in the name of the New Note 2 Recipients (as applicable). The New Notes Registrar shall maintain a register of New Note 1 Recipients' and New Note 2 Recipients' respective interests in the New Senior Notes. The New Senior Notes shall exist in book-entry form and no physical notes or certificates shall be issued or delivered. To the extent a DGHL Unsecured Noteholder is an Ineligible Recipient, such DGHL Unsecured Noteholder's interests in the New Senior Notes shall be issued in the name of the Holding Period Trustee and held by the Holding Period Trustee subject to the terms of the Holding Period Trust; and
 - (ii) issue the New Subordinated Notes pursuant to the Note Agreement. The New Subordinated Notes shall be issued to each DGHL Subordinated Noteholder who is an Eligible Recipient in an amount equal to such DGHL Subordinated Noteholder's pro rata portion (based upon their Scheme Claim relative to the aggregate amount of all Scheme Claims of all DGHL Subordinated Noteholders as of the New Notes Election Deadline) of the aggregate principal amount of the Existing Subordinated Notes. Any DGHL Subordinated Noteholder who is an Eligible Recipient but failed to make an Existing Subordinated Notes Election by the New Notes Election Deadline and any Ineligible Recipient shall be deemed to have elected to receive New 3A Notes and New 3B Notes in respect of their entitlements and shall not receive New 4A Notes or New 4B Notes. New 3A Notes and New 3B Notes shall be issued in the name of the New Note 3 Recipients and New 4A Notes and New 4B Notes shall be issued in the name of the New Note 4 Recipients (as applicable). The New Notes Registrar shall maintain a register of New Note 3 Recipients' and New Note 4 Recipients' respective interests. The New Subordinated Notes shall exist in book-entry form and no physical notes or certificates shall be issued or delivered. To the extent a DGHL Subordinated Noteholder is an Ineligible Recipient, such DGHL Subordinated Noteholder's interests in the New Subordinated Notes shall be issued in the name of the Holding Period Trustee and held by the Holding Period Trustee subject to the terms of the Holding Period Trust.

17.5 Immediately following the payment/issuance of DGHL Scheme Consideration and conditional upon such payment/issuance occurring, all Scheme Claims of the DGHL Unsecured Noteholders and DGHL Subordinated Noteholders (together with any Scheme Claim that the Existing Notes Trustee and/or the

Existing Depository Nominee may have in relation to the Existing Notes and/or the Existing Notes Indenture) shall be released and compromised as follows:

- (a) the Existing Notes, the Existing Notes Indenture, and all other related instruments, certificates, agreements and other documents will be cancelled, released, terminated, extinguished and discharged without any further act or action by either the Company, the Existing Notes Trustee, any DGHL Noteholder or any other DGHL Scheme Creditor; provided, however, that such documents shall continue in effect for the limited purpose of (i) allowing the DGHL Noteholders to receive their respective DGHL Scheme Consideration and, if applicable, Work Payments and (ii) preserving all rights of the Existing Notes Trustee thereunder, including with respect to the Existing Notes Trustee's Fees and Expenses;
- (b) the Existing Notes shall be deemed surrendered without any further act or action by the Company, the Existing Notes Trustee, any DGHL Noteholder or any other DGHL Scheme Creditor;
- (c) the respective rights and obligations of the DGHL Noteholders, any Intermediary holding any Beneficial Interest in any of the Existing Notes (including, for the avoidance of doubt, any person that acquires an interest in the Existing Notes after the Record Date), the Company, and the Existing Notes Trustee towards one another under the Existing Notes Indenture and the Existing Notes shall be deemed fully satisfied, discharged and terminated; provided, however, that such rights and obligations shall continue for the limited purpose of (i) allowing the DGHL Noteholders to receive their respective DGHL Scheme Consideration and (ii) preserving all rights of the Existing Notes Trustee thereunder, including with respect to the Existing Notes Trustee's Fees and Expenses.

17.6 The total principal amount of the New Notes shall be determined as follows:

- (a) New 1A Notes and New 1B Notes issued by DGHL on the Scheme Effective Date shall in aggregate be equal to the total principal amount (and accrued unpaid interest and default interest, if any) outstanding as at the New Notes Election Deadline under the Existing Unsecured Notes of those DGHL Unsecured Noteholders who elect, pursuant to an Existing Unsecured Notes Election by the New Notes Election Deadline (and including, for the avoidance of doubt, any Ineligible Recipients) to receive New 1A Notes and New 1B Notes, together with those do not make an Existing Unsecured Notes Election prior to the New Notes Election Deadline, less any amounts paid to such DGHL Unsecured Noteholders in respect of the DGHL Unsecured Notes Cash Distribution paid on or before the Scheme Effective Date, rounded to the nearest \$1.00;
- (b) New 2A Notes and New 2B Notes issued by DGHL on the Scheme Effective Date shall in aggregate be equal to the total principal amount (and accrued unpaid interest and default interest, if any) outstanding as at New Notes Election Deadline under the Existing Unsecured Notes of those DGHL Unsecured Noteholders who elect, pursuant to an Existing Unsecured Notes Election made by the New Notes Election Deadline, to receive New 2A Notes and New 2B Notes, less any amounts paid to such DGHL Unsecured Noteholders in respect of the DGHL Unsecured Notes Cash Distribution paid on or before the Scheme Effective Date, rounded to the nearest \$1.00;
- (c) New 3A Notes and New 3B Notes issued by DGHL on the Scheme Effective Date shall in aggregate be equal to the total principal amount (and accrued unpaid interest and default interest, if any) outstanding as at the New Notes Election Deadline under the Existing Subordinated Notes of those DGHL Subordinated Noteholders who elect, pursuant to an Existing Subordinated Notes Election made by the New Notes Election Deadline, to receive the New 3A Notes and New 3B Notes, together with those do not make an Existing Unsecured Notes Election prior to the New Notes Election Deadline, less any amounts paid to such DGHL Subordinated Noteholders in respect of the DGHL Subordinated Convertible Notes Cash Distribution paid on the Scheme Effective Date, rounded to the nearest \$1.00; and

- (d) New 4A Notes and New 4B Notes issued by DGHL on the Scheme Effective Date shall in aggregate be equal to the total principal amount (and accrued unpaid interest and default interest, if any) outstanding as at the New Notes Election Deadline under the Existing Subordinated Notes of those DGHL Subordinated Noteholders who elect, pursuant to an Existing Subordinated Notes Election made by the New Notes Election Deadline, to receive New 4A Notes and New 4B Notes, less any amounts paid to such DGHL Subordinated Noteholders in respect of the DGHL Subordinated Notes Cash Distribution paid on the Scheme Effective Date, rounded to the nearest \$1.00.
- 17.7 Following the Scheme Effective Date, any Additional Asset Proceeds and/or Future DPL Proceeds realised or received by or paid to the Company shall be paid to the holders of the New Notes in accordance with the terms of the Intercreditor Agreement.
- 17.8 On and from the Scheme Effective Date, the Company and the parties to the Deed of Release shall enter into the Deed of Release. Notwithstanding this, with immediate effect on and from the Scheme Effective Date, each DGHL Scheme Creditor and its Scheme Creditor Parties shall also be deemed to irrevocably, unconditionally, fully and absolutely:
 - (a) confirm the Interim Distribution and all actions by the Company and/or any other Released Party in connection with the Interim Distribution;
 - (b) waive, discharge and release all of its rights, title and interest in and to its Scheme Claims in consideration for its entitlement to receive the DGHL Scheme Consideration in accordance with the Scheme;
 - (c) except as otherwise expressly provided by the Scheme, waive, discharge and release any Released Claim it may have under or in connection with the Existing Notes Indenture, and/or the Existing Notes against any Released Party in relation to any breaches or defaults under the Existing Notes Indenture, and/or the Existing Notes occurring on or before the Scheme Effective Date or which may occur as a result of implementation of the Scheme;
 - (d) ratify and confirm everything which any Released Party may lawfully do or cause to be done in accordance with any authority conferred by the Scheme and agree not to challenge:
 - (i) the Interim Distribution;
 - (ii) the release of the Existing Notes and the issuance of the New Notes;
 - (iii) the Holding Period Trust and the transactions contemplated thereby (other than any breaches of the Holding Period Trust Deed by any of the parties thereto);
 - (iv) the validity of any act done or omitted to be done in good faith by any Released Party to implement the transactions and compromises contemplated hereby; or
 - (v) the exercise or omission to exercise of any power conferred in accordance with the provisions of the Scheme (including, without limitation, the exercise or omission of powers by the Holding Period Trustee to administer the DGHL Scheme Consideration) in good faith by any Released Party;
 - (e) waive, release and discharge each and every Released Claim which it ever had, may have or hereafter can, shall or may have against any Released Party;
 - (f) confirms, acknowledges and agrees that no Administrative Party shall have any liability to the Company, any DGHL Scheme Creditor, any of its or their respective Affiliates of any of them for any action taken, document executed or any inaction or omission by it pursuant to the authorisation and instruction set out in this Scheme or in relying and acting on any instruction given to it in accordance with this Scheme, except as a result of its gross negligence, wilful default, wilful misconduct, or fraud; and

- (g) undertake to each of the Released Parties that it will not and shall procure that its Scheme Creditor Parties will not, directly or indirectly commence or continue, or instruct, direct or authorise any other person to commence or continue, any Proceedings in respect of or arising from any Released Claims.
- 17.9 Pursuant to the terms of the Scheme, each DGHL Scheme Creditor acknowledges that it may later discover facts in addition to or different from those which it presently knows or believes to be true with respect to the subject matter of the Scheme, but it is its intention to fully, and finally forever settle and release any and all matters, disputes and differences, whether known or unknown, suspected or unsuspected, which presently exist, may later exist or may previously have existed between it and one or more of the Released Persons in respect of the Released Claims, and that in further of this intention, the waivers, releases and discharges given in the Scheme shall be and shall remain in effect as full and complete general waivers, releases and discharges notwithstanding the discovery or existence of any such additional or different facts.

Establishment of Holding Trust

- 17.10 DGHL Scheme Creditors that fail to submit a valid Registration Form by the Registration Deadline (or fail, or cannot, to make required securities law representations; and/or fail to provide all relevant “know-your-client” documentation to the reasonable satisfaction of the New Notes Paying Agent) will not be entitled to receive New Notes on the Scheme Effective Date and are known as “**Ineligible Recipients**”.
- 17.11 From the Scheme Effective Date, the Holding Period Trust shall be constituted in accordance with the Holding Period Trust Deed. The Holding Period Trust shall consist of (a) the New Notes representing the DGHL Scheme Consideration that is payable or attributable to Ineligible Recipients pursuant to the terms of the Scheme, and (b) following the Scheme Effective Date, any cash distributions paid in respect of all New Notes held on behalf of any Ineligible Recipients at that time, including any cash payments in respect of Additional Assets Proceeds and/or Future DPL Proceeds.
- 17.12 During the Holding Period, if an Ineligible Recipient satisfies the requirements to become an Eligible Recipient (ignoring for these purposes the requirement to submit information by the New Notes Election Deadline), then they shall be entitled to either (x) have transferred to them (subject to complying with the terms of the Holding Period Trust Deed, including completion of know-you-customer checks, delivery of a Registration Form (including the making of the required securities law representations), and executing any required instrument of transfer their pro rata portion (calculated in accordance with the terms of the Scheme) of (a) the New Notes and (b) any cash distributions paid following the Scheme Effective Date up to and including the date of receipt of such New Notes or (y) instruct the Holding Period Trustee to sell such pro rata portion and distribute the proceeds of such sale to them in lieu of the assets they would otherwise be entitled to.
- 17.13 If an Ineligible Recipient has not become an Eligible Recipient (ignoring for these purposes the requirement to submit information by the New Notes Election Deadline) by the expiration of the Holding Period (i.e. the date falling 18 months after the Scheme Effective Date), then such Ineligible Recipient shall be deemed to have irrevocably waived its entitlement to the New Notes and any cash distribution made in respect of the New Notes, and (a) all New Notes that were held for the benefit of the relevant Ineligible Recipient shall be irrevocably cancelled, (b) any related cash distributions that were received in respect of the New Notes during the Holding Period and were formerly held for the benefit of the relevant Ineligible Recipient shall be returned to the Company and shall be deemed Additional Assets Proceeds and treated accordingly, and (c) the Holding Period Trust shall terminate.

Authority to execute documents on behalf of the DGHL Scheme Creditors

- 17.14 On and from the Scheme Effective Date, in consideration of the rights provided to the DGHL Scheme Creditors under the Scheme and notwithstanding any term of any relevant document, each DGHL Scheme Creditor will be deemed to appoint the Company in respect of any and all Scheme Claims arising under or in connection with the Existing Notes, and/or the Existing Notes Indenture as its attorney and agent and irrevocably authorise, direct, instruct and empower the Company (represented by any authorised representative) to:

- (a) enter into, execute and deliver (whether as a deed or otherwise) for and on behalf of each DGHL Scheme Creditor, the Restructuring Documents to which the DGHL Scheme Creditors, or any of them, are named as a party and any other document referred to, contemplated by or ancillary to any of the foregoing;
 - (b) agree on its behalf any amendments to any such document which are:
 - (1) necessary or desirable to give effect to, or reflect the terms of, the Scheme;
 - (2) necessary to correct any manifest error; or
 - (3) minor or technical in nature and, in each case would not: (i) impose any additional obligation on; nor (ii) materially, adversely or disproportionately affect the rights of, any of the DGHL Scheme Creditors in any manner that is not otherwise contemplated by the Scheme or the Restructuring Documents; and
 - (c) take whatever action is necessary to ensure that the books and records of DTC are updated to reflect the terms of the Scheme, including without limitation to: (i) instruct DTC to debit the Beneficial Interests relating to the Existing Notes from the relevant DTC Participants; (ii) authorise the cancellation of the book entry interests in respect of the Existing Notes; and (iii) take or carry out any other step or procedure reasonably required to effect the settlement of the Scheme.
- 17.15 Without prejudice to the foregoing, on the Scheme Effective Date each DGHL Scheme Creditor shall be deemed to irrevocably authorise and instruct, and shall for all purposes be treated as having irrevocably authorised and instructed, the Administrative Parties (as applicable) to enter into, execute and deliver (as a deed or otherwise) the Restructuring Documents to which such Administrative Parties are party to (in any capacity) and to take all steps reasonably necessary to comply with their respective obligations under any other Restructuring Document to which the Administrative Parties are a party (in any capacity).
- 17.16 Therefore, although the DGHL Scheme Creditors are party to various Restructuring Documents, the execution and delivery of those documents will be undertaken by the Company on behalf of the DGHL Scheme Creditors. Accordingly, no action is required by the DGHL Scheme Creditors in respect of the execution and delivery of those documents.

Assignment of Scheme Claims

- 17.17 Neither the Company nor the Information Agent shall recognise any sale, assignment or of any Scheme Claim after the Record Date for the purposes of determining entitlement to attend and vote at the Scheme Meeting.
- 17.18 All distributions of DGHL Scheme Consideration shall be made to DGHL Scheme Creditors in accordance with the Scheme irrespective of any sale, assignment or of any Scheme Claim after the New Notes Election Deadline.
- 17.19 A transferee of an economic, beneficial or proprietary interest in the Existing Notes after the New Notes Election Deadline will, however, be bound by the terms of the Scheme in the event that it becomes effective, and any Existing Notes to which such transferee is entitled will be cancelled on the Scheme Effective Date in accordance with the terms of the Scheme.

Modifications

- 17.20 The Company may, subject to the terms of the Restructuring Support Agreement, at any hearing to sanction the Scheme, consent on behalf of all DGHL Scheme Creditors to any modification, addition, or waiver of the Scheme or any terms or conditions which the Court may think fit to approve or impose which is necessary or desirable for the implementation of the Scheme, provided that such modification, addition, waiver or term or condition does not directly or indirectly have an adverse effect on the economic treatment or any legal rights or obligations or interests of any DGHL Scheme Creditor and/or

the Existing Notes Trustee under the Scheme or any Restructuring Document, or impose any direct or indirect additional obligation on a DGHL Scheme Creditor, as compared to the treatment of the Company or other DGHL Scheme Creditors under the Scheme or any Restructuring Document.

- 17.21 After the date of the hearing to sanction the Scheme but before the Scheme Effective Date, the terms of the Scheme or any Restructuring Document may be amended or waived with the consent of the Company, the Majority DGHL Ad Hoc Group and the Majority PCG Ad Hoc Group, provided that such amendment or waiver is only of a technical or non-material nature or to correct a manifest error, and provided further any such proposed amendment does not directly or indirectly have an adverse effect on the economic treatment or any legal right or material obligation of any DGHL Scheme Creditor under the Scheme or any Restructuring Document (unless such DGHL Scheme Creditor consents) or impose any direct or indirect additional material obligation on a DGHL Scheme Creditor, as compared to the treatment of the Company or the other DGHL Scheme Creditors under the Scheme or any Restructuring Document. Post the Scheme Effective Date, any amendments to the documents will be made in accordance with the relevant document's terms.

18. LIMITS ON EXCULPATION

Nothing in the Scheme shall release, waive or discharge any liability of any person arising under or in connection with any Excluded Claims.

19. TERMINATION OF THE SCHEME

- 19.1 If the Scheme Effective Date does not occur on or before the Longstop Time, all of the compromises and arrangements provided by this Scheme and any releases granted pursuant to this Scheme shall be of no effect and shall be construed as if it had never become effective, and the rights and obligations of the DGHL Scheme Creditors (including under the Existing Notes and Existing Notes Indentures) shall not be affected and shall be reinstated and remain in full force and effect.

PART C
OVERVIEW OF THE SCHEME CONSIDERATION, INTERCREDITOR AGREEMENT AND
PROPOSED GOVERNANCE

Payment of Cash Released from Telstra Escrows

Pursuant to clause 17.3 of the Intercreditor Agreement⁹, on the Scheme Effective Date, \$70 million shall be reserved by the Company (the “**Telstra Reserve**”) which amount, together with the Existing General Escrow Amount, is sufficient to satisfy the maximum (if any) prospective CoC Escrow Increased Amount under the Telstra SPA. The amount of the Telstra Reserve shall be deducted from Cash Distribution that would otherwise be payable to DGHL Scheme Creditors and from cash that would otherwise be payable to DL and DIFL on the Scheme Effective Date pursuant to the Settlement Agreement, in each case in proportion to a parties entitlement to the aggregate of all cash distributions that would have been made on the Scheme Effective Date absent the need to fund the Telstra Reserve (in respect of each party a “**Reserve Reduction Amount**”).

To the extent reserved amounts relating to the Telstra Reserve are not paid to the Telstra General Escrow, those amounts shall be maintained in a separate secured account of DGHL (the “**Telstra Reserve Account**”) to be automatically swept on the date upon which it is clear that such amounts will no longer be utilized to satisfy any present or future obligation (including contingent obligations) of DGHL to increase the amount of the Telstra General Escrow under the Telstra SPA and applied pro rata (on the same basis that the Telstra Reserve was funded)¹⁰ to (i) Holders of New Note 1 and New Note 2; (ii) Holders of New Note 3 and New Note 4; and (iii) DIFL and DL, until each of the foregoing have received an amount equal to their respective Reserve Reduction Amount.

Notwithstanding anything herein to the contrary, upon the first of the Escrow Releases from the Telstra General Escrow, the Existing General Escrow Amount shall be distributed consistent with all other Future DPL Proceeds pursuant to the Intercreditor Agreement and, for the avoidance of doubt, any amounts relating to the Telstra Reserve released as part of the first Escrow Release from the Telstra General Escrow in excess of the Existing General Escrow Amount and any amounts relating to the Telstra Reserve that are released thereafter shall be paid into the Telstra Reserve Account to be automatically swept and applied, pro rata (on the same basis that the Telstra Reserve was funded), to (i) Holders of New Note 1 and New Note 2; (ii) Holders of New Note 3 and New Note 4; and (iii) DIFL and DL, until each of the foregoing have received an amount equal to their respective Reserve Reduction Amount.

Payment of Additional Assets Proceeds

Pursuant to clause 17.4(b) of the Intercreditor Agreement, if at any time, the aggregate amount of proceeds from the sale of Additional Assets, less any amounts authorised (i) to be paid in accordance with the Post-Closing Budget or by the Board (in accordance with the terms set out in “*Description of Proposed Governance*”) or (ii) to reimburse any Cash Allocation Shortfall (see paragraph [17.2] of Part B (*Overview of the Scheme*)) (the “**Additional Assets Proceeds**”), exceeds \$1,000,000 (the “**Additional Assets Proceeds Threshold**”), an amount equal to the Additional Assets Proceeds at that time less the Additional Assets Proceeds Threshold shall, upon five (5) calendar days’ notice, be applied in mandatory partial redemption of each series of the New Notes, on a pari passu basis, at 100.0% of par in accordance with the terms of (and subject to the waterfalls set out in) the Intercreditor Agreement. Any Additional Assets Proceeds held at DGHL at any time that, in the aggregate, do not exceed the Additional Assets Proceeds Threshold shall be paid into an account included within the additional collateral and used to fund reasonable costs and expenses in, or be distributed to holders in, the solvent liquidation of DGHL or, if not so used, shall upon the closing of the solvent liquidation of DGHL, be donated to charity.

Description of the New Notes and Intercreditor Agreement

⁹ This precise terms of clause 17.3 are subject to change to address currency conversion issues.

¹⁰ References to “pro rata” amounts are on the basis of the principal amounts outstanding of the New Notes as at the date of their issuance.

The key features of the New Notes, as they differ from the Existing Notes (and as will be documented in the Note Agreement), are as follows:

- (a) *Series and amounts:* The New Notes will be issued in eight (8) series:
 - (i) the New 1A Notes, the New 2A Notes, New 3A Notes, and New 4A Notes being the “**Senior Series Notes**”; and
 - (ii) with the New 1B Notes, the New 2B Notes, New 3B Notes and New 4B Notes being the “**Junior Series Notes**”;
- (b) *Limited recourse:*
 - (i) Under the Note Agreement, each holder of New Notes acknowledges and agrees with the Company that it shall only be entitled to make any recoveries in respect of any unpaid amounts under the Note Agreement, the New Notes and the other Finance Documents (as defined in the Note Agreement) to the extent that it receives amounts in accordance with the Intercreditor Agreement (or otherwise pursuant to an order of a court of competent jurisdiction).
 - (ii) As set out in the Intercreditor Agreement, on the Maturity Date (as defined below), all sums due but unpaid in respect of the Company’s obligations under the New Notes shall be automatically released and extinguished in full.
- (c) *Repayment price:* The repayment price in respect of the New Notes will be 100.00%;
- (d) *Redemption:* The New Notes will not be convertible and may only be repaid in cash;
- (e) *Mandatory redemption:* The New Notes will benefit from mandatory partial redemption provisions with respect to the Future DPL Proceeds and any proceeds from the sale of Additional Assets, including as follows:
 - (i) *Future DPL Proceeds* – The Company shall comply with its obligations under the Intercreditor Agreement in respect of any Future DPL Proceeds and shall ensure that the Cash Manager makes the distributions contemplated thereby in accordance with the order of application of proceeds set out under clauses 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) of the Intercreditor Agreement; and
 - (ii) *Additional Assets Proceeds* – The Company shall comply with its obligations under the Intercreditor Agreement in respect of proceeds from the disposal of Additional Assets and shall ensure that the Cash Manager makes the distributions contemplated thereby in accordance with the order of application of proceeds set out under the Intercreditor Agreement.
- (f) *Automatic acceleration:*
 - (i) General – If an event of default is continuing, holders of the New Notes representing at least 25% in aggregate of the principal amount outstanding of a specific series of New Notes (or the New Notes Agent acting on the instructions of such holders) may accelerate that specific series);
 - (ii) Cross-acceleration – Any acceleration of any series of the New Notes in accordance with the Note Agreement shall result in an immediate and automatic acceleration of each other series of the New Notes without any notice, declaration or other action by any holder of the New Notes, the New Notes Agent or any other person; and

- (iii) Change of control – Any change of control (other than a change of control that occurs as a result of the enforcement of the security created pursuant to the Collateral Documents) in respect of the Company shall result in an immediate and automatic acceleration of each series of the New Notes without any notice, declaration or other action by any holder of the New Notes, the New Notes Agent or any other person;
- (g) *Guarantors*: No guarantees will be given in respect of the New Notes;
- (h) *Maturity date*: The New Notes will mature on the earlier of:
 - (i) 31 December 2030; and
 - (ii) such date as may be determined by any liquidator appointed to the Company pursuant to a solvent liquidation, acting reasonably and in good faith, as being a date after which the final distribution of all of the assets of the Company has occurred (subject to any reservations for any costs and expenses incurred in connection with such solvent liquidation), following consultation with the New Notes Agent for a period of at least ten (10) Business Days;
- (i) *Interest*: The New Notes will not accrue interest (either cash pay, in-kind or otherwise);
- (j) *Covenants*: The Note Agreement shall contain certain restrictive covenants typical for a notes issuance of this type, including (without limitation), relating to (i) the payment of the New Notes, (ii) corporate existence and governance, (iii) merger, (iv) compliance with certain laws and contracts, (v) the maintenance of properties and preservation of collateral, (vi) the maintenance of insurance policies, (vii) cash management, (viii) intercompany liabilities, (ix) the status of the Company or its parent as holding companies, (x) limitations on the incurrence of debt and liens, (xi) limitations on payments, (xii) limitations on sales of assets, (xiii) limitations on transactions with affiliates, (xiv) the operation of the Company's board of directors and (xv) sanctions.
- (k) *Security*: Subject to the terms of the Intercreditor Agreement, each series of New Notes will be secured by:
 - (i) a Bermuda law share charge over the capital stock of the Company granted in favour of the Security Agent;
 - (ii) a Victoria law fixed charge over the Company's right to receive Future DPL Proceeds granted in favour of the Security Agent;
 - (iii) fixed and floating charges over any other Additional Assets and the assignment of the proceeds from the sale of Additional Assets which shall include, in respect of the Company's subsidiaries (other than DL), share security and the assignment and fixed charge security in respect of receivables owing to the Company, in each case granted in favour of the Security Agent;
 - (iv) a Bermuda law governed fixed and floating charge over all of the Company's existing bank accounts granted in favour of the Collateral Agent; and
 - (v) such other security as reasonably requested prior to the Scheme Effective Date by the entities identified in the Note Agreement as "Electing Creditors";
- (l) *Governing law*: The New Notes will be governed by New York law;
- (m) *Amendments and waivers*: The New Notes will incorporate amendment and waiver provisions typical for a notes issuance of this type, with appropriate majority and super majority voting thresholds;

- (n) *Ranking*: The New Notes are senior secured;
- (o) *Minimum denominations*: The New Notes are to be issued in minimum denominations of US\$1.00.

The key features of the Intercreditor Agreement are as follows:

- (p) *Ranking and intercreditor arrangements*: The Intercreditor Agreement shall provide that the amounts owing to the holders of the New Notes, DIFL and DL in respect of the Intercompany Claims, and the Supporting Shareholder, shall rank *pari passu* and without any preference between them in right and priority of payment. Notwithstanding the foregoing, the Intercreditor Agreement shall provide that (x) any Future DPL Proceeds, (y) consideration received for any disposal of Additional Assets or other amounts received by the Company or Group (as defined in the Intercreditor Agreement) in relation to Additional Assets, and (z) any other proceeds of realisation of any other transaction security received by the Security Agent under, or administered by the Cash Manager under or in connection with the Intercreditor Agreement shall be applied among the holders of the various series of the New Notes, DIFL, DL, and the Supporting Shareholder, in the manner summarised in the description of the intercreditor waterfalls in the “*Summary of Restructuring*” section of the Letter from the Board of Directors in this Explanatory Statement above.
- (q) The provisions of the Intercreditor Agreement shall be based on the appropriate Loan Market Association standard form and reflect the guarantee, security and ranking arrangements in respect of the New Notes described above and incorporate appropriate protections for the interests of the holders of the New Notes. The Intercreditor Agreement will be governed by English law.
- (r) Pursuant to the Intercreditor Agreement, enforcement action in respect of the Collateral Documents can only be taken by the Security Agent under the Intercreditor Agreement. The Security Agent will only take such enforcement action on, and shall only take it in the manner dictated by, the instructions of (x) for so long as any New Senior Notes remain outstanding, holders of a majority of New 1A Notes (or if New 1A Notes have been fully repaid, New 1B Notes) and/or New 2A Notes (or if New 2A Notes has been fully repaid, New 2B Notes), or (y) following repayment of all amounts outstanding under the New Senior Notes, holders of a majority of New 3A Notes (or, if New 3A Notes have been fully repaid, New 3B Notes) and/or New 4A Notes (or, if New 4A Notes has been fully repaid, New 4B Notes), provided that (in either case) the Security Agent shall give five Business Days’ notice to other holders of the New Notes of such proposed enforcement action, unless delaying such enforcement action by that five Business Day notice period would have a material adverse effect on the enforcement or expected proceeds of enforcement. The terms of the Intercreditor Agreement will impose significant limitations on the ability of the DIFL and DL and the Supporting Shareholder, to take enforcement action pursuant to the Intercompany Claims and liabilities owed to the Supporting Shareholder respectively, provided that the Intercreditor Agreement preserves (a) the ability of DIFL, DL and the Supporting Shareholder (as well as any other debtors who may in future accede to the Intercreditor Agreement as intra-group creditors) to exercise set-off rights or prove in the insolvency of DGHL following certain insolvency events (being the entry by DGHL into an insolvency process other than a scheme, composition or business rescue procedure or similar process); and (b) the ability of DIFL, DL and the Supporting Shareholder to take legal action to recover payments of amounts owed to them pursuant to the intercreditor waterfalls set out in the Intercreditor Agreement.
- (s) In addition, the Intercreditor Agreement contains customary release provisions such that the borrowing liabilities and Collateral Documents may be released under certain circumstances. Further, the Intercreditor Agreement shall include a turnover provision compelling DIFL, DL and the Supporting Shareholder, to the extent they receive recoveries (including by way of payment, distribution, set-off, distressed disposal, or realisation through enforcement of security) not in accordance with the intercreditor waterfalls described in the “*Summary of Restructuring*” section of the Letter from the Board of Directors in this Explanatory Statement

above (other than Permitted Intra-Group Payments as defined in the Intercreditor Agreement), to distribute to, or hold on trust for, the security agent under the Intercreditor Agreement, any amounts which should be distributed to other creditors under those intercreditor waterfalls.

Description of Proposed Governance

It is Condition Precedent to the Scheme Effective Date that the Company adopt the Amended and Restated Bye-laws and appoint the two independent directors initially appointed by holders of a majority in value of the PCG Ad Hoc Group and holders of a majority in value of the DGHL Ad Hoc Group and that all existing directors (other than the Supporting Shareholder) shall have resigned or been removed). Thereafter, the removal of any independent director shall require the approval in accordance with the Amended and Restated Bye-laws.

Any board decisions shall require the approval of a simple majority of the Board. A meeting of the Board shall not be quorate unless at least one of the independent directors are present at such a meeting.

Should the Supporting Shareholder resign from the Board, the remaining two independent directors will together nominate an individual to be appointed to the Board in his place. Should the Supporting Shareholder cease to be appointed to the Board other than following his resignation or his removal from the Board for cause, the Supporting Shareholder or his personal representative shall have the right to nominate an individual to be appointed to the Board in his place. Should one of the independent directors cease to be appointed to the Board, the remaining independent director may nominate an individual to be appointed to the Board in their place (any individual nominated for appointment to the New DGHL Board being a “**Proposed Director**”).

Should circumstances arise where there is no independent director on the Board, holders of more than 10% of either of New 1B Notes or New 2B Notes may nominate two alternative Proposed Directors for appointment to the Board to fill the vacancies, with such nomination(s) to be notified to the Company and the other holders of New Notes. If more than two nominations are made at any time, the two Proposed Directors nominated by the holder(s) of the greatest aggregate principal amount of New 1B Notes and/or New 2B Notes will receive the final nominations and will be appointed to the Board.

Pursuant to the Amended and Restated Bye-laws, the Board shall be authorised to approve costs and expenses of the Company which cause the Post-Closing Budget to be exceeded by up to 10% (in the aggregate) of the original amount. Any further costs and expenses to be incurred by DGHL shall require the approval of the New Noteholders in accordance with the terms of the Note Agreement; provided that such approval of the New Noteholders shall not be required with respect to such further costs and expenses which, subject to such cap as may be agreed between the Company and the holders of the New Notes in accordance with the terms of the Note Agreement, have been approved by the Board, including the approval of each of the then appointed independent directors and in circumstances where the Board has been advised by external counsel and determined that incurrence and payment of such further costs and expenses is consistent with the fiduciary duties of the members of the Board.

PART D RISK FACTORS

20. SCHEME-RELATED RISK FACTORS

Parties or the Bermuda Court May Object to the Company's Determination of the Class Composition

The rationale for constituting two classes for voting purposes is set out in paragraph 3 (“*Scheme Meeting: Classes for Voting Purposes*”) of Part B (*Overview of the Scheme*). It is possible that the Bermuda Court may disagree with the Company’s assessment of creditors’ rights for the purpose of classifying creditors, either on its own initiative or following the submissions by one or more interested parties. While the Company believes that it has accurately classified creditors’ for voting purposes, in such circumstances where the Bermuda Court disagrees, the Company may be required to reconstitute the Scheme Meetings and will be required to obtain the statutory majorities for approval of the Scheme from each of the new classes of creditors. There can be no assurance that such statutory majorities would be obtained and that, therefore, the Scheme would be approved and sanctioned.

The Company May Fail to Satisfy the Vote Requirement

If the statutory majorities are obtained at the Scheme Meetings, the Company intends to seek, as promptly as practicable thereafter, sanction of the Scheme. However, even though 75% in value of the each class of the DGHL Scheme Creditors have indicated that they will vote in favour of the Scheme by virtue of signing the RSA, in the event a majority in number of DGHL Scheme Creditors voting at the Scheme Meetings (in person or by proxy) do not vote in favour of the Scheme then the compromises contained in the Scheme will not be consummated.

The Company May Not Be Able to Secure Sanction of the Scheme

Even if the requisite votes in favour of the Scheme are received, there can be no assurance that the Bermuda Court will sanction the Scheme. A DGHL Scheme Creditor or other interested third party might challenge the Scheme. The Bermuda Court could decline to sanction the Scheme if it found that any of the statutory requirements for sanction were not met or there was some other compelling reason militating against the Bermuda Court exercising its discretion to sanction the Scheme.

The Company May Not Obtain Recognition of the Scheme in the United States

Even if the Scheme is approved at the Scheme Meeting and is sanctioned by the Bermuda Court, effectiveness of the Scheme is conditional, inter alia, upon the entry of an order by the U.S. Bankruptcy Court pursuant to chapter 15 of the U.S. Bankruptcy Code (the “**Chapter 15 Recognition Order**”), recognising and enforcing the Scheme. Although the Company does not currently anticipate material difficulties in obtaining this approval and anticipates that this approval will be provided within a short period of time after the Sanction Order is obtained, the Company does not control the granting of the Chapter 15 Recognition Order or the timing thereof, and there can be no assurance that it will be granted on a timely basis or at all. If the Scheme is not recognized by the U.S. Bankruptcy Court, the Scheme will not be implemented. Even if the Scheme is approved at the Scheme Meeting, it is possible for a person with an interest in the Scheme (whether a DGHL Scheme Creditor or otherwise) to object to entry of the Chapter 15 Recognition Order and to attend or be represented in the Chapter 15 proceedings in order to make representations that the Chapter 15 Recognition Order should not be approved.

Risk of Termination of the RSA

The RSA contains certain provisions that grant the parties thereto the ability to terminate the RSA upon the occurrence of certain events or conditions. In the event the RSA is terminated, the Company may be forced to pursue an insolvent winding-up. The termination of the RSA could result in no restructuring transaction, an alternative transaction or a liquidation of the Company, each of which would preclude consummation of the Scheme and could significantly and detrimentally impact recoveries to creditors.

The Scheme Effective Date May Not Occur

The Scheme Effective Date is subject to a number of Conditions Precedent. If such Conditions Precedent are not met or waived, the Scheme Effective Date will not take place. There can be no assurance as to such timing or as to whether the Scheme Effective Date will, in fact, occur. If the Scheme Effective Date does not occur on or prior to the Longstop Time, the terms of and the obligations on the parties under or pursuant to the Scheme shall lapse and all of the compromises and arrangements provided by the Scheme and any releases granted pursuant to the Scheme shall be of no effect and shall be construed as if it had never become effective.

Liquidation

If the Scheme is unsuccessful, as a result of a failure to obtain the statutory majorities or the Bermuda Court's sanction, the entry of the Chapter 15 Recognition Order, or for any other reason, there is a possibility that the Petition for a winding-up of the Company that was presented by the Petitioner on 10 March 2023 (in addition to the JPL Summons) and subsequently adjourned would proceed to a substantive hearing at which point a winding-up-order could be made. A liquidator would then be appointed to liquidate the Company's assets for distribution in accordance with the priorities established by the Companies Act and the Companies (Winding-Up) Rules 1982. As noted in paragraph 6 (*"Consequences of a Failure to Implement the Scheme"*) in Part A (*Background and Alternatives to the Scheme*), the outcome for DGHL Scheme Creditors could be materially worse in a winding-up than under the Scheme.

21. RISKS RELATING TO THE NEW NOTES

The New Notes are limited recourse instruments, and do not pay interest, nor are New Noteholders guaranteed to receive the full principal amount of the New Notes upon redemption or maturity.

The New Notes will not accrue interest (either cash pay, in-kind or otherwise), and the New Noteholders will not receive any interest payments. Furthermore, the New Noteholders will only receive payments under the Notes to the extent of: (i) the Cash Distribution under the Scheme; (ii) Future DPL Proceeds; and (iii) Additional Asset Proceeds, and if none of these payments are received, the New Noteholders will not receive any payments under the New Notes, and will forego the principal amount of their New Notes at maturity of the New Notes with no compensation of any kind. At maturity date of the New Notes, all amounts outstanding under the New Notes shall automatically be reduced to zero, even if there have been no payments under the New Notes.

The Cash Distribution under the Scheme may be reduced by the need to fund Reserves and expenses under the Post-Closing Budget, which will create a Cash Allocation Shortfall (see paragraph 6.2 of Part B (*Overview of the Scheme*)) and reduce the amount of cash that the New Noteholders would otherwise have received. While the Cash Allocation Shortfall may be repaid over time through the receipt of Additional Asset Proceeds, there can be no guarantee that such Additional Asset Proceeds will be sufficient to repay in full any Cash Allocation Shortfall.

Similarly, the amount of any Future DPL Proceeds and Additional Asset Proceeds is uncertain, and no assurance can be given that the aggregate amount of any such proceeds would be sufficient to redeem the New Notes in full or at all. See further "*The Company cannot guarantee the amount of Future DPL Proceeds, and the amount of Future DPL Proceeds may be affected by factors outside the Company's control*" and "*It may be difficult for the Company to realise any Additional Asset Proceeds, and the timing and amount of any such Additional Asset Proceeds is inherently uncertain*".

The Company cannot guarantee the amount of Future DPL Proceeds, and the amount of Future DPL Proceeds may be affected by factors outside the Company's control.

The amount of any Future DPL Proceeds is dependent upon: (i) amounts that the Company is free to distribute following releases from either the Telstra Reserve, the Existing General Escrow Account and/or the Telstra Reserve Account (see "*Payment of Cash Released from Telstra Escrows*" in Part C

(*Overview of Scheme Consideration, Intercreditor Agreement and Proposed Governance*)); and (ii) the amount the Company receives pursuant to the Earn-Out (see “*Sale of DPL, Earn-Out and Escrow Amounts*” in Part A (*Background and Alternatives to the Scheme*)).

While the Company intends to maximise Future DPL Proceeds to the best of its ability, the Company has no ability to control the performance of the DPL following its sale to Telstra, meaning the Company has no control over the amounts that may be received pursuant to the Earn-Out, and therefore the amount of Future DPL Proceeds. Similarly, disputes may materialise between the Company and Telstra (either pursuant to the Telstra SPA or otherwise) which would materially impact the amounts that can be released from the various escrow accounts for payments to the New Noteholders.

It may be difficult for the Company to realise any Additional Asset Proceeds, and the timing and amount of any such Additional Asset Proceeds is inherently uncertain.

The Additional Assets are non-core assets that are illiquid in nature and included hotel interests in Samoa and an interest in a Caribbean cricket league. There may be no market for these assets, and even if the Company is able to successfully sell or liquidate these assets, the timing for any sale or liquidation is inherently uncertain and may be affected by factors outside of the Company’s control. The Company may also incur considerable transaction expenses in realising any Additional Assets, which would decrease the amount of Additional Asset Proceeds that would be available to distribute to the New Noteholders. Any Additional Asset Proceeds are also expected to be relatively immaterial in context of the Restructuring. Although any valuation of the Additional Assets is difficult to ascribe given the nature of such assets the Company has provisionally estimated that such assets may realise between \$6 million and \$14 million, although exact realisations are currently uncertain.

Bermuda fraudulent transfer statutes allow courts, under specific circumstances, to limit your rights as a noteholder, which could result in your not being repaid in full.

As the New Notes are non-investment grade securities, they may be adversely affected by laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability and the bankruptcy court’s power to disallow, reduce, subordinate or disenfranchise particular claims. In particular, and without limiting the foregoing, under Section 237 of the Companies Act 1981 of Bermuda, certain transactions, including payments to creditors, within six months prior to the commencement of liquidation may be set aside or held invalid if the transactions were made with the dominant intention of preferring those creditors over others. Under Section 36C of the Conveyancing Act 1983 of Bermuda, certain dispositions of a Bermuda company’s property are voidable if: (i) the disposition was a disposition the dominant purpose of which is to put the property which is the subject of the disposition beyond the reach of a person or a class of persons who is making, or may at some time make, a claim against the transferor; and (ii) where the person seeking to set aside or void the disposition was, on the date of the disposition, not a person to whom an obligation was owed by the transferor, or they were a person whom the Bermuda Court is satisfied was a person who, on the date of disposition, was reasonably foreseeable by the transferor as a person to whom an obligation might become owed by the transferor. A creditor to whom the company owes an obligation at the time of or within two years from the date of the transaction must commence proceedings within six years of the later of: (a) the date of the transaction; or (b) the date upon which the obligation became owed; a creditor to whom a company owes a contingent liability at the time of the transaction, and the contingency giving rise to the company’s obligation to the creditor has since occurred, such creditor must commence proceedings within six years of the date of the transaction; and a creditor to whom a company owes an obligation in consequence of a claim where the cause of action accrued prior to or within two years of the transaction, such creditor must commence proceedings within six years from the later of: (a) the date of the transaction; or (b) the date upon which the cause of action accrued.

Only transactions made at an undervalue are capable of being avoided under Section 36C.

Under Section 166 of the Companies Act 1981 of Bermuda, in a winding-up by the court, any disposition of the property of a Bermuda company, and any transfer of shares, or alteration in the status of the members of the company, made after the commencement of the winding-up shall, unless the court orders otherwise, be void.

Furthermore, if a Bermuda company is being wound up, certain anti-avoidance actions may be brought under Bermuda law which may impose liability and/or void security interests of those involved in a restructuring or reorganization of the company. Such proceedings could potentially impact the New Notes Issuers or the New Noteholders. In particular, under Section 246 of the Companies Act 1981 of Bermuda, if in the course of the winding-up of a company it appears that any business of the company has been carried on with intent to defraud creditors of the company or creditors of any other person or for any fraudulent purpose, the court may declare that any persons who were knowingly parties to the carrying on of the business in such manner shall be personally responsible, without any limitation of liability, for all or any of the debts or other liability of the company as the court may direct.

Under Section 239 of the Companies Act 1981 of Bermuda, where a company is being wound up, a floating charge on the undertaking or property of the company created within 12 months of the commencement of the winding-up shall, unless it is proved that the company immediately after the creation of the charge was solvent, be invalid except to the amount of any cash paid to the company at the time of or subsequently to the creation of, and in consideration for, the charge.

An active trading market may not develop for the New Notes.

There is no existing market for the New Notes. We cannot assure you as to:

- the liquidity of any market in the New Notes;
- your ability to sell your New Notes; or
- the prices at which you would be able to sell your New Notes.

There can be no assurance as to the liquidity of any market that may develop for the New Notes of any series, the ability of New Noteholders to sell them or the price at which the New Noteholders may be able to sell them. The liquidity for any market for the New Notes of any series will depend on the number of New Noteholders, prevailing interest rates, the market for similar securities and other factors, including general economic conditions. In addition, the New Notes have unusual characteristics in that the New Notes do not pay interest and their aggregate principal amount may never be paid in part or at all.

Historically, the market for non-investment grade debt, such as the New Notes, has been subject to disruptions that have caused substantial price volatility. There can be no assurance that if a market for the New Notes of a series were to develop, such a market would not be subject to similar disruptions. As a result there can be no assurance that an active trading market for the New Notes of any series will develop or, if one does develop, that it will be maintained. If an active trading market does not develop or cannot be maintained, this could have a material adverse effect on the liquidity and the trading price of such New Notes. Market fluctuations, as well as economic conditions, have adversely affected the market price of many securities.

If a market for the New Notes of any series does develop, there can be no assurance that you will be able to sell your New Notes, if issued, at a particular time or that the prices that you receive when you sell will be favourable. There can also be no assurance as to the level of liquidity of the trading market for the New Notes of any series.

The New Notes are subject to restrictions on transfer.

The issuance of the New Notes has not been, and will not be, registered with the SEC under the U.S. Securities Act or the securities laws of any other jurisdiction, and unless so registered, may not be offered or sold except pursuant to an exemption from, or transaction not subject to, the registration requirements of the Securities Act and any other applicable laws. We have not agreed to or otherwise undertaken to register the New Notes, and we have any intention to do so. It is the obligation of the New Noteholders to ensure that their purchase and any subsequent transfer of the New Notes within the United States and other countries comply with applicable securities laws.

Holders of the Existing Notes may be required to satisfy additional conditions to receive the New Notes under the Scheme, as applicable.

The New Notes issued as part of the Scheme will not be eligible for distribution through DTC and will instead be issued in book-entry form on the register of the New Notes Trustee. In order to receive the New Notes, Eligible Recipients must provide certain registration details on the Registration Form to the Information Agent.

The ability of investors to enforce civil liabilities under U.S. securities laws may be limited.

The Company is incorporated under the laws of Bermuda. None of its current directors or executive officers are residents of the United States. All or a substantial portion of its assets and those of their directors and executive officers are located outside the United States. As a result, it may not be possible for investors in their respective securities to effect service of process within the United States upon such persons or upon them or to enforce in U.S. courts or outside the United States, judgments obtained against such persons outside the United States. In addition, it may be difficult for investors to enforce, in original actions brought in courts in jurisdictions located outside the United States, liabilities predicated upon the civil liability provisions of the U.S. securities laws. It is not clear whether a foreign court would accept jurisdiction and impose civil liability if proceedings were commenced in a foreign jurisdiction predicated solely upon U.S. federal securities laws.

There is significant uncertainty regarding the U.S. federal income tax treatment of the New Notes and the Scheme.

There are no statutory, judicial or administrative authorities that directly address the treatment of the New Notes or instruments that are similar to the New Notes for U.S. federal income tax purposes, and the Company does not intend to request a ruling from the U.S. Internal Revenue Service (the “IRS”) regarding the New Notes. The New Notes could be subject to several different possible treatments, including as equity, debt instruments or contingent payment rights. In addition, the tax treatment of the Junior Notes may be different from that of the Senior Notes. As a result, there is significant uncertainty regarding the U.S. federal income tax consequences of the Scheme to U.S. Holders (as defined under “Certain Tax Considerations — U.S. Federal Income Tax Considerations”), including the U.S. federal income tax consequences to U.S. Holders of the ownership and disposition of the New Notes. The IRS might not accept, and a U.S. court might not uphold, the intended treatment of the New Notes described in “Certain Tax Considerations — U.S. Federal Income Tax Considerations.” If the IRS were successful in asserting an alternative treatment for the New Notes, the timing and character of any income or loss on the Scheme and the New Notes could differ materially and adversely from the description therein.

U.S. Holders are urged to consult their tax advisors as to the U.S. federal income tax treatment of the New Notes and the U.S. federal income tax consequences of the Scheme and ownership and disposition of the New Notes they may receive.

The Company may be a passive foreign investment company, or PFIC, for U.S. federal income tax purposes for the 2024 taxable year, and the Company expects to be a PFIC for future taxable years, which treatment could result in adverse U.S. tax consequences to U.S. Holders.

Under the Internal Revenue Code of 1986, as amended (the “Code”), the Company will be a PFIC for any taxable year in which, after the application of certain look-through rules with respect to subsidiaries, either (i) 75% or more of our gross income consists of passive income or (ii) 50% or more of the average quarterly value of our assets consists of assets that produce, or are held for the production of, passive income. Passive income generally includes dividends, interest, rents and royalties (other than rents or royalties derived from the active conduct of a trade or business) and gains from the disposition of passive assets. Cash is a passive asset for these purposes.

Whether the Company will be a PFIC in the current or any future year is subject to substantial uncertainty because among other things, (i) the valuation of our assets, including assets that generate non-passive income for PFIC purposes, is uncertain and may be subject to fluctuation, (ii) the treatment of certain of our assets, such as the Earn-Out Payments, and the income generated by such assets is uncertain, and

(iii) after the Restructuring Effective Date, we will hold a substantial amount of passive assets. Such determination can only be made after the end of each taxable year. As a result of these uncertainties, it is unclear whether the Company will be a PFIC for our taxable year ending March 31, 2024. However, the Company expects to be a PFIC for future taxable years.

If the Company is a PFIC for any taxable year during which a U.S. Holder holds New Notes that are treated as equity interests for U.S. federal income tax purposes, the Company generally will continue to be treated as a PFIC with respect to such U.S. Holder for all succeeding years during which the U.S. Holder holds such New Notes or other equity interests, even if the Company ceases to meet the threshold requirements for PFIC status. Such a U.S. Holder may be subject to adverse U.S. federal income tax consequences with respect to any such New Notes treated as equity, including (i) the treatment of all or a portion of any gain on disposition as ordinary income; (ii) the application of a deferred interest charge on such gain and the receipt of certain amounts treated as dividends, if any; and (iii) compliance with certain reporting requirements. We do not expect elections to be available to U.S. Holders that, if available, could alleviate some of the adverse tax consequences of PFIC status.

See “*Certain Tax Considerations — U.S. Federal Income Tax Considerations*” for more information. U.S. Holders should consult their tax advisors with respect to whether we may be treated as a PFIC and the tax consequences if we are so treated.

PART E

INFORMATION ON CERTAIN RELATED PARTY TRANSACTIONS

22. THE SUPPORTING SHAREHOLDER

22.1 The Supporting Shareholder is the noteholder for de minimis amounts of the Existing Notes (approximately \$517,000 in principal amount of the Existing Unsecured Notes and \$93,000 in principal amount of the Existing Subordinated Notes). Although the Supporting Shareholder may, in his individual capacity, become entitled to Future DPL Proceeds as described further below, no different or special treatment is proposed in respect of the Supporting Shareholder's holding of Existing Notes) i.e. the Supporting Shareholder shall receive DGHL Scheme Consideration in respect of his holding of Existing Notes of the same kind and any the same rate as each other DGHL Scheme Creditor).

22.2 The Supporting Shareholder will receive distributions of Future DPL Proceeds outside of the Scheme pursuant to the Intercreditor Agreement. As set forth in the "Proposed Restructuring" section herein, the Supporting Shareholder is entitled to Future DPL Proceeds as follows:

- (i) With respect to the Initial DPL Amount, the sum of:
 - (1) the product of (x) 10.0%, (y) the original principal amount of New Note 1 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 56.0%;
 - (2) the product of (x) 5.0%, (y) the original principal amount of New Note 2 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 56.0%; and
 - (3) 4.4%,
- (ii) With respect to the Additional DPL Amount, the sum of:
 - (1) the product of (x) 10.0%, (y) the original principal amount of New Note 1 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 56.0%;
 - (2) the product of (x) 20.0%, (y) the original principal amount of New Note 2 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 56.0%; and
 - (3) 4.4%,
- (iii) With respect to the Final DPL Amount, the sum of:
 - (1) the product of (x) 10.0%, (y) the original principal amount of New Note 1 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 81.25%;
 - (2) the product of (x) 20.0%, (y) the original principal amount of New Note 2 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 81.25%;
 - (3) the product of (x) 10.0%, (y) the original principal amount of New Note 3 divided by the aggregate original principal amount of New Note 3 and New Note 4, and (z) 18.75%; and

- (4) the product of (x) 20.0%, (y) the original principal amount of New Note 4 divided by the aggregate original principal amount of New Note 3 and New Note 4, and (z) 18.75%.

23. DL AND DIFL

- 23.1 It is a Condition Precedent to the Scheme Effective Date that DL and DIFL enter into the Settlement Agreement, which shall be in substantially the same form as that appended to this Explanatory Statement.
- 23.2 Under the Settlement Agreement, DL and DIFL will agree to compromise their Intercompany Claims for the following consideration:
- (a) \$110,200,000 in cash (any amounts received by DL and DIFL under the Interim Distribution will be credited towards this payment), subject to adjustment for any Cash Allocation Shortfall, which shall be calculated and repaid in the same manner under the Intercreditor Agreement as is applied to DGHL Scheme Creditors, save that the percentage used in calculating DL and DIFL's share of any Cash Allocation Shortfall shall be the percentage equivalent to the result of $(110.2/293.2)$ (approximately 37.59%); and
 - (b) A share of Future DPL Proceeds and Additional Assets Proceeds as described in "*Letter from the Board of Directors*" and "*Description of the New Notes and the Intercreditor Agreement*" in Part C (*Overview of Scheme Consideration, Intercreditor Agreement and Proposed Governance*).
- 23.3 The Deed of Release and Settlement Agreement do not affect intercompany liabilities owed by DGHL operating subsidiaries to DIFL and its subsidiaries in respect of (i) continuing trading balances incurred in the ordinary course of business with such operating subsidiaries and (ii) a non-recourse loan from DIFL to a DGHL subsidiary to partially fund contractual payments for the purchase of an asset which was terminated and pursuant to which a settlement has been agreed with the vendor and of which there may be a potential refund subject to certain conditions that would result in a pro-rata repayment of DIFL's loan and DGHL's loan to that DGHL subsidiary. The aggregate of such amounts is approximately \$6.0 million.
- 23.4 After the Scheme Effective Date, it is also expected that DIFL shall provide administrative and financial reporting support to the Company, including, without limitation, with respect to reporting to the Board and to the New Noteholders, fulfilling obligations under the transition services agreement and managing litigation (including, without limitation, the arbitration pending before ICSID against the Independent State of Papua New Guinea), pursuant to a services agreement among DGHL and DIFL to be entered into on the Scheme Effective Date, with the prior consent of the PCG Ad Hoc Group and the DGHL Ad Hoc Group (the "**DGHL/DIFL Services Agreements**"). Such DGHL/DIFL Services Agreement is expected to be entered into on an arms-length, commercial basis.

PART F
THE SCHEME

IN THE SUPREME COURT OF BERMUDA

CIVIL JURISDICTION

(COMMERCIAL COURT)

2023 No. 282

IN THE MATTER OF THE COMPANIES ACT 1981

IN THE MATTER OF DIGICEL GROUP HOLDINGS LIMITED

SCHEME OF ARRANGEMENT

(under section 99 of the Companies Act 1981)

BETWEEN

DIGICEL GROUP HOLDINGS LIMITED

AND

THE DGHL SCHEME CREDITORS (as defined herein)

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1 DEFINITIONS AND INTERPRETATION

1.1 In this Scheme:

“Ad Hoc Groups”	means collectively, the DGHL Ad Hoc Group and the PCG Ad Hoc Group.
“Additional Assets”	means all and any assets of the Company other than (a) cash as of the Scheme Effective Date, and (b) Future DPL Proceeds.
“Additional Assets Proceeds”	means the aggregate amount of proceeds received by the Company from the sale of any Additional Assets, less any amounts (a) authorised to be paid in accordance with the Post-Closing Budget or as otherwise permitted to be incurred by the Company in accordance with the Note Agreement and the Company’s bye-laws, or (b) to reimburse any Cash Allocation Shortfall.
“Administrative Party”	means each of the Holding Period Trustee, the New Notes Agent, the New Notes Paying Agent, the New Notes Registrar, the Cash Manager, the Security Agent.
“Advisors”	means collectively, (a) the DGHL Ad Hoc Group Advisors, (b) the PCG Ad Hoc Group Advisors; (c) the Digicel Advisors; and (d) the GLAS Advisors.
“Affiliates”	means: (A) an entity that directly or indirectly owns, controls, or holds with power to vote, 20 percent or more of the outstanding voting securities of the debtor, other than an entity that holds such securities— (i) in a fiduciary or agency capacity without sole discretionary power to vote such securities; or (ii) solely to secure a debt, if such entity has not in fact exercised such power to vote; (B) a company or corporation 20 percent or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by the debtor, or by an entity that directly or indirectly owns, controls, or holds with power to vote, 20 percent or more of the outstanding voting securities of the debtor, other than an entity that holds such securities— (i) in a fiduciary or agency capacity without sole discretionary power to vote such securities; or

	(ii) solely to secure a debt, if such entity has not in fact exercised such power to vote; (C) a person whose business is operated under a lease or operating agreement by a debtor, or person substantially all of whose property is operated under an operating agreement with the debtor; or (D) an entity that operates the business or substantially all of the property of the debtor under a lease or operating agreement.
“AHG Board Nominees”	means the two independent directors nominated by the Majority PCG Ad Hoc Group and the Majority DGHL Ad Hoc Group to the board of directors of the Company.
“Allowed Proceedings”	means any Proceedings brought or commenced by a DGHL Scheme Creditor: (a) to enforce its rights under the Restructuring Support Agreement, the Restructuring Documents or the Scheme where any person fails to comply with the terms of, or perform its obligation(s) under, the Restructuring Support Agreement, the Restructuring Documents or the Scheme; (b) in respect of any Liability arising under the Scheme or a Restructuring Document which may arise or accrue in relation to acts, omissions, events and/or circumstances occurring after the Scheme Effective Date; and (c) to enforce its rights in respect of any Excluded Claims.
“Amended and Restated Bye-laws”	means the amended and restated bye-laws of the Company to be adopted on the Scheme Effective Date in substantially the same form as that appended to the Explanatory Statement.
“Beneficial Interest”	means a beneficial interest (whether or not it is the ultimate economic interest) in the principal amount outstanding of the Existing Notes (as applicable), which interest is held (directly or indirectly) in book-entry form through DTC, a DTC Participant and/or another Intermediary.
“Business Day”	means a day (other than a Saturday or Sunday) on which banks are open for general business in London, New York and Bermuda (provided that the

	availability of internet banking shall not constitute being open for general business).
“Cash Allocation Shortfall”	has the meaning given to such term in Clause 10.1(a).
“Cash Allocation Shortfall Pro-Rata”	means in respect of (i) the DGHL Unsecured Noteholders, an amount equal to the Cash Allocation Shortfall multiplied the product of (163.5/293.2); and (ii) in respect of the DGHL Subordinated Noteholders, an amount equal to the Cash Allocation Shortfall multiplied by the product of (19.5/293.2).
“Cash Manager”	means Global Loan Agency Services Limited in its capacity as cash manager.
“Claim”	means all and any actions, causes of action, claims, counterclaims, suits, debts, sums of money, accounts, contracts, agreements, promises, damages, judgments, executions, demands, remedies or rights whatsoever or howsoever arising, whether present, future, prospective (including after the Scheme Effective Date) or contingent, known or unknown, 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 or any failure to perform any obligation or any omission, whether assertable directly or derivatively, whether arising at common law, contract, tort, in equity or by statute in or under the laws of New York or Bermuda, or under any other law or in any other jurisdiction howsoever arising, and “Claims” shall be construed accordingly.
“Class Pro-Rata Share”	means, in respect of a given amount as it pertains to (a) the DGHL Unsecured Noteholders, a number, expressed as a percentage, that is equal to the result of (163.5/183); and (b) the DGHL Subordinated Noteholders, a number, expressed as a percentage, that is equal to the result of (19.5/183).
“Companies Act”	means the Companies Act 1981 of Bermuda.
“Company”	means DGHL.
“Convening Order”	means the order of the Court containing directions for the convening of the Scheme Meetings.
“Court”	means the Supreme Court of Bermuda.
“Deed of Release”	means the deed of release executed by the Company in favour of the Released Parties in substantially the

	same form as that appended to the Explanatory Statement; which, for the avoidance of doubt, shall not release Excluded Claims.
“Deed of Release Parties”	means the Released Party as such term is defined in the Deed of Release.
“DGHL”	means Digicel Group Holdings Limited, an exempted company incorporated in Bermuda with registration number 55491, and with its registered office at Clarendon House, 2 Church Street, Hamilton, Bermuda.
“DGHL Ad Hoc Group”	means the ad hoc group of DGHL Subordinated Noteholders and the DGHL Unsecured Noteholders advised by the DGHL Ad Hoc Group Advisors from time to time.
“DGHL Ad Hoc Group Advisors”	means (a) Weil, Gotshal & Manges LLP (and its affiliates), (b) Carey Olsen Bermuda Limited, (c) any St Lucia counsel retained by (or on behalf of) the DGHL Ad Hoc Group and (d) any barrister retained (or on behalf of) the DGHL Ad Hoc Group.
“DGHL-DIFL Intercompany Claim”	means any Claims owed by DGHL to DIFL (including any such Claims assigned or transferred by DIFL subsequent to the date of the Explanatory Statement) as at the Scheme Effective Date (but immediately prior to the Settlement Agreement becoming effective) and prior to any DIFL/DL Cash Distribution, Future DPL Proceeds or Additional Assets Proceeds being paid to DIFL.
“DGHL/DIFL Services Agreement”	means the services agreement dated on or about the Scheme Effective Date between the Company and DIFL, pursuant to which DIFL shall provide administrative and financial reporting services to the Company.
“DGHL-DL Intercompany Claim”	means any Claims owed by DGHL to DL (including any such Claims assigned or transferred by DL subsequent to the date of the Explanatory Statement) as at the Scheme Effective Date (but immediately prior to the Settlement Agreement becoming effective) and prior to any DIFL/DL Cash Distribution, Future DPL Proceeds or Additional Assets Proceeds being paid to DL.
“DGHL Noteholder”	means a DGHL Unsecured Noteholder and/or a DGHL Subordinated Noteholder, as the case may be.

“DGHL Scheme Consideration”	means (a) the Noteholder Cash Distributions; and (b) the New Notes to be distributed to the DGHL Scheme Creditors in accordance with the terms of the Scheme.
“DGHL Scheme Creditors”	means the DGHL Noteholders and (without double counting in each case), the Existing Depository Nominee and the Existing Notes Trustee and any Intermediaries.
“DGHL Subordinated Noteholder”	means a person who has a Beneficial Interest in the Existing Subordinated Notes and who is the owner of the ultimate economic interest in any of the Existing Subordinated Notes.
“DGHL Subordinated Notes Cash Distribution”	means the cash distribution of \$19,500,000 payable by the Company to the DGHL Subordinated Noteholders in accordance with the terms of the Scheme.
“DGHL Unsecured Noteholder”	means a person who has a Beneficial Interest in the Existing Unsecured Notes and who is the owner of the ultimate economic interest in any of the Existing Unsecured Notes.
“DGHL Unsecured Notes Cash Distribution”	means the cash distribution of \$163,500,000 (less any amount received as an Interim Distribution prior to the Scheme Effective Date) payable by the Company to the DGHL Unsecured Noteholders in accordance with the terms of the Scheme.
“DIFL”	means Digicel International Finance Limited, originally incorporated in St. Lucia as an international business company on 7 December 2004, and continued into Bermuda as an exempted company under the Companies Act on 11 July 2023 with registration number 202302649 and with its registered office at Clarendon House, 2 Church Street, Hamilton, Bermuda.
“DIFL/DL Cash Distribution”	means the cash distribution of \$110,200,000 (less any amount received as an Interim Distribution prior to the Scheme Effective Date) payable by the Company to DIFL and DL or either of their successors, assigns or transferees (to be allocated between themselves in proportions to be agreed) on the Scheme Effective Date pursuant to the Settlement Agreement.
“Digicel Advisors”	means (a) DC Advisory LLC, (b) Island Capital Management Services Limited, (c) Davis Polk &

	Wardwell LLP, (d) Conyers, Dill & Pearman Limited, and (e) the Information Agent.
“Distributions Allocation Funds Flow”	means the funds flow prepared by the Digicel Advisors as the funds flow for the purpose of the Scheme which sets out the entitlements to the Work Payments, the Noteholder Cash Distributions, the DIFL/DL Cash Distribution, the Professional Fees, the Existing Notes Trustee’s Fees and Expenses, the Reserves and any other payments required to be made in accordance with the Restructuring Support Agreement or the Scheme, provided always that it is consistent in all material respects with the terms of this Scheme.
“DL”	means Digicel Limited, an exempted company incorporated in Bermuda with registration number 53898 and with its registered office at Clarendon House, 2 Church Street, Hamilton, Bermuda, including as it may be reorganised from time to time.
“DTC”	means The Depository Trust Company.
“DTC Participant”	means the holder recorded directly in the records of DTC as holding a Beneficial Interest in any Existing Notes in an account held with DTC, either for that person’s own account or on behalf of another person.
“Eligible Recipient”	means a DGHL Noteholder that has (a) submitted a validly completed Registration Form to the Information Agent in accordance with the instructions set out therein by the Registration Deadline; (b) made securities law representations customary for private placements; and (c) has provided all relevant “know-your-client” documentation to the reasonable satisfaction of the New Notes Paying Agent as described in the Explanatory Statement.
“Excluded Claims”	means (a) Scheme Costs; (b) any Claims on account of, under or in connection with the DGHL Scheme Consideration; (c) any Claim in respect of rights created under the Scheme and/or which arise as a result of a failure by the Company or any party to the Scheme to comply with any terms of the Scheme from and after the Scheme Effective Date; (d) any Claim under or in connection with the Work Payments; (e) any Claim which any member of the Ad Hoc Groups may have against any of the PCG Ad Hoc Group Advisors or DGHL Ad Hoc Group Advisors respectively, arising under a duty of care, and (f) any Claim arising from or relating to fraud,

	gross negligence, wilful misconduct, wilful default, or dishonesty.
“Existing Depository Nominee”	means Cede & Co as the entity in whose name the Existing Notes are registered and who acts as the depository and nominee for DTC with respect to the Existing Notes.
“Existing Notes”	means the Existing Unsecured Notes and the Existing Subordinated Notes.
“Existing Notes Indentures”	means the Existing Unsecured Notes Indenture and the Existing Subordinated Notes Indenture.
“Existing Notes Trustee”	means Wilmington Trust, National Association, in its capacity as indenture trustee, and in each other capacity for which it serves, under or in connection with either Existing Notes Indenture, provided that if the context requires only certain of the foregoing capacities, then only in such capacity(ies).
“Existing Notes Trustee’s Fees and Expenses”	means the reasonable and documented compensation, fees, expenses, disbursements and indemnity claims, including without limitation, attorneys’ fees, expenses and disbursements, accrued or incurred by the Existing Notes Trustee in any and all capacities to the extent payable or reimbursable under either the Existing Notes Indenture or any related documents.
“Existing Subordinated Notes”	means the 7.00% PIK perpetual convertible notes issued by the Company under the Existing Subordinated Notes Indenture.
“Existing Subordinated Notes Election”	means that certain election that shall occur through the DTC’s automated tender offer program (ATOP) or the Deposit or Withdrawal at Custodian process (DWAC) pursuant to which each DGHL Subordinated Noteholder will be able to elect, prior to the New Notes Election Deadline, to receive either the New 3A Notes and New 3B Notes or New 4A Notes and New 4B Notes.
“Existing Subordinated Notes Indenture”	means that certain indenture originally dated as of 23 June 2020 (as amended, modified, or supplemented from time to time in accordance with the terms thereof) by and among the Company (formerly known as Digicel Group 0.5 Limited) as issuer and the Existing Notes Trustee (as successor to Deutsche Bank Trust Company Americas) as trustee, pursuant

	to which the Existing Subordinated Notes were issued.
“Existing Unsecured Notes”	means the 8.0% senior cash pay/PIK Notes due 2025 issued by the Company under the Existing Unsecured Notes Indenture.
“Existing Unsecured Notes Election”	means that certain election that shall occur through the DTC’s automated tender offer program (ATOP) or the Deposit or Withdrawal at Custodian process (DWAC) pursuant to which each DGHL Unsecured Noteholder will be able to elect, prior to the New Notes Election Deadline, to receive either the New 1A Notes and New 1B Notes or New 2A Notes and New 2B Notes.
“Existing Unsecured Notes Indenture”	means that certain indenture originally dated as of 23 June 2020 (as amended, modified, or supplemented from time to time in accordance with the terms thereof) by and among the Company (formerly known as Digicel Group 0.5 Limited) as issuer and the Existing Notes Trustee (as successor to Deutsche Bank Trust Company Americas) as trustee, pursuant to which the Existing Unsecured Notes were issued.
“Expense Reserve”	means a reserve as shown in the Post-Closing Budget for the purposes of funding the ongoing costs and expenses of the Company in accordance with the Post-Closing Budget, including the solvent liquidation of the Company.
“Explanatory Statement”	means that composite explanatory document (including all appendices) dated 25 August 2023, relating to the Scheme and mailed to DGHL Scheme Creditors pursuant to the Convening Order (and which will also be accessible via the Scheme Website), which is required to be issued to DGHL Scheme Creditors pursuant to section 100 of the Companies Act.
“Foreign Representative”	means Lawrence Hickey, or such other person as the Company may nominate and authorise as such.
“Future DPL Proceeds”	means all cash and cash equivalents (including, but not limited to, pursuant to the earn-out provisions and escrow arrangements) paid to the Company at any time on or after May 28, 2023 pursuant to the terms of the Telstra SPA.
“GLAS Advisors”	means McDermott Will & Emery UK LLP.

“GLAS Fees and Expenses”	means the reasonable and documented compensation, fees, expenses, disbursements and indemnity claims, including without limitation, attorneys’ fees, expenses and disbursements, accrued or incurred by the Administrative Parties in any and all capacities.
“Group”	means collectively, the Company and each of its subsidiaries.
“Holding Period”	means a period of 18 months after the Scheme Effective Date.
“Holding Period Trust”	means the trust established on or around the Scheme Effective Date for the purposes of holding any New Notes for and on behalf of any Ineligible Recipients.
“Holding Period Trust Deed”	means the trust deed constituting the Holding Period Trust in substantially the same form as that appended to the Explanatory Statement.
“Holding Period Trustee”	means GLAS Trustees Limited in its capacity as Holding Period Trustee in relation to the Holding Period Trust.
“Ineligible Recipient”	means a DGHL Noteholder that is not an Eligible Recipient.
“Information Agent”	means Epiq Corporate Restructuring, LLC.
“Intercompany Claims”	means (a) the DGHL-DIFL Intercompany Claim, and (b) the DGHL-DL Intercompany Claim.
“Intercreditor Agreement”	means the intercreditor agreement to be entered into on the Scheme Effective Date by and among DGHL, DIFL, DL, the Security Agent, the New Notes Agent, the New Notes Paying Agent, the Supporting Shareholder, and Digicel Investments Limited to regulate the Liabilities of the Company post Scheme Effective Date to the DGHL Scheme Creditors, DL/DIFL and the Supporting Shareholder, in substantially the same form as that appended to the Explanatory Statement.
“Interim Distribution”	means the payments made by the Company (a) in an aggregate amount of \$113,500,000 on 18 August 2023 to the DGHL Unsecured Noteholders and (b) in an aggregate amount of \$76,500,000 to DIFL and DL on 20 June 2023 in respect of the Intercompany Claims, in each case pursuant to the Restructuring Support Agreement.

“Intermediary”	means, in respect of the Existing Unsecured Notes or the Existing Subordinated Notes, a person who is not a DGHL Noteholder because it is not the owner of the ultimate economic interest in such Existing Unsecured Notes or the Existing Subordinated Notes (as applicable) but who holds a Beneficial Interest in the Existing Unsecured Notes or the Existing Subordinated Notes (as applicable) on behalf of another person or persons.
“Liability” or “Liabilities”	means any debt, liability or obligation of a person whether it is present, future, prospective, actual or contingent, whether it is known or unknown, whether or not it is fixed or undetermined, whether incurred solely or jointly or as principal or surety or in any other capacity, whether or not it involves the payment of money or performance of an act or obligation and whether it arises by contract, at common law, in equity or by statute or otherwise, in Bermuda or any other jurisdiction, or in any manner whatsoever.
“Longstop Time”	means 14 November 2023 at 5:00 pm (New York time).
“Majority DGHL Ad Hoc Group”	means, at any time, such members of the DGHL Ad Hoc Group holding more than 50.0% of the total aggregate outstanding amount of the Existing Notes held by the DGHL Ad Hoc Group collectively at the relevant time.
“Majority PCG Ad Hoc Group”	means, at any time, such members of the PCG Ad Hoc Group holding more than 50.0% of the total aggregate outstanding amount of the Existing Notes held by the PCG Ad Hoc Group collectively at the relevant time.
“New 1A Notes”	means the senior series of New Senior Notes to be issued under the Note Agreement as “New 1A Notes” to each of the New Note 1 Recipients.
“New 1B Notes”	means the junior series of New Senior Notes to be issued under the Note Agreement as “New 1B Notes” to each of the New Note 1 Recipients.
“New 2A Notes”	means the senior series of New Senior Notes to be issued under the Note Agreement as “New 2A Notes” to each of the New Note 2 Recipients.

“New 2B Notes”	means the junior series of New Senior Notes to be issued under the Note Agreement as “New 2B Notes” to each of the New Note 2 Recipients.
“New 3A Notes”	means the senior series of New Subordinated Notes to be issued under the Note Agreement as “New 3A Notes” to each of the New Note 3 Recipients.
“New 3B Notes”	means the junior series of New Subordinated Notes to be issued under the Note Agreement as “New 3B Notes” to each of the New Note 3 Recipients.
“New 4A Notes”	means the senior series of New Subordinated Notes to be issued under the Note Agreement as “New 4A Notes” to each of the New Note 4 Recipients.
“New 4B Notes”	means the junior series of New Subordinated Notes to be issued under the Note Agreement as “New 4B Notes” to each of the New Note 4 Recipients.
“New Notes”	means eight series of new limited recourse senior secured notes to be issued by DGHL to holders of the Existing Notes under the Note Agreement, being collectively, New 1A Notes, New 1B Notes, New 2A Notes, New 2B Notes, New 3A Notes and New 3B Notes and New 4A Notes and New 4B Notes.
“New Note 1 Recipients”	means those DGHL Unsecured Noteholders who have elected or are deemed to have elected to receive New 1A Notes and New 1B Notes under the terms of the Scheme.
“New Note 2 Recipients”	means those DGHL Unsecured Noteholders who have elected to receive New 2A Notes and New 2B Notes under the terms of the Scheme.
“New Note 3 Recipients”	means those DGHL Subordinated Noteholders who have elected or are deemed to have elected to receive New 3A Notes and New 3B Notes under the terms of the Scheme.
“New Note 4 Recipients”	means those DGHL Subordinated Noteholders who have elected to receive New 4A Notes and New 4B Notes under the terms of the Scheme.
“New Notes Agent”	means GLAS Trustees Limited in its capacity as agent for the New Notes.

“New Notes Election Deadline”	means 5:00 p.m. (New York time) on 12 October 2023.
“New Notes Paying Agent”	means Global Loan Agency Services Limited in its capacity as paying agent for the New Notes.
“New Notes Registrar”	means Global Loan Agency Services Limited in its capacity as registrar for the New Notes.
“New Senior Notes”	means the limited recourse senior secured notes issued by the Company on substantially the same terms as those set forth in Part C (<i>Overview of Scheme Consideration, Intercreditor Agreement and Proposed Governance</i>) of the Explanatory Statement, being collectively, New 1A Notes, New 1B Notes, New 2A Notes and New 2B Notes.
“New Subordinated Notes”	means the limited recourse subordinated notes issued by the Company on substantially the same terms as set forth set forth in Part C (<i>Overview of Scheme Consideration, Intercreditor Agreement and Proposed Governance</i>) of the Explanatory Statement, being collectively, New 3A Notes, New 3B Notes, New 4A Notes and New 4B Notes.
“Note Agreement”	means the single note agreement in substantially the same form as that appended to the Explanatory Statement under which the New Notes will be issued by the Company.
“Notes Collateral Documents”	means the Collateral Documents as defined in the Note Agreement, together with any other documents reasonably required to grant valid security interests in respect of the Liabilities under the New Notes.
“Noteholder Cash Distributions”	means the DGHL Unsecured Notes Cash Distribution and the DGHL Subordinated Notes Cash Distribution.
“PCG Ad Hoc Group”	means the ad hoc group of holders of Beneficial Interests in the Existing Subordinated Notes and the Existing Unsecured Notes advised by the PCG Ad Hoc Group Advisors from time to time.
“PCG Ad Hoc Group Advisors”	means (a) Greenhill & Co, LLC, (b) Paul, Weiss, Rifkind, Wharton & Garrison LLP, (c) Akin Gump LLP and Akin Gump Strauss Hauer & Feld LLP, (d) Walkers (Bermuda) Limited, and (e) any barrister or other law firm retained on behalf of the PCG Ad Hoc

	Group from time to time, as advisors to the PCG Ad Hoc Group.
“Personnel”	means, in relation to any person, its current and former officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professional advisers.
“Post”	means delivery by pre-paid first-class post or air mail or generally recognised commercial courier service, and “Posted” shall be construed accordingly.
“Post-Closing Budget”	means the budget agreed by DGHL, the PCG Ad Hoc Group and the DGHL Ad Hoc Group prior to the Scheme Effective Date for the ongoing costs and expenses of DGHL, including in respect of the solvent liquidation of DGHL.
“Proceeding”	means any process, action, legal or other proceeding including any arbitration, mediation, alternative dispute resolution, judicial review, adjudication, demand, execution, distraint, forfeiture, re-entry, seizure, lien, enforcement of judgment or enforcement of any security or other right.
“Professional Fees”	means, collectively, the reasonable and documented fees, costs and expenses incurred in connection with the Restructuring, together with applicable taxes thereon (if any) of the following agreed professionals: (a) the PCG Ad Hoc Group Advisors, (b) the DGHL Ad Hoc Group Advisors, (c) the Digicel Advisors, and (d) the GLAS Advisors.
“Record Date”	means 4:00 p.m. (New York time) on 28 August 2023, solely for the purposes of determining an entitlement to vote in respect of the Scheme.
“Registrar of Companies”	means the Registrar of Companies of Bermuda appointed pursuant to section 3 of the Companies Act.
“Registration Deadline”	means 9.00 am (New York Time) on 19 October 2023.
“Registration Form”	means the registration form to be submitted in connection with an Existing Unsecured Notes Election and/or Existing Subordinated Notes Election (as the case may be).

"Related Party"	means predecessors, successors and assigns, Affiliates, managed accounts or funds, and all of their respective current and former officers, directors, managers, investment committee members, special or other committee members, principals, stockholders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, investment advisors, participants, subsidiaries, members, partners, limited partners, general partners, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, management companies, fund advisors or managers, and other professionals and advisors, and such persons' respective heirs, executors, estates, servants, and/or nominees.
"Released Claim"	means (a) in respect of the Deed of Release Parties any past, present and/or future Claim released pursuant to the Deed of Release; or (b) in respect of any other Released Party, or to the extent a Claim is not otherwise released pursuant to the Deed of Release for whatever reason, any past, present and/or future Claim arising out of, relating to or in respect of: (i) either Existing Notes Indenture, (ii) the Existing Notes; (iii) the Scheme Claims and any of the facts and matters giving rise to the Scheme Claims; (iv) the Interim Distribution; and (v) all actions and/or decisions taken by any Deed of Release Party prior to the Scheme Effective Date in connection with the Company, the management and/or business of the Company, the preparation, negotiation, sanction or implementation of the Scheme, the Restructuring Documents and the Restructuring, and the execution and the carrying out of the steps and transactions contemplated therein in accordance with their terms, other than, in each case, Excluded Claims.
"Released Party"	means each of the following and in each case solely in its capacity as such: (a) the Deed of Release Parties; (b) the Administrative Parties; and (c) to the extent not falling within paragraph (a) of this definition, each DGH Scheme Creditor and their respective Scheme Creditor Parties, Affiliates and Advisors (including, in respect of the foregoing, each of their Personnel).
"Reserves"	means the Expense Reserve and the Telstra Reserve.

“Reserves Share”	means an amount calculated by multiplying the aggregate amount of the Reserves by the product of (183/293.2).
“Restructuring”	has the meaning given to that term in the Explanatory Statement.
“Restructuring Documents”	means the Note Agreement, the Notes Collateral Documents, the Intercreditor Agreement, the Deed of Release, the Settlement Agreement, the Holding Period Trust Deed, the DGHL/DIFL Services Agreement and any other documents that the Company and the Majority DGHL Ad Hoc Group and Majority PCG Ad Hoc Group consider to be reasonably required to effectuate the terms of the Scheme.
“Restructuring Support Agreement”	means that certain restructuring support agreement entered into between the Company, DL, DIFL, the Supporting Shareholder and the DGHL Noteholders named therein, dated as of 28 May, 2023.
“Sanction Order”	means the order of the Court sanctioning the Scheme (with or without modification).
“Scheme”	means this scheme of arrangement between the DGHL Scheme Creditors and the Company pursuant to section 99 of the Companies Act in its present form or subject to any modifications, additions, or conditions that the Court may approve or impose consistent with Clause 22.
“Scheme Claim”	means any Claim of a DGHL Scheme Creditor against the Company arising directly or indirectly out of, in relation to and/or in connection with the Existing Notes, and/or either of the Existing Notes Indentures, other than, in each case, Excluded Claims (provided that for voting purposes, each DGHL Noteholders’ Scheme Claims shall be determined by reference to the principal amount of the relevant Existing Notes held by that DGHL Noteholder, excluding any accrued interest or other amounts due pursuant to the relevant Existing Notes or the relevant Existing Notes Indenture.)
“Scheme Costs”	means the Liability of the Company in respect of the fees, costs and expenses of the Advisors (including the Professional Fees), the Existing Notes Trustee’s Fees and Expenses and the GLAS Fees and Expenses, which Liabilities are not subject to the arrangements and compromises to be effected by the Scheme.

“Scheme Creditor Parties”	means, in respect of a DGHL Scheme Creditor, each of its predecessors, successors, assigns, transferees, Affiliates and Personnel.
“Scheme Effective Date”	means the date upon which all of the conditions to the effectiveness of the Scheme as set forth in Clause 18 have been satisfied and the Scheme becomes effective.
“Scheme Meetings”	means the meetings of DGHL Scheme Creditors convened by the Court in order to consider, and if thought fit, approve the Scheme pursuant to the Convening Order.
“Scheme Website”	means https://dm.epiq11.com/digicelgroup .
“SEC”	means the U.S. Securities and Exchange Commission.
“Security Agent”	means GLAS Trust Corporation Limited in its capacity as Security Agent in respect of the Notes Collateral Documents.
“Settlement Agreement”	means the settlement agreement between the Company, DIFL and DL (or their successors or assigns) pursuant to which the Intercompany Claims are compromised, such settlement agreement being in substantially the same form as that appended to the Explanatory Statement.
“Supporting Shareholder”	means Denis O’Brien.
“Telstra Claims”	means any Claims by BidCo (S) Pte. Ltd and/or Telstra Corporation Limited against the Company arising out of or pursuant to the Telstra SPA.
“Telstra Escrow Top-Up”	means the obligation of DGHL under the Telstra SPA to increase the amount of the Telstra General Escrow by the Telstra Reserve in the event that a change of control of DL occurs prior to January 14, 2024.
“Telstra General Escrow”	means an escrow required under the Telstra SPA to generally cover Telstra Claims arising thereunder.
“Telstra Reserve”	means a reserve in an amount of \$70,000,000 to be reserved by the Company for the purpose of funding the Telstra Escrow Top-Up.
“Telstra SPA”	means that certain share purchase agreement, dated October 24, 2021, entered into between BidCo (S)

	Pte. Ltd., Telstra Corporation Limited and the Company, relating to the purchase and sale of Digicel Pacific Limited.
“United States Code”	means the Code of Laws of the United States of America.
“US Bankruptcy Code”	means title 11 of the United States Code.
“US Bankruptcy Court”	means the United States Bankruptcy Court for the Southern District of New York.
“US Securities Act”	means U.S. Securities Act of 1933, as amended, including the rules and regulations promulgated by the SEC thereunder.
“Work Payments”	means those payments the Company is obligated to make to the members of the Ad Hoc Groups pursuant to that certain work payment letter between the Company and the members of the Ad Hoc Groups dated as of 29 May, 2023.

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

- (a) references to Recitals, Parts, Clauses and Sub-Clauses are references to the recitals, parts, clauses and sub-clauses, respectively of or to the Scheme;
- (b) references to the Information Agent, the Existing Notes Trustee, the DGHL Scheme Creditors, the New Notes Agent, the New Notes Paying Agent, the Holding Period Trustee, the New Notes Registrar, the Security Agent, the Cash Manager, or any other person will be construed as to include its successors in title, permitted assigns and permitted transferees;
- (c) references to a **“person”** include references to an individual partnership, company, corporation, other legal entity, unincorporated body of persons or any state or state agency;
- (d) references to a statute or a statutory provision include 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 provided that such amendment, supplement, restatement, verification, replacement and/or novation has, to the extent it relates to the Scheme, been made in accordance with the terms of the Scheme;
- (f) references to an agreement, deed or document will include any schedules, annexes and appendices to such agreement, deed or document;

- (g) references to (or to any specified provision of) the Scheme will be construed as references to the Scheme as in force for the time being;
- (h) the singular includes the plural and *vice versa* and words importing one gender shall include all genders;
- (i) headings to Recitals, Parts, Clauses and Sub-Clauses are for ease of reference only and shall not affect the interpretation of the Scheme;
- (j) references to “\$” or “US\$” are references to the lawful currency of the United States of America;
- (k) the words “**include**” and “**including**” are to be construed without limitation, general words introduced by the word “**other**” are not to be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things and general words are not to be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words;
- (l) a company is a “**subsidiary**” of another company, its “**holding company**”, if that other company: (a) holds a majority of the voting rights in it; (b) is a member of it and has the right to appoint or remove a majority of its board of directors; or (c) is a member of it and controls alone, pursuant to an agreement with other members, a majority of the voting rights in it, or, if it is a subsidiary of a company that is itself a subsidiary of that other company;
- (m) an “**undertaking**” means a body corporate or partnership; or an unincorporated association carrying on a trade or business, with or without a view to profit; and an undertaking is a parent undertaking in relation to another undertaking, a “**subsidiary undertaking**”, if: (a) it holds the majority of voting rights in the undertaking; (b) it is a member of the undertaking and has the right to appoint or remove a majority of its board of directors; (c) it has the right to exercise a dominant influence over the undertaking: (i) by virtue of provisions contained in the undertaking's articles; or (ii) by virtue of a control contract; or (d) it is a member of the undertaking and controls alone, pursuant to an agreement with other shareholders or members, a majority of the voting rights in the undertaking;
- (n) unless otherwise stated, all references in the Scheme to times are to Bermuda time; and
- (o) where any amount is specified in this Scheme (including in any definition) in respect of any DGHL Scheme Consideration, that amount is subject to rounding in accordance with the terms of this Scheme.

PART A RECITALS

2 THE COMPANY

- 2.1 The Company was incorporated in Bermuda under the Companies Act as an exempted company with limited liability on 1 April 2020 with registration number 55491 under the name “Digicel Group 0.5 Limited”. The Company changed its name to “Digicel Group Holdings Limited” on 4 August 2020.
- 2.2 The Company’s registered office is at Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda.
- 2.3 The authorised share capital of the Company is US\$100,000,000, consisting of 100,000,000 common shares of US\$1.00 each, of which 50,001,000 are issued.
- 2.4 The Company is the issuer of the Existing Notes pursuant to the Existing Notes Indentures. The Scheme seeks to effect a compromise of the Company’s Liabilities under the Existing Notes and the Existing Notes Indentures.

3 THE PURPOSE OF THE SCHEME

- 3.1 The principal object and purpose of the Scheme is to effect a compromise and arrangement between the Company and the DGHL Scheme Creditors in respect of the Scheme Claims in consideration for the issuance of the New Notes and the Noteholder Cash Distributions and to provide for an agreed methodology for the distribution as between the DGHL Scheme Creditors of the Future DPL Proceeds and the Additional Assets prior to DGHL’s ultimate dissolution on a solvent basis. The arrangement and compromise of the Scheme Claims effected pursuant to the Scheme will accelerate payments to the DGHL Scheme Creditors in lieu of, and on a more cost effective basis than, a protracted liquidation of the Company.
- 3.2 On the Scheme Effective Date, among other things, the Existing Notes will be cancelled and discharged in full in exchange for the Company causing the DGHL Scheme Consideration to be issued to the DGHL Scheme Creditors, and all rights and obligations of any party under the Existing Notes and/or the Existing Notes Indentures (including, for the avoidance of doubt, all rights and obligations of any person that acquires an interest in the Existing Notes after the Record Date) will terminate.
- 3.3 Prior to the Scheme Effective Date, the Foreign Representative will be authorised to and will make an application on behalf of the Company for a suitable order from the US Bankruptcy Court under Chapter 15 of the US Bankruptcy Code (or under any other applicable law, legal doctrine or Proceeding concerning cross-border recognition) and such other additional relief and/or assistance as may be required or as the Foreign Representative may find necessary to obtain for the purposes of obtaining foreign recognition of the Scheme outside of Bermuda.

4 THE EXISTING NOTES

The Existing Notes are held under customary arrangements whereby:

- (a) the Existing Notes were issued pursuant to the Existing Notes Indentures;

- (b) all Existing Notes are registered in the name of the Existing Depository Nominee;
- (c) Beneficial Interests in the Existing Notes are held initially by DTC Participants (whose identities are recorded directly in the books or other records maintained by DTC), through DTC under electronic systems designed to facilitate paperless transactions in respect of dematerialised securities; and
- (d) each DTC Participant may be holding its recorded Beneficial Interest in the Existing Notes (in full or in part) either on its own behalf or on behalf of another person, which person may in turn also be holding such interest on its own behalf or on behalf of another person.

5 THE EXISTING NOTES TRUSTEE AND THE SCHEME

The Court has ordered that neither the Existing Notes Trustee, any Intermediaries nor the Existing Depository Nominee (as registered holder of the Existing Notes), none of whom own any economic interest in the Existing Notes to be compromised in the Scheme, shall be entitled to vote on the Scheme in respect of the Existing Notes at the Scheme Meetings and, accordingly, they will not vote on the Scheme at such meetings. For voting purposes in respect of the Scheme, the DGHL Scheme Creditors shall therefore consist solely of the DGHL Noteholders. Notwithstanding the foregoing or anything to the contrary herein, the Existing Notes Trustee shall be entitled to payment of the Existing Notes Trustee's Fees and Expenses, including its right to assert its charging lien, priority payment and indemnification rights under the Existing Notes Indentures against distributions to the holders of the Existing Notes and to establish, withhold and require reasonable reserves.

PART B THE SCHEME

6 APPLICATION AND EFFECTIVENESS OF THE SCHEME

- 6.1 The compromises and arrangements effected by the Scheme, including the Restructuring Documents entered into pursuant hereto, shall apply to all Scheme Claims and shall be binding on all DGHL Scheme Creditors (and each of the Scheme Creditor Parties) and the Company.
- 6.2 Subject to Clause 18, the terms of the Scheme shall become effective on the Scheme Effective Date and shall take effect in accordance with the terms of the Scheme and all of the rights, title and interests of the DGHL Scheme Creditors in respect of the Scheme Claims will be subject to the compromise and arrangement set out in the Scheme in accordance with its terms.
- 6.3 The Company shall promptly notify the Information Agent in writing of the occurrence of the Scheme Effective Date and provide a form of written notice to the Information Agent, and the Information Agent shall promptly notify the DGHL Scheme Creditors of the Scheme Effective Date by:
- (a) providing such written notice to the Existing Notes Trustee;
 - (b) circulating such written notice to the DGHL Scheme Creditors via DTC; and
 - (c) posting such written notice on the Scheme Website.

7 RESERVES

- 7.1 On the Scheme Effective Date, the Company shall cause the Reserves to be funded. The Reserves Share shall be deducted from the DGHL Unsecured Notes Cash Distribution and the DGHL Subordinated Notes Cash Distribution in the amounts equal to the respective Class Pro-Rata Share (the amount of each such reduction, the “**Reserve Reduction Amount**”). A reduction will also be made from the DIFL/DL Cash Distribution for the purposes of funding the Reserves. No Reserve shall be used to make any payments or distributions to the DGHL Scheme Creditors, DL or DIFL on the Scheme Effective Date.
- 7.2 The Reserves are intended to be used by the Company as provision against any potential Claims by Telstra arising out of the Telstra SPA, to ensure that the Company has sufficient capital to continue its corporate existence in order to remain entitled to the Future DPL Proceeds and to realise the Additional Assets. Once the Reserves are no longer required for these purposes, they will be released and paid to DGHL Scheme Creditors, DIFL and DL (or their successor or assigns) in accordance with the terms of the New Notes and the Intercreditor Agreement.

8 THE SCHEME – EXISTING UNSECURED NOTES

- 8.1 On the Scheme Effective Date:
- (a) the Company shall make available via DTC the DGHL Unsecured Notes Cash Distribution (subject to such deductions and/or adjustment made prior to

payment to DTC in accordance with the terms of the Scheme) for payment to DGHL Unsecured Noteholders. Any payment made pursuant to this paragraph (a) shall be without prejudice to a DGHL Unsecured Noteholder's right to receive such further amounts as may become payable pursuant the terms of the Scheme (and such further amounts shall be distributed pursuant to the Intercreditor Agreement); and

- (b) immediately following the payments in paragraph (a) above, the Company shall issue the New Senior Notes pursuant to the Note Agreement. The New Senior Notes shall be issued to each DGHL Unsecured Noteholder who is an Eligible Recipient in an amount equal to such DGHL Unsecured Noteholder's pro rata portion (based upon their Scheme Claim relative to the aggregate amount of all Scheme Claims of all DGHL Unsecured Noteholders on the New Notes Election Deadline) of the aggregate principal amount of the Existing Unsecured Notes (calculated in accordance with Clause 8.3 below). Any DGHL Unsecured Noteholder who is an Eligible Recipient but failed to make an Existing Unsecured Notes Election by the New Notes Election Deadline and any Ineligible Recipient shall be deemed to have elected to receive New 1A Notes and New 1B Notes in respect of their entitlements and shall not receive New 2A Notes or New 2B Notes. New 1A Notes and New 1B Notes shall be issued in the name of the New Note 1 Recipients and New 2A Notes and New 2B Notes shall be issued in the name of the New Note 2 Recipients (as applicable). The New Notes Registrar shall maintain a register of New Note 1 Recipients' and New Note 2 Recipients' respective interests in the New Senior Notes. The New Senior Notes shall exist in book-entry form and no physical notes or certificates shall be issued or delivered. To the extent a DGHL Unsecured Noteholder is an Ineligible Recipient, such DGHL Unsecured Noteholder's interests in the New Senior Notes shall be issued in the name of the Holding Period Trustee and held by the Holding Period Trustee subject to the terms of the Holding Period Trust.

8.2 Immediately following the steps described in Clause 8.1 and conditional upon such steps occurring, all Scheme Claims of the DGHL Unsecured Noteholders (together with any Scheme Claim that the Existing Notes Trustee and/or the Existing Depository Nominee may have in relation to the Existing Unsecured Notes and/or the Existing Unsecured Notes Indenture) shall be released and compromised as follows:

- (a) the Existing Unsecured Notes, the Existing Unsecured Notes Indenture, and all other related instruments, certificates, agreements and other documents will be cancelled, released, terminated, extinguished and discharged without any further act or action by either the Company, the Existing Notes Trustee, any DGHL Unsecured Noteholder or any other DGHL Scheme Creditor, provided, however, that such documents shall continue in effect for the limited purpose of (i) allowing each DGHL Unsecured Noteholder to receive their respective DGHL Scheme Consideration and if applicable, Work Payment, and (ii) preserving all rights of the Existing Notes Trustee thereunder with respect to the Existing Notes Trustee's Fees and Expenses;
- (b) the Existing Unsecured Notes shall be deemed surrendered without any further act or action by the Company, the Existing Notes Trustee, any DGHL Unsecured Noteholder or any other DGHL Scheme Creditor; and

- (c) the respective rights and obligations of the DGHL Unsecured Noteholders, any Intermediary holding any Beneficial Interest in any of the DGHL Unsecured Notes (including, for the avoidance of doubt, any person that acquires an interest in the DGHL Unsecured Notes after the Record Date), the Company, and the Existing Notes Trustee towards one another under the Existing Unsecured Notes Indenture and the DGHL Unsecured Notes shall be deemed fully satisfied, discharged and terminated; provided, however, that such rights and obligations shall continue for the limited purpose of (i) allowing the DGHL Unsecured Noteholders to receive their respective DGHL Scheme Consideration and (ii) preserving all rights of the Existing Notes Trustee thereunder with respect to the Existing Notes Trustee's Fees and Expenses.

8.3 The total principal amount of:

- (a) New 1A Notes and New 1B Notes issued by DGHL on the Scheme Effective Date shall in aggregate be equal to the total principal amount (and accrued unpaid interest and default interest, if any) outstanding as at the New Notes Election Deadline under the Existing Unsecured Notes of those DGHL Unsecured Noteholders who elect, pursuant to an Existing Unsecured Notes Election by the New Notes Election Deadline (and including, for the avoidance of doubt, any Ineligible Recipients) to receive New 1A Notes and New 1B Notes, together with those do not make an Existing Unsecured Notes Election prior to the New Notes Election Deadline, less any amounts paid to such DGHL Unsecured Noteholders in respect of the DGHL Unsecured Notes Cash Distribution paid on or before the Scheme Effective Date, rounded to the nearest \$1.00;
- (b) New 2A Notes and New 2B Notes issued by DGHL on the Scheme Effective Date shall in aggregate be equal to the total principal amount (and accrued unpaid interest and default interest, if any) outstanding as at New Notes Election Deadline under the Existing Unsecured Notes of those DGHL Unsecured Noteholders who elect, pursuant to an Existing Unsecured Notes Election made by the New Notes Election Deadline, to receive New 2A Notes and New 2B Notes, less any amounts paid to such DGHL Unsecured Noteholders in respect of the DGHL Unsecured Notes Cash Distribution paid on or before the Scheme Effective Date, rounded to the nearest \$1.00.
- (c) Following the Scheme Effective Date, any Additional Assets Proceeds and/or Future DPL Proceeds realised or received by or paid to the Company shall be paid to the holders of the New Senior Notes in accordance with the terms of the Intercreditor Agreement.

8.4 For U.S. federal income tax purposes, the aggregate amount of applicable DGHL Scheme Consideration distributed to DGHL Unsecured Noteholders pursuant to this Scheme shall be allocated first to the principal amount of the Existing Unsecured Notes (as determined for federal income tax purposes), with any excess allocated to unpaid interest that accrued on the Existing Unsecured Notes, if any.

9 THE SCHEME – EXISTING SUBORDINATED NOTES

9.1 On the Scheme Effective Date:

- (a) the Company shall make available via DTC the DGHL Subordinated Notes Cash Distribution (subject to such deductions and/or adjustment made prior to payment to DTC in accordance with the terms of the Scheme) for payment to DGHL Subordinated Noteholders. Any payment made pursuant to this paragraph (a) shall be without prejudice to a DGHL Subordinated Noteholder's right to receive such further amounts as may become payable pursuant to the terms of the Scheme (and such further amounts shall be distributed pursuant to the Intercreditor Agreement); and
- (b) immediately following the payments in paragraph (a) above, the Company shall issue the New Subordinated Notes pursuant to the Note Agreement. The New Subordinated Notes shall be issued to each DGHL Subordinated Noteholder who is an Eligible Recipient in an amount equal to such DGHL Subordinated Noteholder's pro rata portion (based upon their Scheme Claim relative to the aggregate amount of all Scheme Claims of all DGHL Subordinated Noteholders as of the New Notes Election Deadline) of the aggregate principal amount of the Existing Subordinated Notes (calculated in accordance with Clause 9.3 below). Any DGHL Subordinated Noteholder who is an Eligible Recipient but failed to make an Existing Subordinated Notes Election by the New Notes Election Deadline and any Ineligible Recipient shall be deemed to have elected to receive New 3A Notes and New 3B Notes in respect of their entitlements and shall not receive New 4A Notes or New 4B Notes. New 3A Notes and New 3B Notes shall be issued in the name of the New Note 3 Recipients and New 4A Notes and New 4B Notes shall be issued in the name of the New Note 4 Recipients (as applicable). The New Notes Registrar shall maintain a register of New Note 3 Recipients' and New Note 4 Recipients' respective interests. The New Subordinated Notes shall exist in book-entry form and no physical notes or certificates shall be issued or delivered. To the extent a DGHL Subordinated Noteholder is an Ineligible Recipient, such DGHL Subordinated Noteholder's interests in the New Subordinated Notes shall be issued in the name of the Holding Period Trustee and held by the Holding Period Trustee subject to the terms of the Holding Period Trust.

9.2 Immediately following the steps described in Clause 9.1 and conditional upon such steps occurring, all Scheme Claims of the DGHL Subordinated Noteholders (together with any Scheme Claim that the Existing Notes Trustee and/or the Existing Depository Nominee may have in relation to the Existing Subordinated Notes and/or the Existing Subordinated Notes Indenture) shall be released and compromised as follows:

- (a) the Existing Subordinated Notes, the Existing Subordinated Notes Indenture, and all other related instruments, certificates, agreements and other documents will be cancelled, released, terminated, extinguished and discharged without any further act or action by either the Company, the Existing Notes Trustee, any DGHL Subordinated Noteholder or any other DGHL Scheme Creditor, provided, however, that such documents shall continue in effect for the limited purpose of (i) allowing each DGHL Subordinated Noteholder to receive its respective DGHL Scheme

Consideration and, if applicable, Work Payment, and (ii) preserving all rights of the Existing Notes Trustee thereunder with respect to the Existing Notes Trustee's Fees and Expenses;

- (b) the Existing Subordinated Notes shall be deemed surrendered without any further act or action by the Company, the Existing Notes Trustee, any DGHL Subordinated Noteholder or any other DGHL Scheme Creditor; and
- (c) the respective rights and obligations of the DGHL Subordinated Noteholders, any Intermediary holding any Beneficial Interest in any of the Existing Subordinated Notes (including, for the avoidance of doubt, any person that acquires an interest in the Existing Subordinated Notes after the Record Date), the Company, and the Existing Notes Trustee towards one another under the Existing Subordinated Notes Indenture and the Existing Subordinated Notes shall be deemed fully satisfied, discharged and terminated, provided, however, that such rights and obligations shall continue for the limited purpose of (i) allowing the DGHL Subordinated Noteholders to receive their respective DGHL Scheme Consideration and (ii) preserving all rights of the Existing Notes Trustee thereunder with respect to the Existing Notes Trustee's Fees and Expenses.

9.3 The total principal amount of:

- (a) New 3A Notes and New 3B Notes issued by DGHL on the Scheme Effective Date shall in aggregate be equal to the total principal amount (and accrued unpaid interest and default interest, if any) outstanding as at the New Notes Election Deadline under the Existing Subordinated Notes of those DGHL Subordinated Noteholders who elect, pursuant to an Existing Subordinated Notes Election made by the New Notes Election Deadline, to receive the New 3A Notes and New 3B Notes, together with those do not make an Existing Unsecured Notes Election prior to the New Notes Election Deadline, less any amounts paid to such DGHL Subordinated Noteholders in respect of the DGHL Subordinated Notes Cash Distribution paid on the Scheme Effective Date, rounded to the nearest \$1.00; and
- (b) New 4A Notes and New 4B Notes issued by DGHL on the Scheme Effective Date shall in aggregate be equal to the total principal amount (and accrued unpaid interest and default interest, if any) outstanding as at the New Notes Election Deadline under the Existing Subordinated Notes of those DGHL Subordinated Noteholders who elect, pursuant to an Existing Subordinated Notes Election made by the New Notes Election Deadline, to receive New 4A Notes and New 4B Notes, less any amounts paid to such DGHL Subordinated Noteholders in respect of the DGHL Subordinated Notes Cash Distribution paid on the Scheme Effective Date, rounded to the nearest \$1.00.
- (c) Following the Scheme Effective Date, any Additional Assets Proceeds and/or Future DPL Proceeds realised or received by or paid to the Company shall be paid to the holders of the New Subordinated Notes in accordance with the terms of the Intercreditor Agreement.

10 ADJUSTMENT TO NOTEHOLDER CASH DISTRIBUTIONS

10.1 To the extent that, after the payment of the Existing Notes Trustee's Fees and Expenses, the Professional Fees, the Work Payments and funding of the Reserves and payment of any other amounts shown as payable on the Scheme Effective Date in the Distributions Allocations Funds Flow, the Company has insufficient available cash to make the full Noteholder Cash Distributions and the full DIFL/DL Cash Distribution then:

- (a) the Company shall calculate the aggregate shortfall between:
 - (i) its available cash; and
 - (ii) the sum of the Noteholder Cash Distributions and the DIFL/DL Cash Distribution,
(such amount a "**Cash Allocation Shortfall**");
- (b) the Company shall deduct from the DGHL Unsecured Notes Cash Distribution and the DGHL Subordinated Notes Cash Distribution, the relevant Cash Allocation Shortfall Pro-Rata; and
- (c) those reduced amounts shall be the cash payable by the Company to the DGHL Unsecured Noteholders and the DGHL Subordinated Noteholders pursuant to Clauses 8.1(a) and 9.1(a) respectively.

10.2 The DGHL Unsecured Noteholders and the DGHL Subordinated Noteholders shall be reimbursed in respect of the amounts used to fund any Cash Allocation Shortfall from any Additional Assets Proceeds as set out in the Intercreditor Agreement.

11 HOLDING PERIOD TRUST ARRANGEMENTS

11.1 From the Scheme Effective Date, the Holding Period Trust shall be constituted in accordance with the Holding Period Trust Deed. The Holding Period Trust shall consist of (a) the New Notes representing the DGHL Scheme Consideration that is payable or attributable to Ineligible Recipients pursuant to the terms of the Scheme, and (b) following the Scheme Effective Date, any cash distributions paid in respect of all New Notes held on behalf of any Ineligible Recipients at that time, including any cash payments in respect of Additional Assets Proceeds and/or Future DPL Proceeds.

11.2 During the Holding Period, after submitting a validly completed Registration Form, an Ineligible Recipient shall be entitled to receive their pro rata portion (calculated in accordance with 8.1 or 9.1 as the case may be) of (a) the New Notes and (b) any cash distributions paid following the Scheme Effective Date up to and including the date of receipt of such New Notes by such Ineligible Recipients in respect of the New Notes, in accordance with the terms of the Scheme and Holding Period Trust Deed.

11.3 If an Ineligible Recipient has not become an Eligible Recipient by the expiration of the Holding Period, then such Ineligible Recipient shall be deemed to have irrevocably waived its entitlement to the New Notes and any cash distribution made in respect of the New Notes, and shall be deemed to give the releases set out in the Holding Period Trust Deed and in Clause 14 in respect of such Ineligible Recipient's Scheme Claim or entitlement to any New Notes and related cash distributions. Upon such release, (a) all

New Notes that were held for the benefit of the relevant DGHL Noteholders shall be irrevocably cancelled, (b) any related cash distributions that were received in respect of the New Notes during the Holding Period and were formerly held for the benefit of the relevant DGHL Noteholders shall be returned to the Company and shall be deemed Additional Assets Proceeds and treated accordingly, and (c) the Holding Period Trust shall terminate.

- 11.4 The Holding Period Trustee shall have the power to appoint an additional or replacement trustee at any time, subject to any additional or replacement trustee agreeing to be bound by the terms of the Scheme and the Holding Period Trust Deed.

12 NO RIGHT TO COMMENCE PROCEEDINGS

- 12.1 From and after the Scheme Effective Date, no person or entity, including, without limitation, the Scheme Creditor Parties, shall be entitled to commence, continue, threaten or procure the commencement or continuation of any Proceeding in respect of any Released Claim, whether directly or indirectly, against any of the Released Parties or in respect of any property of any of the Released Parties.
- 12.2 Nothing in Clause 12.1 shall extinguish or otherwise affect any rights or remedies in respect of any Allowed Proceedings.
- 12.3 The Company shall be fully entitled to enforce Clause 12.1 in its own name.
- 12.4 Without prejudice to the Deed of Release, each Released Party (other than the Company) shall be fully entitled to enforce Clause 12.1 in its own name, (whether by way of a Proceeding or by way of defense or estoppel (or similar theory) in any jurisdiction whatsoever) as if it were a party hereto, pursuant to the provisions of the Contracts (Rights of Third Parties) Act 2016 of Bermuda and/or any other applicable law which so permits.
- 12.5 Each DGHL Scheme Creditor is deemed to acknowledge that if it, or any person claiming through it (including any Scheme Creditor Party), takes any Proceedings against any Released Party in breach of Clause 12.1, the Released Party shall be entitled to obtain an order as of right staying those Proceedings and providing for payment, by the DGHL Scheme Creditor (and/or to the extent applicable, any Scheme Creditor Party) concerned and any person claiming through it, of any costs, charges or other expenses howsoever incurred by such Released Party as a result of or in connection with taking such Proceedings on a full indemnity basis.

13 INSTRUCTIONS, AUTHORISATIONS AND DIRECTIONS

- 13.1 Pursuant to the Scheme, each DGHL Scheme Creditor is deemed to provide the instructions, authorisations and directions contained in this Clause 13.
- 13.2 Each DGHL Scheme Creditor in respect of its interest in the Existing Notes hereby irrevocably authorises and instructs DTC and the Existing Notes Trustee to, on or after the Scheme Effective Date, take whatever action is necessary or reasonably appropriate to give effect to the terms of the Scheme.
- 13.3 On and from the Scheme Effective Date, in exchange for the DGHL Scheme Consideration and notwithstanding any term of any document, each DGHL Scheme

Creditor hereby appoints the Company in respect of any and all Scheme Claims arising under or in connection with the Existing Notes, and/or the Existing Notes Indentures as its attorney and agent and irrevocably authorises, directs, instructs and empowers the Company (represented by any authorised representative) to:

- (a) enter into, execute and deliver (whether as a deed or otherwise) for and on behalf of each DGHL Scheme Creditor, the Restructuring Documents to which the DGHL Scheme Creditors, or any of them, are named as a party and any other document referred to, contemplated by or ancillary to any of the foregoing;
- (b) agree on its behalf any amendments to any such document which are:
 - (i) necessary or desirable to give effect to or reflect the terms of the Scheme;
 - (ii) necessary to correct any manifest error; or
 - (iii) minor or technical in nature; andin each case would not (i) impose any additional obligation on, (ii) materially, adversely or disproportionately affect the rights of, any of the DGHL Scheme Creditors in any manner that is not otherwise contemplated by the Scheme or the Restructuring Documents, nor (iii) be materially inconsistent with the terms of the Scheme; and
- (c) take whatever action is necessary to ensure that the books and records of DTC are updated to reflect the terms of the Scheme, including without limitation to:
 - (i) instruct DTC to debit the Beneficial Interests relating to the Existing Notes from the relevant DTC Participants; (ii) authorise the cancellation of the book entry interests in respect of the Existing Notes, and (iii) take or carry out any other step or procedure reasonably required to effect the settlement of the Scheme.

13.4 Without prejudice to the foregoing, on the Scheme Effective Date each DGHL Scheme Creditor hereby irrevocably authorises and instructs, and shall for all purposes be treated as having hereby irrevocably authorised and instructed, the Administrative Parties (as applicable) to enter into, execute and deliver (as a deed or otherwise) the Restructuring Documents to which such Administrative Parties are party to (in any capacity) and to take all steps reasonably necessary to comply with their respective obligations under any other Restructuring Document to which the Administrative Parties are a party (in any capacity).

13.5 On and from the Scheme Effective Date, without prejudice to the Deed of Release, each DGHL Scheme Creditor for itself and its Scheme Creditor Parties in respect of the Existing Notes, the Existing Notes Indentures and all other related instruments, certificates, agreements and other documents, releases, discharges and exonerates each of the Existing Notes Trustee (including its officers, agents, Affiliates, Personnel, attorneys) and each of the Advisors from any Released Claims by the DGHL Scheme Creditors and their Scheme Creditor Parties:

- (a) by reason of any of them acting in accordance with the above authorisation and instruction;

- (b) for the manner of performance of all acts carried out on such instructions save to the extent of its own gross negligence, wilful default, wilful misconduct, fraud or dishonesty; and
- (c) in the case of a DGHL Scheme Creditor, under the Existing Notes Indenture and the Existing Notes with effect from the Scheme Effective Date (without prejudice to any rights of the Existing Notes Trustee under the Existing Notes Indenture, the Existing Notes or related documents),

in each case whether or not the Company obtains a suitable order from the US Bankruptcy Court under Chapter 15 of the US Bankruptcy Code or another applicable law, legal doctrine or Proceeding concerning cross-border recognition.

- 13.6 Each DGHL Scheme Creditor, including on behalf of its Scheme Creditor Parties, in respect of the Existing Notes, hereby acknowledges and agrees that any action taken by the Company in accordance with the Scheme and/or the Restructuring Documents will not constitute a breach of the Existing Notes, the Existing Notes Indentures (or any other agreement or document governing the terms of any Scheme Claim) or the Restructuring Documents and to the extent such agreement is ineffectual or unenforceable, hereby irrevocably waives any such breach.
- 13.7 The directions, instructions and authorisations granted under this Clause 13 shall be treated, for all purposes whatsoever and without limitation, as having been granted by deed and the Company shall be entitled to delegate the authority granted and conferred by this Clause 13 to any duly authorised officer or agent of the Company as necessary.

14 DGHL SCHEME CREDITOR UNDERTAKINGS AND RELEASES

- 14.1 Pursuant to the Scheme, each DGHL Scheme Creditor is deemed to provide the undertakings and releases contained in this Clause 14.
- 14.2 On and from the Scheme Effective Date, in exchange for the DGHL Scheme Consideration and notwithstanding any term of any other document, each DGHL Scheme Creditor hereby appoints the Company as its attorney and agent and irrevocably authorises, directs, instructs and empowers the Company (represented by any authorised representative) to enter into, execute and deliver (whether as a deed or otherwise) for and on its behalf, each Restructuring Document to which the DGHL Scheme Creditors, or any of them, are named as a party.
- 14.3 Without prejudice to the Deed of Release and in consideration for its entitlement to the DGHL Scheme Consideration, on and from the Scheme Effective Date, each DGHL Scheme Creditor and its Scheme Creditor Parties irrevocably, unconditionally, fully and absolutely:
 - (a) confirms the Interim Distribution and all actions by the Company and/or any other Released Party in connection with the Interim Distribution;
 - (b) waives, discharges and releases all of its rights, title and interest in and to its Scheme Claims in consideration for its entitlement to receive the DGHL Scheme Consideration in accordance with the Scheme;

- (c) except as otherwise expressly provided herein, waives, discharges and releases any Released Claim it may have under or in connection with the Existing Notes Indentures, and/or the Existing Notes against any Released Party in relation to any breaches or defaults under the Existing Notes Indentures, and/or the Existing Notes occurring on or before the Scheme Effective Date or which may occur as a result of implementation of the Scheme;
- (d) ratifies and confirms everything which any Released Party may lawfully do or cause to be done in accordance with any authority conferred by the Scheme and agrees not to challenge any part of the Scheme including:
 - (i) the Interim Distribution;
 - (ii) the release of the Existing Notes and the issuance of the New Notes;
 - (iii) the Holding Period Trust and the transactions contemplated thereby (other than any breaches of the Holding Period Trust Deed by any of the parties thereto);
 - (iv) the validity of any act done or omitted to be done in good faith by any Released Party to implement the transactions and compromises contemplated hereby; or
 - (v) the exercise or omission to exercise of any power conferred in accordance with the provisions of the Scheme (including, without limitation, the exercise or omission of powers by the Holding Period Trustee to administer the DGHL Scheme Consideration, other than as a result of any breach of the Holding Period Trust Deed) in good faith by any Released Party;
- (e) waives, releases and discharges each and every Released Claim which it ever had, may have or hereafter can, shall or may have against any Released Party;
- (f) confirms, acknowledges and agrees that no Administrative Party shall have any liability to the Company, any DGHL Scheme Creditor, any of its or their respective Affiliates of any of them for any action taken, document executed or any inaction or omission by it pursuant to the authorisation and instruction set out in this Scheme or in relying and acting on any instruction given to it in accordance with this Scheme, except as a result of its gross negligence, wilful default, wilful misconduct, fraud or dishonesty; and
- (g) undertakes to each of the Released Parties that it will not and shall procure that its Scheme Creditor Parties will not, directly or indirectly commence or continue, or instruct, direct or authorise any other person to commence or continue, any Proceedings in respect of or arising from any Released Claims.

14.4 Each DGHL Scheme Creditor acknowledges that it may later discover facts in addition to or different from those which it presently knows or believes to be true with respect to the subject matter of the Scheme, but it is its intention to fully, and finally forever settle and release any and all matters, disputes and differences, whether known or unknown, suspected or unsuspected, which presently exist, may later exist or may

previously have existed between it and one or more of the Released Parties in respect of the Released Claims, and that in furtherance of this intention, the waivers, releases and discharges given in the Scheme shall be and shall remain in effect as full and complete general waivers, releases and discharges notwithstanding the discovery or existence of any such additional or different facts.

14.5 Nothing in this Clause 14 shall extinguish or otherwise affect the rights and/or remedies of any DGHL Scheme Creditor in respect of:

- (a) any Allowed Proceedings; and
- (b) any Excluded Claim.

PART C
IDENTIFICATION OF SCHEME CLAIMS

15 SALES, ASSIGNMENTS OR TRANSFERS

- 15.1 Neither the Company nor the Information Agent shall recognise any sale, assignment or transfer of any Scheme Claim after the Record Date for the purposes of determining entitlement to attend and vote at the Scheme Meetings.
- 15.2 All distributions of DGHL Scheme Consideration as of the Scheme Effective Date shall be made to DGHL Scheme Creditors in accordance with Clauses 7 or 9 (as the case may be) irrespective of any sale or assignment of any Scheme Claim after the New Notes Election Deadline. Notwithstanding the foregoing, the Company, the Holding Period Trustee and/or the Information Agent may, in their discretion, choose to recognise any assignment or transfer of any Scheme Claim after the New Notes Election Deadline (and shall be entitled to request any documentation to satisfy themselves of the same) for the purposes of distributing DGHL Scheme Consideration.
- 15.3 A transferee of an economic, beneficial or proprietary interest in the Existing Notes after the Record Date will, however, be bound by the terms of the Scheme in the event that it becomes effective, and any Existing Notes to which such transferee is entitled will be cancelled on the Scheme Effective Date in accordance with the terms of the Scheme.
- 15.4 If any Scheme Creditor (the “**Transferor**”) assigns or transfers any economic, beneficial or proprietary interest in that Transferor’s Scheme Claim after the New Notes Election Deadline such that the transferee or assignee entity becomes a Scheme Creditor (the “**Transferee**”) in respect of the interests so transferred, then for the purposes of calculating any rights to Scheme Consideration, or any calculations, as at the New Notes Election Deadline, (A) the Transferor’s Scheme Claim shall be reduced by the amount of the relevant Scheme Claims so transferred or assigned after the New Notes Election Deadline, and (B) the Transferee will be attributed with the Scheme Claims so transferred or assigned.

16 PROVISION OF INFORMATION

- 16.1 To the extent permitted by law (including any pre-existing obligations of confidentiality) DGHL Scheme Creditors (including any DTC Participants and Intermediaries) shall provide the Information Agent and the New Notes Paying Agent with all information reasonably requested by either of them in writing.

17 THE INFORMATION AGENT AND THE HOLDING PERIOD TRUSTEE

Neither the Information Agent nor Holding Period Trustee shall be liable for any Claim or Liability arising in respect of the performance of its duties as Information Agent or Holding Period Trustee respectively under the Scheme or Holding Period Trust Deed except where such Claim or Liability arises as a result of its own fraud, gross negligence, wilful default or wilful misconduct.

PART D
CONDITIONS TO THE SCHEME

18 CONDITIONS TO THE EFFECTIVENESS OF THE SCHEME

- 18.1 The Scheme shall only become effective following the satisfaction of all of the following conditions:
- (a) the approval of the Scheme (with or without modifications, subject to Clause 22) at the Scheme Meetings by a simple majority in number of each class of the DGHL Scheme Creditors entitled to vote at the Scheme Meetings either in person or by proxy representing at least three fourths in value of the Scheme Claims of the relevant class;
 - (b) the sanction of the Scheme (with or without modifications, subject to Clause 22) by the Court;
 - (c) entry into the Restructuring Documents and satisfaction of any conditions precedent thereunder;
 - (d) the establishment by the Company of all bank accounts contemplated by the Restructuring Documents;
 - (e) adoption of the Amended and Restated Bye-laws and appointment of each of the independent directors required thereunder, including the AHG Board Nominees;
 - (f) entry of an order by the US Bankruptcy Court pursuant to Chapter 15 of the US Bankruptcy Code, recognising and enforcing the Scheme, with such order not having been reversed, stayed, modified or vacated on appeal;
 - (g) payment in full, in cash of the Existing Notes Trustee's Fees and Expenses that have been invoiced to the Company no less than two (2) Business Days prior to the Scheme Effective Date;
 - (h) payment of all outstanding or otherwise reasonable and documented Professional Fees in full;
 - (i) payment of all Work Payments in full;
 - (j) the delivery of an office copy of the Sanction Order to the Registrar of Companies for registration;
 - (k) the approval by the members of the Ad Hoc Groups of the Post-Closing Budget;
 - (l) execution of consents to act by the AHG Board Nominees;
 - (m) the approval by the members of the Ad Hoc Groups of the Distributions Allocation Funds Flow; and

- (n) following completion of the final condition to occur of (a) to (m) above, written confirmation from the Company that the Restructuring Support Agreement has not been terminated by any of the parties thereto and it remains in full force and effect.

PART E
GENERAL SCHEME PROVISIONS

19 TERMINATION OF THE SCHEME

- 19.1 If the Scheme Effective Date does not occur on or before the Longstop Time, all of the compromises and arrangements provided by this Scheme and any releases granted pursuant to this Scheme shall be of no effect and shall be construed as if it had never become effective, and the rights and obligations of the DGHL Scheme Creditors (including under the Existing Notes and Existing Notes Indentures) shall not be affected and shall be reinstated and remain in full force and effect.

20 SECURITIES LAW CONSIDERATIONS

- 20.1 The New Notes will not be registered under the US Securities Act or any state or other securities laws of the United States of America or any other jurisdiction.

21 SCHEME COSTS

- 21.1 The Company shall pay all Scheme Costs and any other costs incurred by the Company including in connection with the negotiation, preparation and implementation of the Scheme as and when they arise.

22 MODIFICATIONS OF THE SCHEME

- 22.1 The Company may, subject to the terms of the Restructuring Support Agreement, at any hearing to sanction the Scheme, consent on behalf of all DGHL Scheme Creditors to any modification, addition, or waiver of the Scheme or any terms or conditions which the Court may think fit to approve or impose which is necessary or desirable for the implementation of the Scheme, provided that such modification, addition, waiver or term or condition does not directly or indirectly alter, modify or have an adverse effect on the economic treatment or any legal rights or obligations or interests of any DGHL Scheme Creditor and/or the Existing Notes Trustee under the Scheme or any Restructuring Document, or impose any direct or indirect additional obligation on a DGHL Scheme Creditor.
- 22.2 After the date of the hearing to sanction the Scheme but before the Scheme Effective Date, the terms of the Scheme or any Restructuring Document may be amended or waived with the consent of the Company, the Majority DGHL Ad Hoc Group and the Majority PCG Ad Hoc Group, provided that such amendment or waiver is only of a technical or non-material nature or to correct a manifest error, and provided further any such proposed amendment does not directly or indirectly alter, modify or have an adverse effect on the economic treatment or any legal right or obligation or interests of any DGHL Scheme Creditor under the Scheme or any Restructuring Document (unless such DGHL Scheme Creditor consents) or impose any direct or indirect additional obligation on a DGHL Scheme Creditor.
- 22.3 The Company may not at any time designate any document a Restructuring Document without the consent of the Majority DGHL Ad Hoc Group and the Majority PCG Ad Hoc Group.

23 LIMITATIONS OF LIABILITY

- 23.1 Nothing in this Scheme constitutes any person a trustee, agent or fiduciary of any other person, other than the Holding Period Trustee.
- 23.2 None of the Administrative Parties shall be liable to any person for any action taken or not taken by it under or in connection with the Scheme, including any losses, damages, claims, liabilities, costs (including but not limited to legal costs and disbursements) and expenses of any kind, unless directly caused by its gross negligence, wilful default, wilful misconduct or fraud. The Administrative Parties may assume that and shall not be under any obligation to any person to verify or arrange, coordinate or facilitate the verification of) any representation, notice or document delivered to them is genuine, correct and appropriately authorized and any statement made by any director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within that person's knowledge or within that person's power to verify.

24 FURTHER ASSURANCE

- 24.1 On and from the Scheme Effective Date up to and including forty-five (45) Business Days after the Scheme Effective Date, each DGHL Scheme Creditor undertakes to the Company and its directors, officers and other duly appointed representatives to provide such further assurance (at the Company's sole expense) as may be reasonably required by the Company to implement this Scheme provided that:
- (a) such actions are consistent with the Scheme and the Restructuring Documents; and
 - (b) the Company must notify the DGHL Scheme Creditor and (to the extent that the DGHL Scheme Creditor responds to the notice) consult in good faith with the relevant DGHL Scheme Creditor at least five (5) Business Days prior to the date on which any steps are required to be taken by the relevant DGHL Scheme Creditor in accordance with this Clause 24.

25 NOTICES

- 25.1 Any notice or other written communication to be given under or in relation to the Scheme shall be given in writing and shall be deemed to have been duly given if it is delivered by hand or sent by Post, and by air mail where it is addressed to a different country from that in which it is posted, with a copy sent by electronic mail to:
- (a) in the case of the Company

Digicel Group Holdings Limited
Clarendon House
2 Church Street
Hamilton, HM 11
Bermuda
Attn: Jarleth Burke
Email: Jarleth.Burke@digicelgroup.com

with a copy to (which shall not constitute notice):

Conyers Dill & Pearman Limited
Clarendon House
2 Church Street
Hamilton, HM 11
Bermuda
Attn: Christian Luthi
Rhys Williams
Edward Rance
Email: christian.luthi@conyers.com
rhys.williams@conyers.com
edward.rance@conyers.com

-and-

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
Attn: Timothy Graulich
Darren Klein
Email: timothy.graulich@davispolk.com
darren.klein@davispolk.com

- (b) in the case of a DGHL Scheme Creditor, its last known address known to the Company, provided that all deliveries of notices required to be made by the Scheme shall be effective by posting the same in pre-paid envelopes addressed to the DGHL Scheme Creditors or, if so directed by the DGHL Scheme Creditors, to the relevant DTC Participant for the persons respectively entitled thereto at the addresses appearing in the records of DTC or to such other addresses (if any) as such persons may respectively direct in writing, or
- (c) In the case of the Existing Notes Trustee:

Wilmington Trust, N.A.
Suite 1290
50 South Sixth Street
Minneapolis, MN 55402
Attn: Peter Finkel, Vice President
Email: pfinkel@wilmingtontrust.com

With a copy to: (which shall not constitute notice):

Foley & Lardner LLP
321 North Clark Street
Suite 3000
Chicago, IL 60654
Attn: Harold L. Kaplan
Mark F. Hebbeln
Email: hkaplan@foley.com
mhebbeln@foley.com

- (d) in the case of the New Notes Agent/Holding Period Trustee:

GLAS Trustees Limited
55 Ludgate Hill
Level 1, West
London, England, EC4M 7JW

Attention: Manager DCM / Digicel Group

Email: dcm@glas.agency

- (e) in the case of any other person, any address set forth for that person in any agreement entered into in connection with the Scheme.

25.2 In addition, any notice or other written communication under or in relation to the Scheme to be given to the DGHL Scheme Creditors shall be deemed to have been duly given if sent by electronic means through DTC.

25.3 Any notice or other written communication to be given under the Scheme shall be deemed to have been served:

- (a) if delivered by hand, on the first Business Day following delivery;
- (b) if sent by Post, on the second Business Day after posting if the recipient is in the country of dispatch, otherwise on the fifth Business Day after posting; and
- (c) if distributed electronically through DTC, on the fifth Business Day after such distribution.

25.4 In proving service, it shall be sufficient proof, in the case of a notice sent by Post, that the envelope was properly stamped, addressed and placed in the Post.

25.5 The accidental omission to send any notice, written communication or other document in accordance with this Clause 25 or the non-receipt of any such notice by any DGHL Scheme Creditor, shall not affect any of the provisions of the Scheme or the effectiveness thereof.

26 CONFLICT AND INCONSISTENCY

In the case of a conflict or inconsistency between the terms of the Scheme and the terms of the Explanatory Statement, the terms of the Scheme will prevail.

27 SEVERABILITY

If at any time, any provision of the Scheme is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of that provision under the law of any other jurisdiction, nor

the legality, validity or enforceability of any other provision of the Scheme under the law of that jurisdiction will in any way be affected or impaired thereby.

28 ANNOUNCEMENTS

The Company shall not, and shall procure that no member of the Group will, make any public announcement regarding the Scheme which names any DGHL Scheme Creditor (or from which the identity of a DGHL Scheme Creditor can be discerned) unless the contents of that announcement have been agreed in writing by such DGHL Scheme Creditor prior to the publication of that announcement.

29 GOVERNING LAW AND JURISDICTION

Without prejudice to the choice of law provisions in the Existing Notes Indentures with respect to the rights and obligations of the Existing Notes Trustee thereunder, the Scheme shall be governed by, and construed in accordance with, the laws of Bermuda. The Company, the Existing Notes Trustee, the Information Agent and each of the DGHL Scheme Creditors agree that, to the fullest extent permitted by applicable law, any dispute between them shall be determined by the Court.

30 TAX TREATMENT

The Company and each of the DGHL Scheme Creditors agree that the Scheme is intended to be adopted as a “plan of liquidation” for U.S. federal income tax purposes.

APPENDIX 1
DEFINITIONS AND INTERPRETATION

“2020 Balance Sheet”	means the balance sheet appended to the explanatory statement submitted to the Bermuda Court in connection with the 2020 Scheme.
“2020 Exchanges”	means the series of tender offers and exchanges in April 2020 whereby the Group and certain noteholders agreed to tender their existing notes for new notes to be issued by the Company.
“2020 Scheme”	means the reorganization proceedings commenced by DGL1 before the Bermuda Court in the Civil Jurisdiction (Commercial Court) entitled <i>In the Matter of Digicel Group One Limited (Provisional Liquidators Appointed for Restructuring Purposes) and In the Matter of Section 99 of the Companies Act 1981 concerning a scheme of arrangement (under section 99 of the Companies Act</i>
“Ad Hoc Groups”	means collectively, the DGHL Ad Hoc Group and the PCG Ad Hoc Group.
“Additional Assets”	means all and any assets of the Company other than (a) cash as of the Scheme Effective Date, and (b) Future DPL Proceeds.
“Additional Assets Proceeds”	means the aggregate amount of proceeds received by the Company from the sale of any Additional Assets, less any amounts (a) authorised to be paid in accordance with the Post-Closing Budget or as otherwise permitted to be incurred by the Company in accordance with the Note Agreement or the Company’s bye-laws, or (b) to reimburse any Cash Allocation Shortfall.
“Additional Assets Proceeds Threshold”	means the threshold whereby the aggregate amount of Future DPL Proceeds and Additional Assets Proceeds is more than \$1,000,000 (following payments in accordance with the Post-Closing Budget and reimbursements of any Cash Allocation Shortfall).
“Additional Assets Waterfall”	means the priority waterfall in which the Additional Assets Proceeds shall be allocated.
“Administrative Party”	means each of the Holding Period Trustee, the New Notes Agent, the New Notes Paying Agent, the New Notes Registrar, the Cash Manager, the Security Agent.

“Advisors”	means collectively, (a) the DGHL Ad Hoc Group Advisors, (b) the PCG Ad Hoc Group Advisors and (c) the Digicel Advisors; and (d) the GLAS Advisors.
“Affiliates”	means: (A) an entity that directly or indirectly owns, controls, or holds with power to vote, 20 percent or more of the outstanding voting securities of the debtor, other than an entity that holds such securities: (i) in a fiduciary or agency capacity without sole discretionary power to vote such securities; or (ii) solely to secure a debt, if such entity has not in fact exercised such power to vote; (B) a company or corporation 20 percent or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by the debtor, or by an entity that directly or indirectly owns, controls, or holds with power to vote, 20 percent or more of the outstanding voting securities of the debtor, other than an entity that holds such securities— (i) in a fiduciary or agency capacity without sole discretionary power to vote such securities; or (ii) solely to secure a debt, if such entity has not in fact exercised such power to vote; (C) a person whose business is operated under a lease or operating agreement by a debtor, or person substantially all of whose property is operated under an operating agreement with the other company; or (D) an entity that operates the business or substantially all of the property of the debtor under a lease or operating agreement.
“AHG Board Nominees”	means the two independent directors nominated by the Majority PCG Ad Hoc Group and the Majority DGHL Ad Hoc Group to the board of directors of the Company.
“Allowed Proceedings”	means any Proceedings brought or commenced by a DGHL Scheme Creditor: (a) to enforce its rights under the Restructuring Support Agreement, the Restructuring Documents or the Scheme where any person fails to comply with the terms of, or perform its obligation(s) under, the Restructuring

	Support Agreement, the Restructuring Documents or the Scheme; (b) in respect of any Liability arising under the Scheme or a Restructuring Document which may arise or accrue in relation to acts, omissions, events and/or circumstances occurring after the Scheme Effective Date; and (c) to enforce its rights in respect of any Excluded Claims.
“Amended and Restated Bye-laws”	means the amended and restated bye-laws of the Company to be adopted on the Scheme Effective Date in substantially the same form as that appended to the Explanatory Statement.
“Beneficial Interest”	means a beneficial interest (whether or not it is the ultimate economic interest) in the principal amount outstanding of the Existing Notes (as applicable), which interest is held (directly or indirectly) in book-entry form through DTC, a DTC Participant and/or another Intermediary.
“Business Day”	means a day (other than Saturday or Sunday) on which banks are open for general business in London, New York and Bermuda (provided that the availability of internet banking shall not constitute being open for general business).
“Cash Allocation Shortfall”	means the aggregate shortfall between the Company’s available cash as of the Scheme Effective Date (after making payment of the Existing Notes Trustee’s Fees and Expenses, Professional Fees, the Work Payments and funding of the Reserves) and the Cash Distribution.
“Cash Allocation Shortfall Pro-Rata”	means in respect of (i) the DGHL Unsecured Noteholders an amount equal to the Cash Allocation Shortfall multiplied the product of (163.5/293.2); and (ii) in respect of the DGHL Subordinated Noteholders, an amount equal to the Cash Allocation Shortfall multiplied by the product of (19.5/293.2).
“Cash Distribution”	means the DIFL/DL Cash Distribution and the Noteholder Cash Distribution.
“Cash Manager”	means Global Loan Agency Services Limited in its capacity as cash manager.
“Chapter 15 Recognition Order”	means an order by the U.S. Bankruptcy Court pursuant to chapter 15 of the U.S. Bankruptcy Code.
“Claim”	means all and any actions, causes of action, claims, counterclaims, suits, debts, sums of money, accounts, contracts, agreements, promises, damages, judgments, executions, demands, remedies or rights whatsoever or howsoever arising, whether present, future, prospective (including after the Scheme

	Effective Date) or contingent, known or unknown, 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 or any failure to perform any obligation or any omission, whether assertable directly or derivatively, whether arising at common law, contract, tort, in equity or by statute in or under the laws of New York or Bermuda, or under any other law or in any other jurisdiction howsoever arising, and “Claims” shall be construed accordingly.
“Class Pro-rata Share”	means, in respect of a given amount as it pertains to (a) the DGHL Unsecured Noteholders, a number, expressed as a percentage, that is equal to the result of (163.5/183); and (b) the DGHL Subordinated Noteholders, a number, expressed as a percentage, that is equal to the result of (19.5/183).
“CoC Escrow Increase Amount”	means the requirement, under the Telstra SPA, of DGHL to increase the amount of the Telstra General Escrow if (i) there is a change of control under the Telstra SPA and (ii) a guarantee from DL or its successor is not put in place as part of such change of control.
“Companies Act”	means the Companies Act 1981 of Bermuda.
“Company”	means DGHL.
“Contrarian”	means Contrarian Capital Management L.L.C.
“Convening Order”	means the order of the Court containing directions for the convening of the Scheme Meetings.
“Court”	means the Supreme Court of Bermuda.
“Crossover Ad Hoc Group”	means holders of debt issued by the Company, DL and/or DIFL that are advised and/or managed by PGIM, Contrarian and GoldenTree.
“Deed of Release”	means the deed of release executed by the Company in favour of the Released Parties in substantially the same form as the form appended to the Explanatory Statement; which, for the avoidance of doubt, shall not release Excluded Claims.
“Deed of Release Parties”	means the Released Party as such term is defined in the Deed of Release.
“DGHL”	means Digicel Group Holdings Limited, an exempted company incorporated in Bermuda with registration number 55491, and with its registered office at Clarendon House, 2 Church Street, Hamilton, Bermuda.

“DGHL Ad Hoc Group”	means the ad hoc group of DGHL Subordinated Noteholders and the DGHL Unsecured Noteholders advised by the DGHL Ad Hoc Group Advisors from time to time.
“DGHL Ad Hoc Group Advisors”	means (a) Weil, Gotshal & Manges LLP (and its affiliates), (b) Carey Olsen Bermuda Limited, (c) any St Lucia counsel retained by (or on behalf of) the DGHL Ad Hoc Group and (d) any barrister retained (or on behalf of) the DGHL Ad Hoc Group.
“DGHL-DIFL Intercompany Claim”	means any Claims owed by DGHL to DIFL (including any such Claims assigned or transferred by DIFL subsequent to the date of the Explanatory Statement) as at the Scheme Effective Date (but immediately prior to the Settlement Agreement becoming effective) and prior to any DIFL/DL Cash Distribution, Future DPL Proceeds or Additional Assets Proceeds being paid to DIFL.
“DGHL/DIFL Services Agreement”	means the services agreement dated on or about the Scheme Effective Date between the Company and DIFL, pursuant to which DIFL shall provide administrative and financial reporting services to the Company.
“DGHL-DL Intercompany Claim”	means any Claims owed by DGHL to DL (including any such Claims assigned or transferred by DL subsequent to the date of the Explanatory Statement) as at the Scheme Effective Date (but immediately prior to the Settlement Agreement becoming effective) and prior to any DIFL/DL Cash Distribution, Future DPL Proceeds or Additional Assets Proceeds being paid to DL.
“DGHL/DIFL Services Agreement”	means the services agreement dated on or about the Scheme Effective Date between the Company and DIFL, pursuant to which DIFL shall provide administrative and financial reporting services to the Company.
“DGHL Noteholder”	means a DGHL Unsecured Noteholder and/or a DGHL Subordinated Noteholder, as the case may be.
“DGHL Scheme Consideration”	means (a) the Noteholder Cash Distributions; (b) and the New Notes to be distributed to the DGHL Scheme Creditors in accordance with the terms of the Scheme.
“DGHL Scheme Creditors”	means the DGHL Noteholders and (without double counting in each case), the Existing Depository Nominee and the Existing Notes Trustee and any Intermediaries.
“DGHL Subordinated Noteholder”	means a person who has a Beneficial Interest in the Existing Subordinated Notes and who is the owner of the ultimate economic interest in any of the Existing Subordinated Notes.

“DGHL Subordinated Notes Cash Distribution”	means the distribution of \$19,500,000 payable by the Company to the DGHL Subordinated Noteholders in accordance with the terms of the Scheme.
“DGHL Unsecured Noteholder”	means a person who has a Beneficial Interest in the Existing Unsecured Notes and who is the owner of the ultimate economic interest in any of the Existing Unsecured Notes.
“DGHL Unsecured Notes Cash Distribution”	means the distribution of \$163,500,000 (less any amount received as an Interim Distribution prior to the Scheme Effective Date) payable by the Company to the DGHL Unsecured Noteholders in accordance with the terms of the Scheme.
“DGL0.5 Secured Notes”	means the \$941 million in principal amount of 8.0% cash pay/2.0% PIK secured notes due 2024 issued by the Company.
“DGL1”	means Digicel Group One Limited, an exempted company previously incorporated in Bermuda under the Companies Act with registration number 53897 and its registered office at Clarendon House, 2 Church Street, Hamilton, Bermuda.
“DHL”	means Digicel Holdings (Bermuda) Limited, an exempted company incorporated in Bermuda with registration number 36253 and its registered office at Clarendon House, 2 Church Street, Hamilton, Bermuda.
“DIFL”	means Digicel International Finance Limited, an exempted company incorporated in Bermuda with registration number 202302649 and its registered office at Clarendon House, 2 Church Street, Hamilton, Bermuda.
“DIFL/DL Cash Distribution”	means the cash distribution of \$110,200,000 (less any amount received as an Interim Distribution prior to the Scheme Effective Date) payable by the Company to DIFL and DL or either of their successors, assigns or transferees (to be allocated between themselves in proportions to be agreed) on the Scheme Effective Date pursuant to the Settlement Agreement.
“DIFL Ad Hoc Group”	means the F by Paul Hastings, LLP and Evercore Group L.L.C.
“DIFL Ad Hoc Group Members”	means the members of the DIFL Ad Hoc Group.
“DIFL Facility”	means the first lien credit agreement dated as of May 25, 2017 by and among, amongst others, DIFL as borrower, the Citibank N.A as administrative agent, and the lenders party thereto.
“Digicel Advisors”	means (a) DC Advisory LLC, (b) Island Capital Management Services Limited, (c) Davis Polk & Wardwell LLP, (d) Conyers, Dill & Pearman Limited, and (e) the Information Agent.

“Digicel PNG”	means Digicel (PNG) Limited.
“DIHL”	means Digicel Intermediate Holdings Limited, an exempted company incorporated in Bermuda with registration number 55586 and its registered office at Clarendon House, 2 Church Street, Hamilton, Bermuda.
“Distributions Allocation Funds Flow”	means the funds flow prepared by the Digicel Advisors as the funds flow for the purpose of the Scheme which sets out the entitlements to the Work Payments, the Noteholder Cash Distribution, the DIFL/DL Cash Distribution, the Professional Fees, the Existing Notes Trustee’s Fees and Expenses, the Reserves and any other payments required to be made in accordance with the Restructuring Support Agreement or the Scheme, provided always that it is consistent in all material respects with the terms of this Scheme.
“DL”	means Digicel Limited, an exempted company incorporated in Bermuda with registration number 53898 and its registered office at Clarendon House, 2 Church Street, Hamilton, Bermuda, including as it may be reorganised from time to time.
“DL Ad Hoc Group”	means the ad hoc group of creditors holding Beneficial Interests in the Existing DL Notes advised by the PCG Ad Hoc Group Advisors from time to time.
“DPL”	means Digicel Pacific Limited.
“DPL Sale Proceeds”	means the payment of approximately \$1.6 billion, before earn-outs, deductions for tax, customary working capital and other adjustments, which was paid to the Company on completion of the Pacific Sale.
“DTC”	means The Depository Trust Company.
“DTC Participant”	means the holder recorded directly in the records of DTC as holding a Beneficial Interest in any Existing Notes in an account held with DTC, either for that person’s own account or on behalf of another person.
“Earn-Out”	means the three year, \$250 million earn-out in connection with the Pacific Sale.
“Earn-Out Payments”	means the earn-out payments, dependent upon the performance of DPL following completion of the Pacific Sale.
“EEA”	means the European Economic Area.
“Eligible Recipient”	means a DGHL Noteholder that has (a) submitted a validly completed Registration Form to the Information Agent in accordance with the instructions set out therein by the

	Registration Deadline; (b) made securities law representations customary for private placements; and (c) has provided all relevant “know-your-client” documentation to the reasonable satisfaction of the New Notes Paying Agent as described in the Explanatory Statement.
“Escrow Amounts”	means the DPL Sale Proceeds held in escrow accounts pursuant to the Telstra SPA.
“Escrow Releases”	means the various occasions on which the Escrow Amounts are slated to be release to DGHL pursuant to the terms of the Telstra SPA.
“Escrow Release Payments”	means the portion of the Escrow Amounts released to the Company at various intervals in accordance with the Telstra SPA.
“Excluded Claims”	means (a) Scheme Costs; (b) any Claims on account of, under or in connection with the DGHL Scheme Consideration; (c) any Claim in respect of rights created under the Scheme and/or which arise as a result of a failure by the Company or any party to the Scheme to comply with any terms of the Scheme from and after the Scheme Effective Date; (d) any Claim under or in connection with the Work Payments; (e) any Claim which any member of the Ad Hoc Groups may have against any of the PCG Ad Hoc Group Advisors or DGHL Ad Hoc Group Advisors respectively, arising under a duty of care, and (f) any Claim arising from or relating to fraud, gross negligence, wilful misconduct, wilful default, or dishonesty.
“Existing Depository Nominee”	means Cede & Co as the entity in whose name the Existing Notes are registered and who acts as the depository and nominee for DTC with respect to the Existing Notes.
“Existing DIFL Secured Notes”	means the 8.75% senior secured notes due 2024 co-issued by DIFL and DIHL.
“Existing DIFL Subordinated Notes”	means the 8.0% Subordinated Notes due 2026 co-issued by DIFL and DIHL.
“Existing DIFL Unsecured Notes”	means the 13.0% Senior Cash Pay/PIK Notes due 2025 co-issued by DIFL and DIHL.
“Existing DL Notes”	means the 6.75% senior unsecured notes due 2023 issued by DL.
“Existing General Escrow Amount”	means as of the date of the Explanatory Statement, approximately \$30 million (denominated in Papua New Guinea Kina) held in the Telstra General Escrow
“Existing Notes”	means the Existing Unsecured Notes and the Existing Subordinated Notes.

“Existing Notes Indentures”	means the Existing Unsecured Notes Indenture and the Existing Subordinated Notes Indenture.
“Existing Notes Trustee”	means Wilmington Trust, National Association, in its capacity as indenture trustee, and in each other capacity for which it serves, under or in connection with either Existing Notes Indenture; provided that if the context requires only certain of the foregoing capacities, then only in such capacity(ies).
“Existing Notes Trustee’s Fees and Expenses”	means the reasonable and documented compensation, fees, expenses, disbursements and indemnity claims, including without limitation, attorneys’ fees, expenses and disbursements, accrued or incurred by the Existing Notes Trustee in any and all capacities to the extent payable or reimbursable under the either Existing Notes Indenture or any related documents.
“Existing Subordinated Notes”	means the 7.00% PIK perpetual convertible notes issued by the Company under the Existing Subordinated Notes Indenture.
“Existing Subordinated Notes Election”	means that certain election that shall occur through the DTC’s automated tender offer program (ATOP) or the Deposit or Withdrawal at Custodian process (DWAC) pursuant to which each DGHL Subordinated Noteholder will be able to elect, prior to the New Notes Election Deadline, to receive either the New 3A Notes and New 3B Notes or New 4A Notes and New 4B Notes.
“Existing Subordinated Notes Indenture”	means that certain indenture originally dated as of 23 June 2020 by and among the Company (formerly known as Digicel Group 0.5 Limited) as issuer and the Existing Notes Trustee (as successor to Deutsche Bank Trust Company Americas) as trustee, pursuant to which the Existing Subordinated Notes were issued.
“Existing Unsecured Notes”	means the 8.0% senior cash pay/PIK Notes due 2025 issued by the Company under the Existing Unsecured Notes Indenture.
“Existing Unsecured Notes Election”	means that certain election that shall occur through the DTC’s automated tender offer program (ATOP) the Deposit or Withdrawal at Custodian process (DWAC) pursuant to which each DGHL Unsecured Noteholder will be able to elect, prior to the New Notes Election Deadline, to receive either the New 1A Notes and New 1B Notes or New 2A Notes and New 2B Notes.
“Existing Unsecured Notes Indenture”	means that certain indenture originally dated as of 23 June 2020 (as amended, modified, or supplemented from time to time in accordance with the terms thereof) by and among the Company (formerly known as Digicel Group 0.5 Limited) as issuer and the Existing Notes Trustee (as successor to Deutsche Bank Trust Company Americas) as trustee, pursuant to which the Existing Unsecured Notes were issued.

“Expense Reserve”	means a reserve as shown in the Post-Closing Budget, for the purposes of funding the ongoing costs and expenses of the Company in accordance with the Post-Closing Budget or the Amended and Restated Bye-laws, including the solvent liquidation of the Company.
“Explanatory Statement”	means this composite explanatory document (including all appendices) dated 25 August 2023, relating to the Scheme and mailed to DGHL Scheme Creditors pursuant to the Convening Order (and which will also be accessible via the Scheme Website), which is required to be issued to DGHL Scheme Creditors pursuant to section 100 of the Companies Act.
“Financial Promotion Order”	means the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended.
“Foreign Representative”	means Lawrence Hickey, or such person as the Company may nominate and authorise as such.
“FSMA”	means the Financial Services and Markets Act 2000, as amended.
“Future DPL Proceeds”	means all cash and cash equivalents (including, including but not limited to, pursuant to the earn-out provisions and escrow arrangements) paid to the Company at any time on or after May 28, 2023 pursuant to the terms of the Telstra SPA.
“GLAS Advisors”	means McDermott Will & Emery UK LLP.
“GLAS Fees and Expenses”	means the reasonable and documented compensation, fees, expenses, disbursements and indemnity claims, including without limitation, attorneys’ fees, expenses and disbursements, accrued or incurred by the Administrative Parties in any and all capacities.
“GoldenTree”	means GoldenTree Asset Management L.P.
“Greenhill”	means Greenhill & Co., LLC.
“Group”	means collectively, the Company and each of its subsidiaries.
“Holding Period”	means a period of 18 months after the Scheme Effective Date.
“Holding Period Trust”	means the trust established on or around the Scheme Effective Date for the purposes of holding any New Notes for and on behalf of any Ineligible Recipients.
“Holding Period Trustee”	means GLAS Trustees Limited in its capacity as Holding Period Trustee in relation to the Holding Period Trust.
“Holding Period Trust Deed”	means the trust deed constituting the Holding Period Trust in substantially the same form as that appended to the Explanatory Statement.

“Ineligible Recipient”	means a DGHL Noteholder that is not an Eligible Recipient.
“Information Agent”	means Epiq Corporate Restructuring, LLC.
“Intercompany Claims”	means (a) the DGHL-DIFL Intercompany Claim, and (b) the DGHL-DL Intercompany Claim.
“Intercreditor Agreement”	means the intercreditor agreement to be entered into on the Scheme Effective Date by and amongst others, DGHL, DIFL, DL, the Security Agent, the New Notes Agent, the New Notes Paying Agent, the Supporting Shareholder, and Digicel Investments Limited to regulate the Liabilities of the Company post Scheme Effective Date to the Scheme Creditors, DL/DIFL and the Supporting Shareholder, in substantially the same form as the form appended to the Explanatory Statement.
“Interim Distribution”	means the payments made by the Company (a) in an aggregate amount of \$113,500,000 on 18 August 2023 to the DGHL Unsecured Noteholders and (b) in an aggregate amount of \$76,500,000 to DIFL and DL on 20 June 2023 in respect of the Intercompany Claims, in each case pursuant to the Restructuring Support Agreement.
“Intermediary”	means, in respect of the Existing Notes and the Existing Subordinated Notes, a person who is not a DGHL Noteholder because it is not the owner of the ultimate economic interest in such Existing Unsecured Notes or Existing Subordinated Notes (as applicable) but who holds a Beneficial Interest in the Existing Unsecured Notes or the Existing Subordinated Notes (as applicable) on behalf of another person or persons.
“JPL Summons”	means the petition brought by the Petitioner on 10 March 2023 against the Company in order to apply for the appointment of JPLs to the Company for restructuring purposes.
“JPLs”	means joint provisional liquidators.
“Latest Practicable Date”	means 18 August 2023.
“Liability” or “Liabilities”	means any debt, liability or obligation of a person whether it is present, future, prospective, actual or contingent, whether it is known or unknown, whether or not it is fixed or undetermined, whether incurred solely or jointly or as principal or surety or in any other capacity, whether or not it involves the payment of money or performance of an act or obligation and whether it arises by contract, at common law, in equity or by statute or otherwise, in Bermuda or any other jurisdiction, or in any manner whatsoever.
“Longstop Time”	means 14 November, 2023 at 5:00 pm (New York time).

“Majority DGHL Ad Hoc Group”	means, at any time, such members of the DGHL Ad Hoc Group holding more than 50.0% of the total aggregate outstanding amount of the Existing Notes held by the DGHL Ad Hoc Group collectively at the relevant time.
“Majority PCG Ad Hoc Group”	means, at any time, such members of the PCG Ad Hoc Group holding more than 50.0% of the total aggregate outstanding amount of the Existing Notes held by the PCG Ad Hoc Group collectively at the relevant time.
“MiFID II”	means Article 4(1) of Directive 2014/65/EU, as amended.
“New 1A Notes”	means the senior series of New Senior Notes to be issued under the Note Agreement as “New 1A Notes” to each of the New Note 1 Recipients.
“New 1B Notes”	means the junior series of New Senior Notes to be issued under the Note Agreement as “New 1B Notes” to each of the New Note 1 Recipients.
“New 2A Notes”	means the senior series of New Senior Notes to be issued under the Note Agreement as “New 2A Notes” to each of the New Note 2 Recipients.
“New 2B Notes”	means the junior series of New Senior Notes to be issued under the Note Agreement as “New 2B Notes” to each of the New Note 2 Recipients.
“New 3A Notes”	means the junior series of New Subordinated Notes to be issued under the Note Agreement as “New 2B Notes” to each of the New Note 2 Recipients.
“New 3B Notes”	means the junior series of New Subordinated Notes to be issued under the Note Agreement as “New 3B Notes” to each of the New Note 3 Recipients.
“New 4A Notes”	means the senior series of New Subordinated Notes to be issued under the Note Agreement as “New 4A Notes” to each of the New Note 4 Recipients.
“New 4B Notes”	means the junior series of New Subordinated Notes to be issued under the Note Agreement as “New 4B Notes” to each of the New Note 4 Recipients.
“New A Notes”	means four series of New Notes comprising “senior” New Notes issued to the Holders of the Existing Unsecured Notes who are to receive such series of New Notes pursuant to the Scheme.

“New B Notes”	means four series of New Notes comprising “junior” New Notes issued to the Holders of the Existing Unsecured Notes who are to receive such series of New Notes pursuant to the Scheme.
“New Notes”	means eight series of new limited recourse senior secured notes to be issued by DGHL to holders of the Existing Notes under the Note Agreement, being collectively, New 1A Notes, New 1B Notes, New 2A Notes, New 2B Notes, New 3A Notes and New 3B Notes and New 4A Notes and New 4B Notes.
“New Note 1 Recipients”	means those DGHL Unsecured Noteholders who have elected or are deemed to have elected to receive New 1A Notes and New 1B Notes under the terms of the Scheme.
“New Note 2 Recipients”	means those DGHL Unsecured Noteholders who have elected to receive New 2A Notes and New 2B Notes under the terms of the Scheme.
“New Note 3 Recipients”	means those DGHL Subordinated Noteholders who have elected or are deemed to have elected to receive New 3A Notes and New 3B Notes under the terms of the Scheme.
“New Note 4 Recipients”	means those DGHL Subordinated Noteholders who have elected to receive New 4A Notes and New 4B Notes under the terms of the Scheme.
“New Noteholders”	means the New Senior Noteholders and the New Subordinated Noteholders.
“New Notes 1”	means the New 1A Notes and the New 1B Notes.
“New Notes 2”	means the New 2A Notes and the New 2B Notes.
“New Notes 3”	means the New 3A Notes and the New 3B Notes.
“New Notes 4”	means the New 4A Notes and the New 4B Notes.
“New Notes Agent”	means GLAS Trustees Limited in its capacity as trustee for the New Notes.
“New Notes Election”	means an Existing Unsecured Notes Election and/or an Existing Subordinated Notes Election.
“New Notes Election Deadline”	means 4pm (New York) on 12 October 2023.
“New Notes Paying Agent”	means Global Loan Agency Services Limited in its capacity as paying agent for the New Notes..
“New Notes Proceeds”	means the New Subordinated Notes Proceeds and the New Senior Notes Proceeds.

“New Notes Registrar”	means Global Loan Agency Services Limited in its capacity as registrar for the New Notes.
“New Senior Noteholders”	means the registered holders of the New Senior Notes.
“New Senior Notes”	means the limited recourse senior secured notes issued by the Company on substantially the same terms as those set forth in Part C (<i>Overview of Scheme Consideration, Intercreditor Agreement and Proposed Governance</i>) of the Explanatory Statement, being collectively, New 1A Notes, New 1B Notes, New 2A Notes and New 2B Notes.
“New Senior Notes Proceeds”	means the (i) Future DPL Proceeds and (ii) net cash proceeds generated by the Company in connection with or from the disposal of the Additional Assets as they arise and are received by the Company to the New Senior Noteholders net of costs incurred by the continued operation of the Company.
“New Subordinated Noteholders”	means the registered holders of the New Subordinated Notes.
“New Subordinated Notes”	means the limited recourse subordinated notes issued by the Company on substantially the same terms as set forth set forth in Part C (<i>Overview of Scheme Consideration, Intercreditor Agreement and Proposed Governance</i>) of the Explanatory Statement, being collectively, New 3A Notes, New 3B Notes, New 4A Notes and New 4B Notes.
“New Subordinated Notes Proceeds”	means (i) Future DPL Proceeds and (ii) net cash proceeds generated by the Company in connection with or from the disposal of the Additional Assets as they arise and are received by the Company to the New Subordinated Noteholders net of costs incurred by the continued operation of the Company.
“Note Agreement”	means the single note agreement in substantially the same form appended to the Explanatory Statement under which the New Notes will be issued by the Company.
“Noteholder Cash Allocation Shortfall”	means an amount equal to the Cash Allocation Shortfall multiplied by the product of (183/293.2).
“Noteholder Cash Distribution”	means the DGHL Unsecured Notes Cash Distribution and the DGHL Subordinated Notes Cash Distribution.
“Notes Collateral Documents”	means the Collateral Documents as defined in the Note Agreement, together with any other documents reasonably required to grant valid security interests in respect of the Liabilities under the New Notes.
“Pacific Sale”	means the sale by the Company of its equity in DPL to Telstra.

“Pacific Sale Scheme Effective Date”	means 13 July 2022.
“PCG Ad Hoc Group”	means the ad hoc group of holders of Beneficial Interests in the Existing Subordinated Notes and the Existing Unsecured Notes advised by the PCG Ad Hoc Group Advisors from time to time.
“PCG Ad Hoc Group Advisors”	means (a) Greenhill & Co, LLC, (b) Paul, Weiss, Rifkind, Wharton & Garrison LLP, (c) Akin Gump LLP and Akin Gump Strauss Hauer & Feld LLP, (d) Walkers (Bermuda) Limited and (e) any barrister or other law firm retained on behalf of the PCG Ad Hoc Group from time to time, as advisors to the PCG Ad Hoc Group.
“Personnel”	means, in relation to any person, its current and former officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professional advisers.
“Petitioner”	means Solus Long-Term Opportunities Fund Master LP.
“PGIM”	means PGIM, Inc.
“PNG Arbitration”	means the arbitration currently being arbitrated before the International Centre for Settlement of Investment Disputes in respect of the PNG Escrow.
“PNG Escrow”	means approximately \$99 million of the Escrow Amount to cover a potential tax burden imposed by the state of Papua New Guinea.
“Post”	means delivery by pre-paid first-class post or air mail or generally recognised commercial courier service, and “Posted” shall be construed accordingly.
“Post-Closing Budget”	means the budget agreed by DGHL, the PCG Ad Hoc Group and the DGHL Ad Hoc Group prior to the Scheme Effective Date for the ongoing costs and expenses of DGHL including in respect of the solvent liquidation of DGHL.
“PRIIPs Regulation”	means Regulation (EU) No 1286/2014, as amended.
“Proceeding”	means any process, action, legal or other proceeding including any arbitration, mediation, alternative dispute resolution, judicial review, adjudication, demand, execution, distraint, forfeiture, re-entry, seizure, lien, enforcement of judgment or enforcement of any security or other right.
“Professional Fees”	means, collectively, the reasonable and documented fees, costs and expenses incurred in connection with the Restructuring, together with applicable taxes thereon (if any) of the following

	agreed professionals: (a) the PCG Ad Hoc Group Advisors, (b) the DGHL Ad Hoc Group Advisors, (c) the Digicel Advisors, and (d) the GLAS Advisors.
“Proposed Director”	means any individual nominated for appointment to the New DGHL Board.
“Prospectus Regulation”	means Regulation (EU) 2017/1129, as amended.
“Record Date”	means 4:00 p.m. (New York time) on 28 August 2023, solely for the purposes of determining an entitlement to vote in respect of the Scheme. .
“Registrar of Companies”	means the Registrar of Companies of Bermuda appointed pursuant to section 3 of the Companies Act.
“Registration Form”	means the registration form to be submitted in connection with an Existing Unsecured Notes Election and/or Existing Subordinated Notes Election (as the case may be).
“Related Party”	means predecessors, successors and assigns, Affiliates, managed accounts or funds, and all of their respective current and former officers, directors, managers, investment committee members, special or other committee members, principals, stockholders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, investment advisors, participants, subsidiaries, members, partners, limited partners, general partners, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, management companies, fund advisors or managers, and other professionals and advisors, and such persons' respective heirs, executors, estates, servants, and/or nominees.
“Released Claim”	means (a) in respect of the Deed of Release Parties any past, present and/or future Claim released pursuant to the Deed of Release; or (b) in respect of any other Released Party, or to the extent a Claim is not otherwise released pursuant to the Deed of Release for whatever reason, any past, present and/or future Claim arising out of, relating to or in respect of: (i) either Existing Notes Indenture, (ii) the Existing Notes; (iii) the Scheme Claims and any of the facts and matters giving rise to the Scheme Claims; (iv) the Interim Distribution; and (v) all actions and/or decisions taken by any Deed of Release Party prior to the Scheme Effective Date in connection with the Company, the management and/or business of the Company, the preparation, negotiation, sanction or implementation of the Scheme, the Restructuring Documents and the Restructuring, and the execution and the carrying out of the steps and transactions contemplated therein in accordance with their terms, other than, in each case, Excluded Claims.

“Released Party”	means each of the following and in each case solely in its capacity as such: (a) the Deed of Release Parties; (b)) the Administrative Parties; and (c) to the extent not falling within paragraph (a) of this definition, each DGHL Scheme Creditor and their respective Scheme Creditor Parties, Affiliates and Advisors (including, in respect of the foregoing, each of their Personnel).
“Reserve Reduction Amount”	means amount of the Telstra Reserve which shall be deducted from Cash Distribution that would otherwise be payable to DGHL Scheme Creditors and from cash that would otherwise be payable to DL and DIFL on the Scheme Effective Date pursuant to the Settlement Agreement, in each case in proportion to a parties entitlement to the aggregate of all cash distributions that would have been made on the Scheme Effective Date absent the need to fund the Telstra Reserve.
“Reserves”	means the Expense Reserve and the Telstra Reserve.
“Reserves Share”	means an amount calculated by multiplying the aggregate amount of the Reserves by the product of (183/293.2).
“Restructuring”	means the restructuring of the capital structure of the Company, including in respect of the Existing Notes.
“Restructuring Documents”	means the Note Agreement, the Notes Collateral Documents, the Intercreditor Agreement, the Deed of Release, the Settlement Agreement, the Holding Period Trust Deed, the DGHL/DIFL Services Agreement and any other documents that the Company and the Majority DGHL Ad Hoc Group and Majority PCG Ad Hoc Group consider to be reasonably required to effectuate the terms of the Scheme.
“Restructuring Support Agreement” or “RSA”	means that certain restructuring support agreement entered into between the Company, DL, DIFL, the Supporting Shareholder and the DGHL Noteholders named therein, dated as of 28 May, 2023.
“Sanction Order”	means the order of the Court sanctioning the Scheme (with or without modification).
“Scheme”	means the scheme of arrangement between the DGHL Scheme Creditors and the Company pursuant to section 99 of the Companies Act.
“Scheme Claim”	means any Claim of a DGHL Scheme Creditor against the Company arising directly or indirectly out of, in relation to and/or in connection with the Existing Notes, and/or either of the Existing Notes Indentures, other than, in each case, Excluded Claims (provided that for voting purposes, each DGHL Noteholders’ Scheme Claims shall be determined by reference to the principal amount of the relevant Existing Notes held by that

	DGHL Noteholder, excluding any accrued interest or other amounts due pursuant to the relevant Existing Notes or the relevant Existing Notes Indenture.)
“Scheme Costs”	means the Liability of the Company in respect of the fees, costs and expenses of the Advisors (including the Professional Fees), the Existing Notes Trustee’s Fees and Expenses and the GLAS Fees and Expenses, which Liabilities are not subject to the arrangements and compromises to be effected by the Scheme.
“Scheme Creditor Parties”	means, in respect of a DGHL Scheme Creditor, each of its predecessors, successors, assigns, transferees, Affiliates and Personnel.
“Scheme Effective Date”	means the date upon which all of the conditions to the effectiveness of the Scheme as set forth therein have been satisfied and the Scheme becomes effective.
“Scheme Meetings”	means the meetings of DGHL Scheme Creditors convened by the Court in order to consider, and if thought fit, approve the Scheme pursuant to the Convening Order.
“Scheme Website”	means https://dm.epiq11.com/digicelgroup .
“SEC”	means the U.S. Securities and Exchange Commission.
“Securities Act”	means U.S. Securities Act of 1933, as amended, including the rules and regulations promulgated by the SEC thereunder.
“Security Agent”	means GLAS Trust Corporation Limited in its capacity as Security Agent in respect of the Notes Collateral Documents.
“Settlement Agreement”	means the settlement agreement between the Company, DIFL and DL (or their successors or assigns) pursuant to which the Intercompany Claims are compromised, such settlement agreement being in substantially the same form as the form appended to the Explanatory Statement.
“Supporting Shareholder”	means Denis O’Brien.
“Tax Escrow”	means approximately \$28 million of the Escrow Amount to cover certain known tax issues identified during the Pacific Sale’s diligence process.
“Telstra”	means Telstra Corporation Limited.
“Telstra Claims”	means any Claims by BidCo (S) Pte. Ltd and/or Telstra Corporation Limited against the Company arising out of or pursuant to the Telstra SPA.
“Telstra Escrow Top-Up”	means the obligation of DGHL under the Telstra SPA to increase the amount of the Telstra General Escrow by the Telstra Reserve

	in the event that a change of control of DL occurs prior to January 14, 2024.
“Telstra General Escrow”	means an escrow required under the Telstra SPA to generally cover Telstra Claims arising thereunder.
“Telstra Reserve”	means a reserve in an amount of \$70,000,000 to be reserved by the Company for the purpose of funding the Telstra Escrow Top-Up.
“Telstra Reserve Account”	means the separate secured account of DGHL for such amount relating to the Telstra Reserve which are not paid to the Telstra General Escrow.
“Telstra SPA”	means that certain share purchase agreement, dated October 24, 2021, entered into between BidCo (S) Pte. Ltd., Telstra Corporation Limited and the Company, relating to the purchase and sale of the shares of DPL.
“United States Code”	means the Code of Laws of the United States of America.
“US Bankruptcy Code”	means title 11 of the United States Code.
“US Bankruptcy Court”	means the United States Bankruptcy Court for the Southern District of New York.
“Voting Instruction Deadline”	means 5:00 p.m. (New York time) on 20 September 2023.
“Work Payments”	means those payments the Company is obligated to make to the members of the Ad Hoc Groups pursuant to that certain Work Payments letter between the Company and the members of the Ad Hoc Groups dated as of 29 May, 2023.
“Work Payments Letter”	means the May 29, 2023 letter whereby the Company has agreed to pay the Work Payments to the members of the Crossover Ad Hoc Group and the DGHL Ad Hoc Group.

In this Explanatory Statement, unless the context otherwise requires or otherwise expressly provides:

- (a) references to the Information Agent, the Existing Notes Trustee, the DGHL Scheme Creditors, the New Notes Agent, the New Notes Paying Agent, the Holding Period Trustee, the New Notes Registrar, the Security Agent, the Cash Manager, or any other person will be construed as to include its successors in title, permitted assigns and permitted transferees.
- (b) references to a **“person”** include references to an individual partnership, company, corporation, other legal entity, unincorporated body of persons or any state or state agency;
- (c) references to a statute or a statutory provision include 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 “\$” or “US\$” are references to the lawful currency of the United States of America;
- (g) the words “**include**” and “**including**” are to be construed without limitation, general words introduced by the word “**other**” are not to be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things and general words are not to be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words;
- (h) a company is a “**subsidiary**” of another company, its “**holding company**”, if that other company: (a) holds a majority of the voting rights in it; (b) is a member of it and has the right to appoint or remove a majority of its board of directors; or (c) is a member of it and controls alone, pursuant to an agreement with other members, a majority of the voting rights in it, or, if it is a subsidiary of a company that is itself a subsidiary of that other company; and
- (i) an “**undertaking**” means a body corporate or partnership; or an unincorporated association carrying on a trade or business, with or without a view to profit; and an undertaking is a parent undertaking in relation to another undertaking, a “**subsidiary undertaking**”, if: (a) it holds the majority of voting rights in the undertaking; (b) it is a member of the undertaking and has the right to appoint or remove a majority of its board of directors; (c) it has the right to exercise a dominant influence over the undertaking: (i) by virtue of provisions contained in the undertaking's articles; or (ii) by virtue of a control contract; or (d) it is a member of the undertaking and controls alone, pursuant to an agreement with other shareholders or members, a majority of the voting rights in the undertaking.

APPENDIX 2
BALLOT PACKAGE

IN THE SUPREME COURT OF BERMUDA
2023: No. [●]

IN THE MATTER OF DIGICEL GROUP HOLDINGS LIMITED (THE “COMPANY”)

AND

IN THE MATTER OF THE COMPANIES ACT 1981

8.0% Senior Cash Pay/PIK Notes due 2025 issued by the Company

CUSIPs: 25381YAB7 (144A) / G2761YAB9 (Reg S)
ISINs: US25381YAB74 (144A) / USG2761YAB95 (Reg S)

(the “Existing Unsecured Notes”); and

7.00% PIK Perpetual Convertible Notes issued by the Company

CUSIPs: 25381YAC5 (144A) / G2761YAC7 (Reg S)
ISINs: US25381YAC57 (144A) / USG2761YAC78 (Reg S)

(the “Existing Subordinated Notes”,
and together with the Existing Unsecured Notes, the “Existing Notes”)

BENEFICIAL HOLDER BALLOT (“BALLOT”)

IN RESPECT OF A CREDITORS’ SCHEME OF ARRANGEMENT PROPOSED BY THE COMPANY (THE
“SCHEME”)

IF YOU ARE THE HOLDER OF A BENEFICIAL INTEREST IN AND ARE THE OWNER OF THE
ULTIMATE ECONOMIC INTEREST IN ANY OF THE EXISTING SUBORDINATED NOTES AND/OR THE
EXISTING UNSECURED NOTES (A “**DGHL NOTEHOLDER**”), AS OF [●], 2023
(THE “**RECORD DATE**”), PLEASE CAREFULLY READ AND FOLLOW THE ENCLOSED
INSTRUCTIONS FOR COMPLETING THIS BALLOT.

**IF YOU ARE NOT GOING TO ATTEND THE SCHEME MEETING(S) TO VOTE ON THE SCHEME IN
PERSON, IN ORDER FOR YOUR PROXY SELECTION AND VOTE TO BE COUNTED IN THE
SCHEME, SUCH**

**PROXY SELECTION AND VOTE MUST BE INCLUDED ON A BALLOT THAT IS
FULLY COMPLETED, EXECUTED AND RETURNED SO AS TO BE ACTUALLY RECEIVED
BY EPIQ CORPORATE RESTRUCTURING, LLC (THE “INFORMATION AGENT”)
ON OR BEFORE 5:00 P.M. NEW YORK TIME ON [●] 2023
(THE “VOTING INSTRUCTION DEADLINE”)**

**IF YOU RECEIVED A RETURN ENVELOPE ADDRESSED TO YOUR INTERMEDIARY OWNER
THEN**, UNLESS YOUR INTERMEDIARY HAS ALREADY “PRE-VALIDATED” THIS BALLOT, YOU
MUST RETURN THIS BALLOT TO YOUR INTERMEDIARY (OR OTHERWISE CONVEY YOUR
PROXY SELECTION AND VOTE TO YOUR INTERMEDIARY IN ACCORDANCE WITH THE
INSTRUCTIONS PROVIDED BY YOUR INTERMEDIARY) IN SUFFICIENT TIME TO PERMIT YOUR
INTERMEDIARY TO DELIVER YOUR PROXY SELECTION AND VOTE TO THE INFORMATION
AGENT SO IT IS **ACTUALLY RECEIVED** BY THE INFORMATION AGENT ON OR BEFORE THE

VOTING INSTRUCTION DEADLINE. PLEASE FOLLOW THE INSTRUCTIONS OF YOUR INTERMEDIARY TO RETURN YOUR PROXY SELECTION AND VOTE ON THE SCHEME.

Digicel Group Holdings Limited, (“**DGHL**” or the “**Company**”) is soliciting votes with respect a scheme of arrangement (the “**Scheme**”) to be implemented under Bermuda law in relation to the Company’s Existing Notes.

You have been provided with this Ballot as part of the Instruction Packet which contains an explanatory statement (the “**Explanatory Statement**”) relating to the Scheme. Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Explanatory Statement. YOU ARE ENCOURAGED TO CAREFULLY READ THE MATERIALS CONTAINED IN THE INSTRUCTION PACKET IN FULL. The Scheme, if implemented will materially affect the rights of all holders of the Existing Notes.

Your rights are described in the Explanatory Statement, which includes the Scheme. If you have any questions regarding any of the contents of the Instruction Packet, you may contact the Information Agent by: (1) visiting the Scheme Website at <https://dm.epiq11.com/digicelgroup>; or (2) writing to the Company, c/o Epiq Corporate Restructuring, LLC, at tabulation@epiqglobal.com (please reference “DGHL Scheme” in the subject line) or (3) by calling +1 (646) 362-6336 to reach the Solicitation Group.

This Ballot may not be used for any purpose other than to appoint a proxy to cast votes to accept or reject the Scheme at the Scheme Meetings. If you believe you have received this Ballot in error, or if you believe that you have received the wrong Ballot, please contact your Intermediary immediately.

You should review the Explanatory Statement and the Scheme in their entirety before you vote on the Scheme. You may wish to seek legal advice concerning the Scheme.

For the purposes of voting on the Scheme, separate Scheme Meetings shall be held for each of: (i) the DGHL Subordinated Noteholders and (ii) the DGHL Unsecured Noteholders. The Bermuda Court may sanction the Scheme and bind you if the Scheme is accepted by DGHL Scheme Creditors of at least seventy-five percent by value and a majority in number of each of: (i) the DHGL Subordinated Noteholders and (ii) the DGHL Unsecured Noteholders, in each case voting (in person or by proxy) at the respective Scheme Meeting.

To have your vote counted at the relevant Scheme Meeting(s), you must either (i) appoint a proxy to attend the relevant Scheme Meeting(s) and vote on the Scheme on your behalf by completing this Ballot pursuant to the instructions provided herein and indicating how your proxy should vote on your behalf at the relevant Scheme Meeting(s), or (ii) attend and vote on the Scheme at the relevant Scheme Meeting(s) (the time and venue of which is as per the Notice of Scheme Meetings included in the Instruction Packet).

Before completing this Ballot, please read and follow the enclosed “Instructions for Completing this Ballot” carefully to ensure that you complete, execute and return this Ballot properly.

THIS BALLOT IS FOR VOTING PURPOSES ONLY. IT IS NOT FOR MAKING A NEW NOTES ELECTION. AS DESCRIBED IN THE EXPLANATORY STATEMENT, A DGHL NOTEHOLDER MUST SEPARATELY MAKE A NEW NOTES ELECTION VIA DTC’s AUTOMATED TENDER OFFER PROGRAM (ATOP) OR (IF APPLICABLE) VIA THE DEPOSIT OR WITHDRAWAL AT CUSTODIAN (DWAC) WITHDRAWAL OF THE NOTES. FOR THE AVOIDANCE OF DOUBT, SUCH ATOP/DWAC ELECTION (AS APPLICABLE) SHALL NOT BE TREATED AS A VOTE FOR OR AGAINST THE SCHEME. TO VOTE ON THE SCHEME, YOU MUST (A) COMPLETE THIS BALLOT TO APPOINT A PROXY TO ATTEND AND VOTE ON THE SCHEME AT THE RELEVANT SCHEME MEETING(S) ON

YOUR BEHALF OR (B) ATTEND AND VOTE ON THE SCHEME AT THE RELEVANT SCHEME MEETING(S) ON YOUR OWN BEHALF.

Item 1. Amount of Claim.

The undersigned hereby certifies that as of the Record Date, which is [●], 2023, the undersigned was the DGHL Noteholder (or authorized signatory for the DGHL Noteholder) of Existing Notes in the following aggregate unpaid principal amount (insert unpaid principal amount in relevant box below if not already entered). If you have no holding in a particular series of Existing Notes, leave the box for that series blank. If your Existing Notes are held by an Intermediary on your behalf and you do not know the amount of the Existing Notes held, please contact your Intermediary immediately. The amount shown in Item 1 must be certified in **Exhibit A** by your Intermediary.

Item 1A - Existing Unsecured Notes
\$ _____ _ 25381YAB7 / US25381YAB74 (144A)
\$ _____ _ G2761YAB9 / USG2761YAB95 (Reg S)

Item 1B - Existing Subordinated Notes
\$ _____ _ 25381YAC5 / US25381YAC57 (144A)
\$ _____ _ G2761YAC7 / USG2761YAC78 (Reg S)

Item 2. Appointment of Proxy.

The DGHL Noteholder identified in Item 1 above grants the proxy set forth below for the relevant Scheme Meeting(s) for the purposes of voting its Scheme Claims against the Company on its behalf (Please check one box below for each of Item 2A and 2B as applicable. If you have no holding in a particular series of Existing Notes, leave the box for that series blank).

Note: Whoever is appointed as proxy **MUST** attend the relevant Scheme Meeting(s) in order to be able to vote on the Scheme on your behalf in respect of your Scheme Claims. If an appointed proxy does not attend the relevant Scheme Meeting(s), the appointing DGHL Noteholder's vote will not be counted. If you would like to vote on the Scheme on your own behalf in respect of your Scheme Claims, you must attend the relevant Scheme Meeting(s) in person and vote on the Scheme. To attend and vote in person, you must provide: (i) a duplicate copy of the validly completed Ballot (if any) delivered on your behalf; (ii) evidence of your Beneficial Interest in the Existing Notes as of the Record Date with accompanying proof from the relevant DTC Participant; (iii) evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board minutes); and (iv) evidence of personal identity (a passport or other equivalent identification), in each case by email to tabulation@epiqglobal.com, with reference to "DGHL

Scheme” no later than four hours before the scheduled time of the relevant Scheme Meeting for the purposes of registering your attendance at the Scheme Meeting(s).

Item 2A - Existing Unsecured Notes

☐ **Appoints the Chairman as proxy**

☐ **Does NOT appoint the Chairman as proxy; rather, appoints the following individual as its proxy:**

Name: _____

Street Address: _____

City, State, Zip: _____

Country: _____

Telephone Number: _____

E-Mail Address: _____

Item 2B - Existing Subordinated Notes

☐ **Appoints the Chairman as proxy**

☐ **Does NOT appoint the Chairman as proxy; rather, appoints the following individual as its proxy:**

Name: _____

Street Address: _____

City, State, Zip: _____

Country: _____

Telephone Number: _____

E-Mail Address: _____

Item 3. Vote on Scheme of Arrangement.

The DGHL Noteholder set forth in Item 1 directs its Proxy to vote on its behalf on the Scheme in respect of its Scheme Claims as follows. (Please check one box for each item in the relevant table below. If you have no holding in a particular series of Existing Notes, leave the box for that series blank):

Item 3A - Existing Unsecured Notes	
☐	<u>ACCEPT</u> (vote FOR) the Scheme
☐	<u>REJECT</u> (vote AGAINST) the Scheme
☐	<u>DISCRETIONARY VOTE</u> (grant proxy set forth above the ability to vote on the Scheme at the proxy's discretion) (This discretionary vote is open to <u>only</u> those that appointed a proxy <u>other</u> than the Chairman.) (If you appoint the Chairman as proxy and check this "Discretionary Vote" box, it will be assumed that you are directing the Chairman to vote to accept the Scheme and your vote will be counted accordingly.)

Item 3B - Existing Subordinated Notes	
☐	<u>ACCEPT</u> (vote FOR) the Scheme
☐	<u>REJECT</u> (vote AGAINST) the Scheme
☐	<u>DISCRETIONARY VOTE</u> (grant proxy set forth above the ability to vote on the Scheme at the proxy's discretion) (This discretionary vote is open to <u>only</u> those that appointed a proxy <u>other</u> than the Chairman.) (If you appoint the Chairman as proxy and check this "Discretionary Vote" box, it will be assumed that you are directing the Chairman to vote to accept the Scheme and your vote will be counted accordingly.)

Item 4. Certifications.

By signing this Ballot, the undersigned certifies to the Company:

- a. that either: (i) the undersigned is the DGHL Noteholder of the Scheme Claims being voted; or (ii) the undersigned is an authorized signatory for an entity that is the DGHL Noteholder of the Scheme Claims being voted, and, in either case, has full power and authority to vote to accept or reject the Scheme with respect to the Scheme Claims identified in Item 1 above;
- b. that the undersigned (or in the case of an authorized signatory, the DGHL Noteholder of the Scheme Claims being voted) has received and reviewed a copy of the Explanatory Statement and the other documents contained within the Instruction Packet and acknowledges that the solicitation is being made pursuant to the terms and conditions set forth therein;
- c. that the undersigned either (i) is attending the relevant Scheme Meeting(s) and will vote on the Scheme with respect to all of the undersigned's Scheme Claims in person at the relevant Scheme Meeting(s), or (ii) has appointed the same proxy and directed them to cast the same vote on the Scheme with respect to all of the undersigned's Scheme Claims at the relevant Scheme Meeting(s); and
- d. that no other Proxies with respect to the amount of the Scheme Claims identified in Item 1 above have been cast or, if any other Proxies have been cast with respect to such Scheme Claims, then any such earlier Proxies are hereby revoked.

Exhibit A must be completed by the Intermediary or DTC Participant holding the Existing Notes. If Exhibit A is already completed, the executed Ballot may be returned to the Information Agent by the DGHL Noteholder. If Exhibit A has not yet been completed, the DGHL Noteholder must follow the instructions of its Intermediary or DTC Participant with respect to the return of the Ballot.

Name of Holder:	
	(Print or Type)
Signature:	
Name of Signatory:	
	(If other than Holder)
Title:	
Address:	
Date Completed:	

Item 5. Instructions for Return of the Ballot to the Information Agent.

The fully executed Ballot (including all items in the Ballot as well as Exhibit A (if applicable)) may be returned to the Information Agent as follows:

Via email to tabulation@epiqglobal.com with “DGHL Scheme” in the subject line.

This Ballot and any non-contractual obligations arising out of or in relation to this Ballot shall be governed by, and interpreted in accordance with, Bermuda law.

No fees, commissions or other remuneration will be payable to any person for soliciting votes on the Scheme.

PLEASE COMPLETE, SIGN AND DATE THIS BALLOT AND RETURN IT PROMPTLY AS DIRECTED BY YOUR INTERMEDIARY OR DTC PARTICIPANT.

IF THE INFORMATION AGENT DOES NOT ACTUALLY RECEIVE A FULLY COMPLETED AND EXECUTED BALLOT INCORPORATING YOUR PROXY SELECTION AND VOTE ON OR BEFORE 5:00 P.M. NEW YORK TIME ON [●], 2023, THEN YOUR SCHEME CLAIM WILL NOT BE VOTED UNLESS YOU ATTEND THE SCHEME MEETING IN PERSON.

IF YOU ARE RETURNING THIS BALLOT TO YOUR INTERMEDIARY OR DTC PARTICIPANT (OR OTHERWISE CONVEYING YOUR PROXY SELECTION AND VOTE TO YOUR INTERMEDIARY OR DTC PARTICIPANT IN ACCORDANCE WITH THEIR INSTRUCTIONS), PLEASE ALLOW SUFFICIENT TIME TO PERMIT YOUR INTERMEDIARY OR DTC PARTICIPANT TO COMPLETE AND FORWARD YOUR BALLOT SO IT IS ACTUALLY RECEIVED BY THE INFORMATION AGENT ON OR BEFORE 5:00 P.M. NEW YORK TIME ON [●], 2023.

INSTRUCTIONS FOR COMPLETING THIS BALLOT

1. The Company is soliciting the votes of DGHL Scheme Creditors with respect to the Scheme. Capitalized terms used in the Ballot or in these instructions (the “**Ballot Instructions**”) but not otherwise defined therein or herein shall have the meaning set forth in the Explanatory Statement, a copy of which also accompanies the Ballot.
2. To ensure that your vote is counted, you must ***EITHER*** (1) complete the Ballot, appoint a Proxy and take the following steps: (a) make sure that the information required by Item 1A and Item 1B (as applicable) above has been correctly inserted (if you do not know the amount of your claim, please contact your Intermediary or DTC Participant); (b) select a proxy in Item 2A and 2B (as applicable) above; (c) clearly indicate how your proxy should vote your Scheme Claim in Item 3 above; (d) provide the certifications required by Item 4 above, if applicable; (e) read and certify the information contained in this Ballot; and (f) sign, date and return an original, scanned, or pdf copy of your Ballot in accordance with paragraph 3 directly below ***OR*** (2) attend the relevant Scheme Meeting(s) in person and vote on the Scheme by following the procedures outlined above in Item 2.
3. **Submission Ballot and Votes:** If voting by a Ballot, your Proxy Selection and vote must be returned to the Information Agent so as to be **actually received** by the Information Agent on or before the Voting Instruction Deadline, which is 5:00 p.m. New York Time on [●], 2023. Please follow the directions of your Intermediary or DTC Participant with respect to the submission of your Ballot.
4. If a Ballot is received by the Information Agent **after** the Voting Instruction Deadline, it may not be counted and you must attend the relevant Scheme Meeting(s) in person to vote your Scheme Claim. Additionally, the following Ballots will **NOT** be counted:
 1. any Ballot that is illegible or contains insufficient information to permit the identification of the DGHL Noteholder, a nominated proxy or how a proxy should vote in respect of a Scheme Claim;
 2. any Ballot cast by a person or entity that does not hold a Scheme Claim;
 3. any Ballot that is properly completed, executed and timely filed, but does not indicate an appointment of a proxy or how a proxy should vote in respect of a Scheme Claim;
 4. any unsigned Ballot;
 5. any incomplete Ballot;
 6. any Ballot sent to the Company, the Company’s agents/representatives (other than the Information Agent), any indenture trustee, or the Company’s financial or legal advisors; and/or
 7. any Ballot not cast in accordance with the procedures set out in the Explanatory Statement as approved by the Bermuda Court.
 8. Except as otherwise provided herein, such delivery will be deemed made to the Information Agent only when the Information Agent **actually receives** the executed Ballot. Please allow sufficient time to ensure timely delivery.
 9. If multiple Proxy Selections and votes are received from the same DGHL Noteholder with respect to the same Scheme Claim prior to the Voting Instruction Deadline, the last

valid Proxy Selection and vote timely received prior to the Voting Instruction Deadline will supersede and revoke any earlier received Proxy Selections or votes.

10. In the event you are not attending the relevant Scheme Meeting(s) in person, you must appoint a proxy and instruct them to vote in respect of the entirety of your Scheme Claim and may not split your Scheme Claim for the purposes of this Ballot (other than where you have a Scheme Claim in respect of the Existing Unsecured Notes and the Existing Subordinated Notes, in which case this Ballot allows separate proxy appointments and/or instructions to be made in respect of each).
11. The Ballot is not a letter of transmittal and may not be used for any purpose other than to appoint a proxy to vote at the relevant Scheme Meeting(s). Accordingly, at this time, DGHL Noteholders with Scheme Claims should not surrender certificates or instruments representing or evidencing their Scheme Claims, and neither the Company nor the Information Agent will accept delivery of any such certificates or instruments surrendered together with a Ballot.
12. This Ballot does not constitute, and shall not be deemed to be, (a) a proof of a Scheme Claim or (b) an assertion or admission of a Scheme Claim.
13. Please be sure to sign and date your Ballot. If you are signing a Ballot in your capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation or otherwise acting in a fiduciary or representative capacity, you must indicate such capacity when signing and, if required or requested by the Information Agent or the Company, must submit proper evidence to the requesting party to so act on behalf of such DGHL Noteholder. In addition, please provide your name and mailing address if it is different from that set forth on the attached mailing label or if no such mailing label is attached to the Ballot.

PLEASE SUBMIT YOUR BALLOT AND VOTE PROMPTLY!

*IF YOU HAVE ANY QUESTIONS REGARDING THIS BALLOT,
THESE VOTING INSTRUCTIONS OR THE PROCEDURES FOR VOTING,
PLEASE CONTACT YOUR INTERMEDIARY OR DTC PARTICIPANT IMMEDIATELY*

**IF THE INFORMATION AGENT DOES NOT ACTUALLY RECEIVE YOUR VALIDATED
BALLOT INCLUDING YOUR PROXY SELECTION AND VOTE ON OR BEFORE THE
VOTING INSTRUCTION DEADLINE, WHICH IS 5:00 P.M. NEW YORK TIME ON [●], 2023,
THEN YOUR EXISTING NOTES SHALL NOT BE VOTED AT THE SCHEME MEETING
UNLESS YOU ATTEND THE SCHEME MEETING IN PERSON.**

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR ADVICE, OR
TO MAKE ANY REPRESENTATION, REGARDING THE COMPANY OR THE SCHEME, OTHER
THAN WHAT IS CONTAINED IN THE INSTRUCTION PACKET MAILED HERewith.

Exhibit A

Intermediary/DTC Participant Certification

I certify that the principal amount of (i) Existing Unsecured Notes and/or (ii) Existing Subordinated Notes shown below and the proxy selection and vote outlined herein are held by the DGHL Noteholder identified in **Item 4**.

Item 1A - Existing Unsecured Notes
\$ _____ _ 25381YAB7 / US25381YAB74 (144A) \$ _____ _ G2761YAB9 / USG2761YAB95 (Reg S)

Item 1B - Existing Subordinated Notes
\$ _____ _ 25381YAC5 / US25381YAC57 (144A) \$ _____ _ G2761YAC7 / USG2761YAC78 (Reg S)

Intermediary/DTC Participant Name: _____

Intermediary/DTC Participant Number: _____

Intermediary/DTC Participant Contact Name: _____

Intermediary/DTC Participant Contact Number: _____

Intermediary/DTC Participant Contact Email address: _____

Medallion Guarantee of Intermediary/DTC Participant:

In lieu of providing a medallion stamp, an Intermediary may provide an original notarized signature on this Exhibit A.

APPENDIX 3
NOTICE OF SCHEME MEETING

**IN THE SUPREME COURT OF BERMUDA
CIVIL JURISDICTION
COMMERCIAL COURT**

2023: NO.

IN THE MATTER OF DIGICEL GROUP HOLDINGS LIMITED

and

IN THE MATTER OF SECTION 99 OF THE COMPANIES ACT 1981 (the “Companies Act”)

NOTICE IS HEREBY GIVEN that, by an order dated 25 August 2023 made in the above matter, the Supreme Court of Bermuda has ordered that the Company be at liberty to convene meetings of two classes of DGHL Scheme Creditors (as defined in the Scheme (as defined below)) for the purpose of considering and if thought fit, approving (with or without modifications) a scheme of arrangement proposed to be made between the Company and the DGHL Scheme Creditors (the “**Scheme**”) (together the “**Scheme Meetings**”, and each a “**Scheme Meeting**”).

A copy of the Scheme and a copy of the statement required to be furnished pursuant to sections 99 and 100(1)(a) of the Companies Act (the “**Explanatory Statement**”) are incorporated in the document of which this notice forms part. Unless otherwise defined, capitalised terms used in this notice shall have the meaning given to those terms in the Explanatory Statement.

As explained further in Part B (*Overview of the Scheme*) of the Explanatory Statement, each of the DGHL Unsecured Noteholders and the DGHL Subordinated Noteholders shall vote in separate classes. There shall therefore be two Scheme Meetings, one for each class of DGHL Scheme Creditors and the approval of the Scheme by each class of DGHL Scheme Creditors by the requisite statutory majorities, being at least 75% in value and a majority in number of those present and voting (in person or by proxy), shall be required for the Scheme to be approved. Notwithstanding the foregoing, if you hold both Existing Unsecured Notes and Existing Subordinated Notes, you may vote in respect of both Scheme Meetings on one Ballot as set out in Appendix 2 of the Explanatory Statement (*Ballot Package*).

The Scheme Meetings will take place consecutively. The first Scheme Meeting for the DGHL Unsecured Noteholders will be held at 5:00 p.m. (Bermuda time) / 4:00 p.m (New York time) on 25 September 2023. A second Scheme Meeting for the DGHL Subordinated Noteholders will be held at 5:30 p.m. (Bermuda time) / 4:30 p.m. (New York time) on 25 September 2023. The Scheme Meetings will be held at the offices of Davis Polk and Wardwell LLP, 450 Lexington Ave, New York, NY 10017, United States.

Instructions about actions to be taken by all DGHL Scheme Creditors preceding the Scheme Meetings are set out at Appendix 2 (*Ballot Package*) to the Explanatory Statement and summarised in the section entitled *Summary of Actions to Be Taken by All DGHL Scheme Creditors* of the Explanatory Statement.

For the purposes of voting at the Scheme Meetings, the Bermuda Court has:

- a) ordered that only DGHL Scheme Creditors who are DGHL Noteholders as of 4.00 p.m. (New York time) on 28 August 2023 (the “**Record Date**”), shall be entitled to vote at the relevant Scheme Meeting; and
- b) directed that the Existing Notes Trustee and the Existing Depository Nominee shall not be entitled to vote and that the actions described in herein shall not be applicable to the Existing Notes Trustee and the Existing Depository Nominee.

If you are a DGHL Noteholder of either class of Existing Notes as of the Record Date, you may vote at the relevant Scheme Meeting(s) by following the voting procedures set out in detail in Appendix 2 (*Ballot Package*) to the Explanatory Statement. The Ballot Package will also be made available to DGHL Noteholders on the Scheme Website. DGHL Scheme Creditors may obtain access to the Scheme Website by emailing tabulation@epiqglobal.com, with reference to “DGHL Scheme” in the subject line. DGHL Scheme Creditors must provide proof of their holdings to receive access to the Scheme Website.

If you are a DGHL Noteholder as of the Record Date, you are requested to ensure that you validly complete and submit a Ballot in accordance with the instructions therein as soon as possible, whether or not you intend to attend the relevant Scheme Meeting(s).

If you are a DGHL Noteholder that is not a DTC Participant and/or you hold your interests via an Intermediary you should contact your DTC Participant and/or Intermediary and provide them with a validly completed Ballot, so that it may be submitted on your behalf by the relevant DTC Participant or Intermediary. The form of Ballot is set out in Appendix 2 (*Ballot Package*) to the Explanatory Statement.

Validly completed Ballots should be submitted by email to tabulation@epiqglobal.com with “DGHL Scheme” in the subject line. DGHL Noteholders are also entitled to vote at the relevant Scheme Meeting(s) in person, but to do so must provide: (i) a duplicate copy of the validly completed Ballot (if any) delivered on their behalf; (ii) evidence of their Beneficial Interest in the Existing Notes as of the Record Date with accompanying proof from the relevant DTC Participant; (iii) evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board minutes); and (iv) evidence of personal identity (a passport or other equivalent identification), in each case by email to tabulation@epiqglobal.com, with reference to “DGHL Scheme” no later than four hours before the scheduled time of the relevant Scheme Meeting(s) for the purposes of registering their attendance at the relevant Scheme Meeting(s).

Each DGHL Noteholder as of the Record Date who wishes to vote at the Scheme Meetings, other than by attending in person, will be required to do the following:

DGHL Noteholders holding Existing Notes through DTC Participant or Intermediaries

Return a signed and validly completed Ballot (with instructions for the Chairman of the meetings, or such other individual as may be nominated in accordance with the instructions on the Ballot, to vote on the beneficial holder’s behalf at the relevant Scheme Meeting) to the applicable Intermediary with sufficient time for the Intermediary (if it is not a DTC Participant) to forward the Ballot to its DTC Participant or (if the Intermediary is a DTC Participant) to submit to the Information Agent so that it is actually received by the Information Agent by 5:00 p.m. (New York time) on **20 September 2023** (the “**Voting Instruction Deadline**”).

DGHL Noteholders holding Existing Notes in their name at DTC

A DGHL Noteholder who is a record holder in DTC in its own name should vote on the Scheme by validly completing and signing a Ballot and returning it directly to the Information Agent as described in the Ballot.

Intermediaries and DTC Participants

An Intermediary that, on the Record Date, is the record holder of the Existing Notes for one or more DGHL Noteholders can obtain the votes of the DGHL Noteholder of such Existing Notes, consistent with customary practices for obtaining the votes of securities held in “street name,” by forwarding to the DGHL Noteholder the unsigned Ballots, together with this Explanatory Statement. Each such DGHL Noteholder must then indicate their or its vote on the Ballot (or by using customary practices), complete the information requested on the Ballot, review the certifications contained on the Ballot, execute the Ballot, and return the Ballot to the Intermediary. After collecting the Ballots, the Intermediary should, either: (i) if it is a DTC Participant, deliver the Ballot to the Information Agent so that it is **ACTUALLY RECEIVED** by the Information Agent on or before the Voting Instruction Deadline (all Ballots returned by DGHL Noteholders should either be forwarded to the Information Agent or retained by DTC Participants for inspection for at least one year from the Voting Instruction Deadline); or (ii) if it is not a DTC Participant, immediately forward all Ballots to its DTC Participant.

For the avoidance of doubt, Intermediaries are authorised to collect votes and proxies from their beneficial holder clients in accordance with their customary practices, including the use of a “voting instruction form” in lieu of (or in addition to) a Ballot, as well as collecting votes from DGHL Noteholders through online voting, by phone, facsimile, or other electronic means.

EACH INTERMEDIARY SHOULD ADVISE ITS DGHL NOTEHOLDERS TO RETURN THEIR BALLOTS TO THE INTERMEDIARY BY A DATE CALCULATED BY THE INTERMEDIARY OR THE INTERMEDIARY’S DTC

PARTICIPANT (AS THE CASE MAY BE) TO ALLOW IT (OR ITS DTC PARTICIPANT) TO PREPARE AND RETURN ANY BALLOTS TO THE INFORMATION AGENT SO THAT IT IS RECEIVED BY THE INFORMATION AGENT ON OR BEFORE THE VOTING INSTRUCTION DEADLINE.

Each Ballot contains a section for the appointment of a proxy in respect of both the Existing Unsecured Notes and the Existing Subordinated Notes. DGHL Noteholders should read the language on the Ballot pertaining to the appointment of a proxy carefully and follow the instructions contained therein if they wish to vote by proxy.

DGHL Noteholders intending to vote by proxy must check the appropriate box on the Ballot (with respect to their relevant holdings of either or both of the Existing Unsecured Notes and/or Existing Subordinated Notes) appointing the Chairman as its proxy for the relevant Scheme Meeting(s) or, alternatively, nominate an individual other than the Chairman (as applicable) in accordance with the instructions included on the Ballot. The DGHL Noteholder is then required to submit the validly completed Ballot in accordance with the instructions provided so that the Ballot, including the proxy, is actually received by the Information Agent by no later than the Voting Instruction Deadline.

The Voting Instruction Deadline for the receipt of a Ballot by the Information Agent is 5:00p.m. (New York time) on 20 September 2023.

The appointment of a proxy will not preclude a DGHL Noteholder from attending and voting in person at the relevant Scheme Meeting(s) should they wish to do so. In the event that a DGHL Noteholder votes in person at the relevant Scheme Meeting(s), any returned Ballot with such DGHL Noteholder's vote and proxy included therein will be deemed to have been revoked for the relevant Scheme Meeting(s). DGHL Noteholders attending in person must provide: (i) a duplicate copy of the validly completed Ballot (if any) delivered on their behalf; (ii) evidence of their Beneficial Interest in the Existing Notes as of the Record Date with accompanying proof from the relevant DTC Participant; (iii) evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board minutes); and (iv) evidence of personal identity (a passport or other equivalent identification), in each case by email to tabulation@epiqglobal.com (with "DGHL Scheme" in the subject line) no later than four hours before the scheduled time of the relevant Scheme Meeting(s) for the purposes of registering their attendance at the relevant Scheme Meeting(s).

Even if you do not appoint a proxy and you do not attend and vote at the relevant Scheme Meeting(s), you will still be bound by the outcome of the relevant Scheme Meeting(s). You are therefore strongly encouraged to attend and vote at the relevant Scheme Meeting(s) in person or by proxy.

By the order referred to above, the Bermuda Court has appointed John Bosacco (or such other person as the Company may authorise) to act as Chairman of the Scheme Meetings (and any adjournment thereof) and has directed the Chairman to report the result of the Scheme Meetings to the Bermuda Court. If approved by both classes of Scheme Creditors, the Scheme will remain subject to sanction by the Bermuda Court pursuant to the Companies Act.

For further information in this regard, please contact the Information Agent by email to tabulation@epiqglobal.com (please reference "DGHL Scheme" in the subject line).

Dated August 25 August, 2023

Digicel Group Holdings Limited

APPENDIX 4
NOTE PURCHASE AGREEMENT

NOTE AGREEMENT

dated [●] 2023

for

DIGICEL GROUP HOLDINGS LIMITED
as Company

DIGICEL INVESTMENTS LIMITED
as Pledgor

GLAS TRUSTEES LIMITED
as Note Agent

with

THE ENTITIES IDENTIFIED HEREIN AS ELECTING CREDITORS
acting as Electing Creditors

and

GLAS TRUSTEES LIMITED
acting as the Holding Period Trustee

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THIS AGREEMENT is dated [●] 2023 and made between:

- (1) **DIGICEL GROUP HOLDINGS LIMITED**, incorporated in Bermuda under the Companies Act as an exempted company limited by shares on 1 April 2020 with registration number 55491 under the name "Digicel Group 0.5 Limited" and changed its name to "Digicel Group Holdings Limited" on 4 August 2020, whose registered office is at Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda (the "**Company**" and "**DGHL**");
- (2) **DIGICEL INVESTMENTS LIMITED** (the "**Pledgor**");
- (3) **GLAS TRUSTEES LIMITED**, as note agent for and on behalf of the Holders (the "**Note Agent**");
- (4) **GLOBAL LOAN AGENCY SERVICES LIMITED**, as paying agent (the "**Paying Agent**") and as registrar (the "**Registrar**");
- (5) **GLOBAL LOAN AGENCY SERVICES LIMITED**, as cash manager (the "**Cash Manager**");
- (6) **GLAS TRUST CORPORATION LIMITED**, as security agent for the Secured Parties (the "**Security Agent**");
- (7) **THE ENTITIES** listed in Part A of Schedule 1 (*The Original Parties*) as electing creditors (the "**Electing Creditors**"); and
- (8) **GLAS TRUSTEES LIMITED**, as holding period trustee for the Unidentified Creditors (the "**Holding Period Trustee**").

IT IS AGREED as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Agreement:

"**Agency Agreement**" means the agency agreement dated on or about the Scheme Effective Date between the Company, Global Loan Agency Services Limited, in its various capacities, and [●] pursuant to which the Company appoints the paying agent, the registrar and the cash manager.

"**Agreed Budget Excess**" means any costs or expenses up to 10%, in the aggregate, in excess of the aggregate amount of costs and expenses set forth in the Agreed Budget (without taking into account any contingency amounts and for the avoidance of doubt excluding the Telstra Reserve set forth therein).

"**Anti-Corruption Laws**" means all laws and regulations administered by the US, UK or any other applicable jurisdiction related to bribery or any other corrupt activity, including the US Foreign Corrupt Practices Act and the UK Bribery Act 2010.

"**Anti-Money Laundering Laws**" means all laws and regulations administered by the US, UK or any other applicable jurisdiction related to money laundering, drug trafficking, terrorist financing, terrorist-related activities or other money laundering predicate crimes, and the rules and regulations thereunder, including the Currency and Foreign Transactions Reporting Act of

1970 (otherwise known as the Bank Secrecy Act), USA PATRIOT Act, Money Laundering Control Act of 1986, UK Proceeds of Crime Act 2002, and UK Terrorism Act 2000.

"Assignment Agreement" means an agreement substantially in the form set out in Schedule 4 (*Form of Assignment Agreement*) or any other form agreed between the relevant assignor and assignee.

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"Business Day" means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City, London or Bermuda are authorized or required by law to remain closed.

"Capital Lease" means, as applied to any Person, any lease of any property (whether real, personal or mixed) by that Person as lessee that, in conformity with IFRS, is or should be accounted for as a capital lease on the balance sheet of that Person; *provided* that for the avoidance of doubt, the amount of obligations attributable to any Capital Lease shall be the amount thereof accounted for as a liability in accordance with IFRS.

"Cash" or **"cash"** means money, currency or a credit balance in any Deposit Account, in each case determined in accordance with IFRS.

"Cash Equivalents" means any of the following, to the extent owned by the Company or any of its Subsidiaries and having a maturity of not greater than 90 days from the date of acquisition by Company or any of its Subsidiaries: (a) readily marketable direct obligations of the U.S. government or any agency or instrumentality thereof or obligations unconditionally guaranteed by the full faith and credit of the U.S. government, (b) insured certificates of deposit of, or time deposits with, any commercial bank that (i) is a member of the Federal Reserve System, (ii) issues (or the parent of which issues) commercial paper rated as described in clause (c) below, (iii) is organized under the laws of the United States or any State thereof and (iv) has combined capital and surplus of at least US\$1,000,000,000; and (c) commercial paper in an aggregate amount of no more than US\$1,000,000 per issuer outstanding at any time, issued by any corporation organized under the laws of any State of the United States and rated at least "Prime-1" (or the then equivalent grade) by Moody's Investors Service, Inc. and its successors or "A-1" (or the then equivalent grade) by Standard and Poor's Ratings Service, a division of The McGraw-Hill Companies, Inc. and its successors.

"Cash Manager" means the cash manager appointed by the Company. The initial Cash Manager shall be Global Loan Agency Services Limited.

"Change of Control" means the Supporting Shareholder ceases to Control the Company.

For the purposes of this definition, **"Control"** means:

- (a) the direct or indirect ownership of 99.9% of the share capital or similar rights of ownership of that person; or
- (b) the de facto or *de jure* power to exercise, directly or indirectly, a decisive influence on the designation of a majority of the directors or managers of that person or on the direction of the management and policies of that person (whether through the ownership of voting securities, by contract or otherwise).

"Closing" means the closing of the issue of the Notes at the time contemplated by the Scheme.

"Closing Date" means the date on which Closing occurs.

"Collateral" means all of the assets and properties subject to Liens granted by the Pledgor, the Company or any other member of the Group in favour of the Security Agent for the benefit of the Note Agent and the Holders.

"Collateral Documents" means, collectively, the instruments and documents pursuant to which any entity grants a Lien on any Collateral as security for the Notes, in each case in accordance with the terms of this Agreement and the Notes, including (i) a Bermuda law share charge over the Capital Stock of the Company granted in favour of the Security Agent, (ii) a Victoria law fixed charge over the Company's right to receive Future DPL Sale Proceeds granted in favour of the Security Agent, (iii) fixed and floating charges over any other Additional Assets and the assignment of the proceeds from the sale of Additional Assets which shall include, in respect of the Subsidiaries, share security and the assignment and fixed charge security in respect of receivables owing to the Company, in each case granted in favour of the Security Agent; (iv) a Bermuda law governed fixed and floating charge over all of the Company's existing bank accounts granted in favour of the Security Agent; and (iv) such other Security as reasonably requested prior to the Closing Date by the Note Agent (acting on the instructions of the Majority Holders) to secure the Notes.

"Companies Act" means the Companies Act 1981 of Bermuda, as amended.

"Confidential Information" means all information relating to the Pledgor, the Company, any member of the Group, the Agency Agreement, the Holding Period Trust Deed, or the Finance Documents of which a Holder becomes aware in its capacity as, or for the purpose of becoming, a Holder or which is received by a Holder in relation to, or for the purpose of becoming a Holder under, the Finance Documents from either:

- (a) any member of the Group or any of its advisers; or
- (b) another Holder, if the information was obtained by that Holder directly or indirectly from any member of the Group or any of its advisers,

in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes information that:

- (i) is or becomes public information other than as a direct or indirect result of any breach by that Holder of Section 27.6 (*Confidential Information*);
- (ii) is identified in writing at the time of delivery as non-confidential by any member of the Group or any of its advisers;
- (iii) is known by that Holder before the date the information is disclosed to it in accordance with paragraphs (a) or (b) above or is lawfully obtained by that Holder after that date, from a source which is, as far as that Holder is aware, unconnected with the Group and which, in either case, as far as that Holder is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality; or
- (iv) is posted or otherwise becomes available on the Datasite.

"Confidentiality Undertaking" means a confidentiality undertaking substantially in the form set out in Schedule 5 (*Form of Confidentiality Undertaking*).

"CPL Loan Agreement" means a loan agreement dated 4 March 2025 between Cricket Sporting Investments Limited ("CSIL") and Digicel Group Limited (the predecessor entity of the Company) as updated and amended from time to time.

"CSIL" has the meaning set forth in the definition of "CPL Loan Agreement".

"Debt" means, with respect to any Person, without duplication:

- (a) all indebtedness of such Person for borrowed money;
- (b) that portion of obligations with respect to Capital Leases of such Person to the extent recorded as a liability on a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with IFRS;
- (c) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments to the extent the same would appear as a liability on a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with IFRS;
- (d) any obligation of such Person owed for all or any part of the deferred purchase price of property or services (excluding (i) any earn out obligation or purchase price adjustment until such obligation (x) becomes a liability on the statement of financial position or balance sheet of such Person (excluding the footnotes thereto) in accordance with IFRS and (y) has not been paid within 30 days after becoming due and payable following expiration of any dispute resolution mechanics set forth in the applicable agreement governing the applicable transaction, (ii) accrued expenses and trade accounts payable in the ordinary course of business (including on an intercompany basis) and (iii) liabilities associated with customer prepayments and deposits), which purchase price is (A) due more than six months from the date of incurrence of the obligation in respect thereof or (B) evidenced by a note or similar written instrument;
- (e) all indebtedness of others secured by any Lien on any property or asset owned or held by such Person regardless of whether the indebtedness secured thereby has been assumed by such Person or is non-recourse to the credit of such Person;
- (f) the face amount of any letter of credit issued for the account of such Person or as to which such Person is otherwise liable for reimbursement of drawings;
- (g) the guarantee by such Person of the indebtedness of another;
- (h) all obligations of such Person in respect of any Disqualified Capital Stock and all obligations of such Person's Subsidiaries in respect of Preferred Stock; and
- (i) (i) all net obligations of such Person in respect of any Derivative Transaction, including any Hedge Agreement, whether or not entered into for hedging or speculative purposes;

provided that (i) the amount of Debt of any Person for purposes of clause (e) shall be deemed to be equal to the lesser of (A) the aggregate unpaid amount of such Debt and (B) the fair market value of the property encumbered thereby as determined by such Person in good faith and (ii) in no event shall the term "Debt" include (A) non-interest bearing instalment obligations and accrued liabilities incurred in the ordinary course of business that are not more than 90 days past due, (B) liabilities in respect of performance bonds or surety bonds provided by any member of the Group in the ordinary course of business, to the extent such bonds are not drawn upon or, if and to the extent drawn upon are honoured in accordance with their terms and if, to be reimbursed, are reimbursed no later than the fifth Business Day following receipt by such

Person of a demand for reimbursement following payment on the bond or (C) any pension obligation of any member of the Group.

For all purposes hereof, the Debt of any Person shall include the Debt of any partnership in which such Person is a general partner, except to the extent such Person's liability for such Debt is otherwise limited.

The principal amount of any non-interest bearing Debt or other discount security constituting Debt at any date shall be the principal amount thereof that would be shown on a balance sheet of the Company dated such date prepared in accordance with IFRS.

"Default" means any event or condition which upon notice, lapse of time or both would become an Event of Default.

"Deposit Account" means a demand, time, savings, passbook or like account with a bank, savings and loan association, credit union or like organization, excluding, for the avoidance of doubt, any investment property or any account evidenced by an instrument or negotiable certificate of deposit.

"Derivative Transaction" means (a) any interest-rate transaction, including any interest-rate swap, basis swap, forward rate agreement, interest rate option (including a cap, collar or floor), and any other instrument linked to interest rates that gives rise to similar credit risks (including when-issued securities and forward deposits accepted), (b) any exchange-rate transaction, including any cross-currency interest-rate swap, any forward foreign-exchange contract, any currency swap or currency option, and any other instrument linked to exchange rates that gives rise to similar credit risks, (c) any equity derivative transaction, including any equity-linked swap, any equity-linked option, any forward equity-linked contract, and any other instrument linked to equities that gives rise to similar credit risk and (d) any commodity (including precious metal) derivative transaction, including any commodity-linked swap, any commodity-linked option, any forward commodity-linked contract, and any other instrument linked to commodities that gives rise to similar credit risks; *provided* that, no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees, members of management, managers or consultants of the Company or its Subsidiaries shall constitute a Derivative Transaction.

"DGHL Cash" means all cash held by DGHL as of May 29, 2023, being an amount of US\$311,310,690.

"DGHL/DIFL Services Agreement" means the services agreement dated on or about the Closing Date between the Company and DIFL.

"DGHL Subordinated Convertible Notes Cash Distribution" means the amount of US\$19,500,000 payable to the Holders of Existing Subordinated Notes in accordance with the terms of the Scheme.

"DGHL Unsecured Notes Cash Distribution" means the amount of US\$163,500,000 payable to the Holders of Existing Unsecured Notes in accordance with the terms of the Scheme.

"DHL" means Digicel Holdings (Bermuda) Limited.

"DIFL" means Digicel International Finance Limited, including as it may be reorganized from time to time.

"DIFL/DL Cash Distribution" means the amount of US\$110,200,000 payable to DIFL and DL in accordance with the terms of the Scheme.

"DIFL/DL Restructuring" means the restructuring of DIFL and DL as described in (a) the solicitation statement for schemes of arrangement relating to the Existing DL Notes and the Existing DIFL Secured Notes, the Existing DIFL Unsecured Notes and the DIFL Subordinated Notes (each as defined therein) dated as of [●] 2023, and (b) the exchange offer memorandum and consent solicitation statement relating to the DIFL Subordinated Notes (as defined therein) dated [●] 2023.

"Digicel Group" means, (i) collectively, the Company and each of its Subsidiaries from time to time; and (ii) collectively, DL and each of its Subsidiaries from time to time.

"Disposition" means the sale, lease, sublease, or other disposition of any property of any Person.

"Disqualified Capital Stock" means any Capital Stock which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, (a) matures (excluding any maturity as the result of an optional redemption by the Company thereof) or is mandatorily redeemable (other than for Qualified Capital Stock), pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof (other than for Qualified Capital Stock), in whole or in part, on or prior to 91 days following the maturity date of the Notes at the time such Capital Stock is issued (it being understood that if any such redemption is in part, only such part coming into effect prior to 91 days following the maturity date of the Notes at the time such Capital Stock is issued shall constitute Disqualified Capital Stock), (b) is or becomes convertible into or exchangeable (unless at the sole option of the Company thereof) for (i) debt securities or (ii) any Capital Stock that would constitute Disqualified Capital Stock, in each case at any time on or prior to 91 days following the maturity date of the Notes at the time such Capital Stock is issued, (c) contains any mandatory repurchase obligation or any other repurchase obligation at the option of the holder thereof (other than for Qualified Capital Stock), in whole or in part, which may come into effect prior to 91 days following the maturity date of the Notes at the time such Capital Stock is issued (it being understood that if any such repurchase obligation is in part, only such part coming into effect prior to 91 days following such maturity date of the Notes at the time such Capital Stock is issued shall constitute Disqualified Capital Stock) or (d) provides for the scheduled payments of dividends in Cash on or prior to 91 days following the maturity date of the Notes at the time such Capital Stock is issued; *provided* that any Capital Stock that would not constitute Disqualified Capital Stock but for provisions thereof giving holders thereof (or the holders of any security into or for which such Capital Stock is convertible, exchangeable or exercisable) the right to require the Company thereof to redeem such Capital Stock upon the occurrence of any change of control or any Asset Sale occurring prior to 91 days following the maturity date of the Notes at the time such Capital Stock is issued shall not constitute Disqualified Capital Stock if such Capital Stock provides that the Company thereof shall not redeem any such Capital Stock pursuant to such provisions prior to the maturity date of the Notes.

"Disruption Event" means either or both of:

- (a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Notes (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties; or
- (b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party preventing that, or any other Party:

- (i) from performing its payment obligations under the Finance Documents; or
- (ii) from communicating with other Parties in accordance with the terms of the Finance Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Party whose operations are disrupted.

"**DL**" means Digicel Limited, including as it may be reorganized from time to time.

"**DPL**" means Digicel Pacific Limited, including as it may be reorganized from time to time.

"**Event of Default**" has the meaning specified in Section 15.

"**Existing Notes**" means the Existing Unsecured Notes and Existing Subordinated Notes.

"**Existing Notes Indentures**" means the Existing Unsecured Notes Indenture and the Existing Subordinated Notes Indenture.

"**Existing Notes Trustee**" means Wilmington Trust, National Association, in its capacity as indenture trustee, and in each other capacity for which it serves, under or in connection with either Existing Notes Indenture; *provided* that if the context requires only certain of the foregoing capacities, then only in such capacity(ies).

"**Existing Subordinated Notes**" means the 7.00% PIK perpetual convertible notes issued under the Existing Subordinated Notes Indenture.

"**Existing Subordinated Notes Indenture**" means that certain indenture dated as of June 23, 2020 by and among the Company (formerly known as Digicel Group 0.5 Limited) as issuer and the Existing Notes Trustee pursuant to which the Existing Subordinated Notes were issued.

"**Existing Unsecured Notes**" means the 8.0% senior cash pay/PIK Notes due 2025 issued under the Existing Unsecured Notes Indenture.

"**Existing Unsecured Notes Indenture**" means that certain indenture dated as of June 23, 2020 by and among the Company (formerly known as Digicel Group 0.5 Limited) as issuer and the Existing Notes Trustee pursuant to which the Existing Unsecured Notes were issued.

"**Fair Market Value**" means, with respect to any asset or property, the sale value that would be obtained in an arm's-length free market transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy, as determined in good faith by the Company's board of directors.

"**Fee Letters**" means any letter or letters dated on or about the date of this Agreement between (i) the Company and the Note Agent, the Paying Agent, the Registrar, the Cash Manager and the Holding Period Trustee or (ii) the Company and the Security Agent, in each case setting out any of the fees referred to in Section 11.1 (*Transaction expenses*).

"**Finance Document**" means this Agreement, each Note, the Intercreditor Agreement, the Collateral Documents, the Agency Agreement, the Holding Period Trust Deed and any other document designated as such by the Note Agent (acting on the instructions of the Majority Holders) and the Company from time to time.

"Future DPL Sale Proceeds" means all Cash (including pursuant to the earn-out provisions and escrow arrangements) at any time on or after May 28, 2023 paid, released or otherwise transferred to the Company pursuant to the terms of the Telstra SPA.

"Governmental Authority" means:

- (a) the government of:
 - (i) the US, UK or Bermuda or state or any other political subdivision of either thereof; or
 - (ii) any other jurisdiction in which any member of the Group conducts all or any part of its business, or which asserts jurisdiction over any properties of any member of the Group; or
- (b) any national or multinational entity exercising executive, legislative, judicial, regulatory or administrative powers or functions of, or pertaining to, any such government.

"Hedge Agreement" means any agreement with respect to any Derivative Transaction between any member of the Group and any other Person.

"Holder" or **"holder of a Note"** or **"Noteholder"** means, in respect of a Note, the person in whose name such Note is for the time being registered in the Register.

"Holding Period Trust Deed" means the holding period trust deed, dated on or about the date hereof, between the Company as the Scheme Company, EPIQ Corporate Restructuring LLC as the Information Agent and the Holding Period Trustee.

"Impaired Agent" means the Note Agent or the Security Agent (as the case may be) at any time when that Person is subject to Insolvency Proceedings.

"Insolvency Proceeding" means, with respect to any Person, any corporate action, legal proceedings or other procedure or step taken in relation to:

- (a) the suspension of payments, a moratorium of any indebtedness, winding-up, bankruptcy, liquidation, dissolution, administration, receivership, administrative receivership, judicial composition or reorganisation (by way of voluntary arrangement, scheme or otherwise) of that Person;
- (b) a composition, conciliation, compromise or arrangement with the creditors generally of that Person or an assignment by that Person of its assets for the benefit of its creditors generally or that Person becoming subject to a distribution of its assets;
- (c) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of that Person or any of its assets; or
- (d) any procedure or step in any jurisdiction analogous to those set out in paragraphs (a) to (c) above.

"Institutional Investor" means any bank, trust company or other financial institution, scheme administrator of a pension plan, any investment company, any insurance company, any broker or dealer, or any other similar financial institution or entity, regardless of legal form.

"Intercreditor Agreement" means an intercreditor agreement between, among others, the Company, the Pledgor, the Note Agent and the Security Agent substantially in the form as at the date of this Agreement as set out in Schedule 7 (*Form of Intercreditor Agreement*) (as amended from time to time).

"Investment" means (a) any purchase or other acquisition by any member of the Group of any of the securities of any other Person, (b) the acquisition by purchase or otherwise (other than any purchase or other acquisition of inventory, materials, supplies and/or equipment in the ordinary course of business) of all or a substantial portion of the business, property or fixed assets of any other Person or any division or line of business or other business unit of any other Person and (c) any loan, advance or capital contribution by the Company or any other member of the Group to any other Person.

"Junior Tranche Notes" means one, some or all of the Tranche 1B Notes, the Tranche 2B Notes, the Tranche 3B Notes and the Tranche 4B Notes as the context requires.

"Legal Reservations" means:

- (a) the principle that certain remedies (including equitable remedies and remedies that are analogous to equitable remedies in the applicable jurisdiction) may be granted or refused at the discretion of a court, the principles of reasonableness and fairness, the limitation of enforcement by laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration, examinership and other laws generally affecting the rights of creditors and secured creditors and similar principles or limitations under the laws of any applicable jurisdiction;
- (b) the time barring of claims under applicable statutes of limitation and defences of acquiescence, set-off or counterclaim, and the possibility that an undertaking to assume liability for or to indemnify a person against non-payment of stamp duty may be void and defences of set-off, counterclaim or acquiescence, and similar principles or limitations under the laws of any applicable jurisdiction;
- (c) the principle that in certain circumstances Liens granted by way of fixed charge may be recharacterised as a floating charge or that Liens purported to be constituted as an assignment may be recharacterised as a charge;
- (d) the principle that a court may not give effect to an indemnity for legal costs incurred by an unsuccessful litigant;
- (e) the principle that the creation or purported creation of Liens over any contract or agreement which is subject to a prohibition on transfer, assignment or charging may be void, ineffective or invalid and may give rise to a breach of the contract or agreement over which any Lien has purportedly been created;
- (f) the principle that additional or default interest imposed pursuant to any relevant agreement may be held to be unenforceable on the grounds that it is a penalty and thus void;
- (g) the principle that a court may not give effect to any parallel debt provisions, covenants to pay the Paying Agent or other similar provisions;
- (h) similar principles, rights and defences under the laws of any Relevant Jurisdiction; and
- (i) the principles of private and procedural laws of the Relevant Jurisdiction which affect the enforcement of a foreign court judgment.

"Lien" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any Capital Lease having substantially the same economic effect as any of the foregoing), in each case, in the nature of security; *provided* that in no event shall an operating lease in and of itself be deemed to constitute a Lien.

"Majority Holders" means, at any time, Holders who together represent more than 50% of the aggregate principal amount of the Senior Tranche Notes within each Tranche Set then outstanding (or, if the Senior Tranche Notes in a Tranche Set have been redeemed in full, Holders who together represent more than 50% of the aggregate principal amount of the corresponding Junior Tranche Notes within such Tranche Set then outstanding).

"Majority Junior Transfer Event" shall occur if, at any time:

- (a) there are any Tranche 1A Notes or Tranche 2A Notes outstanding, and the sum of:
 - (i) for each Holder of both Tranche 1A Notes and Tranche 1B Notes who holds a greater proportion of Tranche 1B Notes (calculated as a percentage by reference to the aggregate principal amount of all Tranche 1B Notes then outstanding (the "**Tranche 1B Notes Percentage**")) than it holds Tranche 1A Notes (calculated as a percentage by reference to the aggregate principal amount of all Tranche 1A Notes then outstanding (the "**Tranche 1A Notes Percentage**")), an aggregate principal amount of such Holder's Tranche 1B Notes that is equal to the product of (i) the Tranche 1B Notes Percentage minus the Tranche 1A Notes Percentage and (ii) the aggregate principal amount of all Tranche 1B Notes then outstanding;
 - (ii) for each Holder of both Tranche 2A Notes and Tranche 2B Notes who holds a greater proportion of Tranche 2B Notes (calculated as a percentage by reference to the aggregate principal amount of all Tranche 2B Notes then outstanding (the "**Tranche 2B Notes Percentage**")) than it holds Tranche 2A Notes (calculated as a percentage by reference to the aggregate principal amount of all Tranche 2A Notes then outstanding (the "**Tranche 2A Notes Percentage**")), an aggregate principal amount of such Holder's Tranche 2B Notes that is equal to the product of (i) the Tranche 2B Notes Percentage minus the Tranche 2A Notes Percentage and (ii) the aggregate principal amount of all Tranche 2B Notes then outstanding;
 - (iii) the aggregate principal amount of all Tranche 1B Notes then outstanding held by entities which do not hold any Tranche 1A Notes; and
 - (iv) the aggregate principal amount of all Tranche 2B Notes then outstanding held by entities which do not hold any Tranche 2A Notes,

represents more than 50% of the aggregate principal amount of the Tranche 1B Notes and the Tranche 2B Notes then outstanding; or

- (b) there are no Tranche 1A Notes or Tranche 2A Notes outstanding, and the sum of:
 - (i) for each Holder of both Tranche 3A Notes and Tranche 3B Notes who holds a greater proportion of Tranche 3B Notes (calculated as a percentage by reference to the aggregate principal amount of all Tranche 3B Notes then outstanding (the "**Tranche 3B Notes Percentage**")) than it holds Tranche 3A

Notes (calculated as a percentage by reference to the aggregate principal amount of all Tranche 3A Notes then outstanding (the "**Tranche 3A Notes Percentage**")), an aggregate principal amount of such Holder's Tranche 3B Notes that is equal to the product of (i) the Tranche 3B Notes Percentage minus the Tranche 3A Notes Percentage and (ii) the aggregate principal amount of all Tranche 3B Notes then outstanding;

- (ii) for each Holder of both Tranche 4A Notes and Tranche 4B Notes who holds a greater proportion of Tranche 4B Notes (calculated as a percentage by reference to the aggregate principal amount of all Tranche 4B Notes then outstanding (the "**Tranche 4B Notes Percentage**")) than it holds Tranche 4A Notes (calculated as a percentage by reference to the aggregate principal amount of all Tranche 4A Notes then outstanding (the "**Tranche 4A Notes Percentage**")), an aggregate principal amount of such Holder's Tranche 4B Notes that is equal to the product of (i) the Tranche 4B Notes Percentage minus the Tranche 4A Notes Percentage and (ii) the aggregate principal amount of all Tranche 4B Notes then outstanding;
- (iii) the aggregate principal amount of all Tranche 3B Notes then outstanding held by entities which do not hold any Tranche 3A Notes; and
- (iv) the aggregate principal amount of all Tranche 4B Notes then outstanding held by entities which do not hold any Tranche 4A Notes,

represents more than 50% of the aggregate principal amount of the Tranche 3B Notes and the Tranche 4B Notes then outstanding.

"Material Adverse Effect" means a material adverse effect on or material adverse change in (a) the business or financial condition of the Company or the Group as a whole, (b) the ability of the Pledgor or the Company to perform its obligations under any Finance Document, or (c) any right or remedy of any Holder in respect of a Finance Document.

"Maturity Date" means the earlier of:

- (a) December 31, 2030; and
- (b) such date as may be determined by any liquidator appointed to the Company pursuant to a Solvent Liquidation, acting reasonably and in good faith, as being a date after which the final distribution of all of the assets of the Company has occurred (subject to any reservations for any costs and expenses incurred in connection with such Solvent Liquidation), following consultation with the Note Agent for a period of at least ten (10) Business Days.

"Minimum Denominations" means, in respect of any Tranche of Notes, denominations of US\$1.00.

"MNPI" means information which is not known to the public and for which there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision, or information that is reasonably certain to have a substantial effect on the market price of any Tranche of the Notes.

"NAIC" means the National Association of Insurance Commissioners.

"New Holder" means an Institutional Investor or any other entity (including a natural person) which is regularly engaged in or established for the purpose of making, purchasing or investing

in loans, securities or other financial assets but excluding (i) with respect to any Senior Tranche Notes, each Obligor and any other member of the Group and (ii) with respect to any Junior Tranche Notes, any Company Affiliate (as such term is defined in the Intercreditor Agreement) (including, for the avoidance of doubt, the Supporting Shareholder and each of its Affiliates).

"Note Certificates" means a note certificate in or in substantially the applicable form set out in Schedule 3 (*Form of Note Certificate*).

"Notes" means each of the Senior Tranche Notes and each of the Junior Tranche Notes.

"Obligor" means the Company or the Pledgor.

"Officer's Certificate" means a certificate signed by a director or an officer of any Obligor and delivered to the Note Agent.

"Participating Member State" means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

"Party" means a party to this Agreement.

"Paying Agent" means the paying agent appointed by the Company to make payments to the Holders pursuant to the relevant Finance Documents on their behalf. The initial Paying Agent shall be Global Loan Agency Services Limited.

"Perfection Requirements" means any and all registrations, notarisation, filings, endorsements, acknowledgments, stampings, notices and other actions and steps required to be made in any Relevant Jurisdiction in order to create, perfect or ensure the Liens created or purported to be created pursuant to the Collateral Documents or in order to achieve the relevant priority for such Collateral.

"Permitted Debt" means:

- (a) the Notes;
- (b) the incurrence by any Subsidiary of the Company of additional Debt in an aggregate amount outstanding not to exceed US\$5,000,000;
- (c) with respect to any Subsidiary of the Company, Debt arising from any agreement providing for indemnification, adjustment of purchase price or similar obligations (including contingent earn-out obligations), or payment obligations in respect of any non-compete, consulting or similar arrangements, in each case incurred in connection with any disposition permitted hereunder, any acquisition or other Investment permitted hereunder or consummated prior to the Closing Date or any other purchase of assets or Capital Stock, and Debt arising from guaranties, letters of credit, bank guaranties, surety bonds, performance bonds or similar instruments securing the performance of any member of the Group pursuant to any such agreement;
- (d) with respect to any Subsidiary of the Company, Debt (i) pursuant to tenders, statutory obligations (including health, safety and environmental obligations), bids, leases, governmental contracts, trade contracts, surety, indemnity, stay, customs, judgment, appeal, performance and/or return of money bonds or guaranties or other similar obligations incurred in the ordinary course of business and consistent with past practice and (ii) in respect of letters of credit, bank guaranties, surety bonds, performance bonds

or similar instruments to support any of the foregoing items so long as such instruments are issued in the ordinary course of business and consistent with past practice;

- (e) with respect to any Subsidiary of the Company, Debt in respect of commercial credit cards, stored value cards, purchasing cards, treasury management services, netting services, overdraft protections, check drawing services, automated payment services (including depository, overdraft, controlled disbursement, ACH transactions, return items and interstate depository network services, including Debt arising from the financing by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business and consistent with past practice), employee credit card programs, cash pooling services and any arrangements or services similar to any of the foregoing and/or otherwise in connection with Cash management and Deposit Accounts in each case in the ordinary course of business and consistent with past practice;
- (f) with respect to any Subsidiary of the Company, Debt in respect of letters of credit, bankers' acceptances, bank guaranties or similar instruments supporting trade payables, warehouse receipts or similar facilities entered into in the ordinary course of business and consistent with past practice; and
- (g) (x) Debt (other than the Notes) of the Company and its Subsidiaries in existence on the Closing Date (after giving effect to the Scheme) and (y) guarantees (to the extent in existence on the Closing Date after giving effect to the Scheme) by the Company or any of its Subsidiaries of Debt incurred by the Company or a Subsidiary on or before the Closing Date, in each case (to the extent entered into, incurred or granted, as applicable, on or after August 22, 2023), in the ordinary course of business and pursuant to the reasonable requirements of the applicable member of the Group's business, on fair and reasonable terms no less favorable to the applicable member of the Group than would be obtainable in a comparable arm's length transaction and consistent with past practice.

"Permitted Investments" means:

- (a) Cash or Investments that were Cash Equivalents at the time made;
- (b) with respect to any Subsidiary of the Company, Investments in an aggregate amount not to exceed US\$1,750,000 at any time from and including the Closing Date in (i) any other Subsidiary of the Company that is part of the Group as of the Closing Date or (ii) any other Person if as a result of such Investment such other Person becomes a Subsidiary of the Company that is part of the Group as of the Closing Date or such other Person is merged or consolidated with or into, or transfers or conveys all or substantially all of its assets to, a Subsidiary of the Company that is part of the Group as of the Closing Date;
- (c) (i) Investments existing on, or contractually committed to as of, the Closing Date, in each case (to the extent entered into or committed to, as applicable, on or after August 22, 2023), in the ordinary course of business and pursuant to the reasonable requirements of the applicable member of the Group's business, on fair and reasonable terms no less favorable to the applicable member of the Group than would be obtainable in a comparable arm's length transaction and consistent with past practice and (ii) any modification, replacement, renewal or extension of any Investment described in clause (i) above so long as no such modification, renewal or extension thereof increases the amount of such Investment except as otherwise permitted under this Agreement;

- (d) with respect to any Subsidiary of the Company, any disposition of assets not constituting an Asset Sale;
- (e) with respect to any Subsidiary of the Company, Investments in the ordinary course of business and consistent with past practice consisting of endorsements for collection or deposit and customary trade arrangements with customers, vendors, suppliers, sponsors, licensors, sublicensors, licensees and sublicensees;
- (f) with respect to any Subsidiary of the Company, (i) Investments consisting of shares, stock, obligations or securities received in satisfaction of judgments, foreclosure of liens or settlement of debts, and (ii) any Investments received in compromise of obligations of trade creditors or customers that were incurred in the ordinary course of business, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer;
- (g) with respect to any Subsidiary of the Company, loans and advances (or guarantees of third-party loans) to directors, officers or employees of such Subsidiary of the Company made in the ordinary course of business and consistent with such Subsidiary's past practices in an amount outstanding not to exceed at any one time US\$500,000;
- (h) with respect to any Subsidiary of the Company, (i) guarantees of leases or subleases (in each case other than Capital Leases) or of other obligations not constituting Debt and (ii) guarantees of the lease obligations of suppliers, customers, franchisees and licensees of such Subsidiary of the Company in the ordinary course of business and consistent with past practice;
- (i) with respect to any Subsidiary of the Company, expenses or advances in the ordinary course of such Subsidiary's business and consistent with past practice to cover payroll, travel, entertainment, moving, other relocation and similar matters that are expected at the time of such advances to be treated as expenses of such Subsidiary in accordance with IFRS;
- (j) with respect to any Subsidiary of the Company, unfunded pension fund and other employee benefit plan obligations and liabilities to the extent that they are permitted to remain unfunded under applicable law, in each case consistent with past practice;
- (k) with respect to any Subsidiary of the Company, Investments made in connection with any nonqualified deferred compensation plan or arrangement for any present or former employee, director, member of management, officer, manager or consultant or independent contractor of any Subsidiary of the Company, in each case consistent with past practice; and
- (l) with respect to any Subsidiary of the Company, guarantee obligations of such Subsidiary in respect of letters of support, guarantees or similar obligations issued, made or incurred for the benefit of any other Subsidiary of the Company to the extent required by law or in connection with any statutory filing or the delivery of audit opinions performed in jurisdictions other than within the United States.

"Permitted Liens" means:

- (a) Liens created for the benefit of the Security Agent, the Note Agent or the Holders in accordance with the Finance Documents;

- (b) Liens securing Debt incurred pursuant to clause (b) of the definition of "Permitted Debt", *provided* that no portion of the Collateral shall be subject to such Liens;
- (c) Liens for taxes, assessments, government charges or claims that automatically arise and are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted and for which adequate reserves in accordance with IFRS shall have been set aside;
- (d) with respect to any Subsidiary of the Company, statutory Liens of landlords and carriers, warehousemen, mechanics, suppliers, materialmen, repairmen, employees, pension plan administrators or other like Liens arising in the ordinary course of such Subsidiary of the Company's business and consistent with past practice and with respect to amounts not yet delinquent or being contested in good faith by appropriate proceedings and for which a reserve or other appropriate provision, if any, as shall be required in conformity with IFRS shall have been made or Liens arising solely by virtue of any statutory or common law provisions relating to attorney's liens or bankers' liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a creditor depositary institution;
- (e) with respect to any Subsidiary of the Company, Liens incurred (i) in the ordinary course of business and consistent with past practice in connection with workers' compensation, unemployment insurance and other types of social security laws and regulations, (ii) in the ordinary course of business and consistent with past practice to secure the performance of tenders, statutory obligations, surety, stay, customs and appeal bonds, bids, leases, government contracts, trade contracts, performance and return-of money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money), (iii) pursuant to pledges and deposits of Cash or Cash Equivalents in the ordinary course of business and consistent with past practice securing (x) any liability for reimbursement or indemnification obligations of insurance carriers providing property, casualty, liability or other insurance to such Subsidiary of the Company or (y) leases or licenses of property otherwise permitted under this Agreement and (iv) to secure obligations in respect of letters of credit, bank guaranties, surety bonds, performance bonds or similar instruments posted with respect to the items described in clauses (i) through (iii) above;
- (f) with respect to any Subsidiary of the Company, zoning restrictions, easements, licenses, reservations, title defects, rights of others for rights-of-way, utilities, sewers, electrical lines, telephone lines, telegraph wires, restrictions, encroachments and other similar charges, encumbrances or title defects and incurred in the ordinary course of business and consistent with past practice that do not in the aggregate interfere with in any material respect the ordinary conduct of the business of such Subsidiary of the Company on the properties subject thereto, taken as a whole;
- (g) precautionary or purported Liens evidenced by the filing of UCC financing statements or similar financing statements under applicable Requirements of Law relating solely to the sale of accounts receivable in the ordinary course of business for which a UCC financing statement or similar financing statement under applicable requirements of law is required;
- (h) with respect to any Subsidiary of the Company, precautionary or purported Liens evidenced by the filing of UCC financing statements or similar financing statements under applicable requirements of law relating solely to (i) operating leases or consignment or bailee arrangements entered into in the ordinary course of business and consistent with past practice and/or (ii) the sale of accounts receivable in the ordinary course of business and consistent with past practice for which a UCC financing

statement or similar financing statement under applicable requirements of law is required;

- (i) with respect to any Subsidiary of the Company, Liens in favour of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods arising in the ordinary course of such Subsidiary of the Company's business;
- (j) with respect to any Subsidiary of the Company, Liens in connection with any zoning, building or similar requirement of law or right reserved to or vested in any governmental authority to control or regulate the use of any dimensions of real property or any structure thereon, including Liens in connection with any condemnation or eminent domain proceeding or compulsory purchase order;
- (k) with respect to any Subsidiary of the Company, Liens encumbering deposits made to secure obligations arising from statutory or regulatory requirements of such Subsidiary of the Company arising in the ordinary course of such Subsidiary of the Company's business and consistent with past practice, including rights of offset and set-off;
- (l) with respect to any Subsidiary of the Company, Liens securing obligations (other than obligations representing Debt) under operating, reciprocal easement or similar agreements entered into in the ordinary course of business of any Subsidiary of the Company and consistent with past practice;
- (m) Liens arising by reason of any judgment, decree or order of any court so long as such Lien is adequately bonded and any appropriate legal proceedings that may have been duly initiated for the review of such judgment, decree or order shall not have been finally terminated or the period within which such proceedings may be initiated shall not have expired;
- (n) with respect to any Subsidiary of the Company, the rights reserved or vested in any Person (including any governmental authority) by the terms of any lease, license, franchise, grant or permit held by such Subsidiary of the Company or by a statutory provision, to terminate any such lease, license, franchise, grant or permit, or to require annual or periodic payments as a condition to the continuance thereof;
- (o) with respect to any Subsidiary of the Company, the rights reserved or vested in any Person (including any governmental authority) by the terms of any lease, license, franchise, grant or permit held by any Subsidiary of the Company or by a statutory provision, to terminate any such lease, license, franchise, grant or permit, or to require annual or periodic payments as a condition to the continuance thereof;
- (p) with respect to any Subsidiary of the Company, Liens arising (i) out of conditional sale, title retention, consignment or similar arrangements for the sale of any assets or property and bailee arrangements in the ordinary course of business and consistent with past practice and permitted under this Agreement or (ii) by operation of law under Article 2 of the UCC (or any similar applicable law of any jurisdiction);
- (q) Liens in favour of the Company;
- (r) with respect to any Subsidiary of the Company, Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;
- (s) with respect to any Subsidiary of the Company, Liens on specific items of inventory or other goods and the proceeds thereof securing the relevant Person's obligations in

respect of documentary letters of credit or banker's acceptances is-sued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or goods;

- (t) with respect to any Subsidiary of the Company, Liens on Cash or Cash Equivalents arising in connection with the defeasance, discharge or redemption of Debt;
- (u) with respect to any Subsidiary of the Company, undetermined or inchoate Liens, rights of distress and charges incidental to current operations that have not at such time been filed or exercised, or which relate to obligations not due or payable or if due, the validity of such Liens are being contested in good faith by appropriate actions diligently conducted, if adequate reserves with respect thereto are maintained on the books of such Person in accordance with IFRS;
- (v) with respect to any Subsidiary of the Company, Liens and privileges arising mandatorily by any requirement of law; *provided* such Liens and privileges extend only to the assets or Capital Stock of such Subsidiary of the Company; and
- (w) with respect to any Subsidiary of the Company, Liens consisting of (A) an agreement to dispose of any property in a Disposition permitted under Section 14.16 (*Limitation on Sale of Additional Assets*) and/or (B) the pledge of Cash or Cash Equivalents as part of an escrow or similar arrangement required in any Disposition permitted under Section 14.16 (*Limitation on Sale of Additional Assets*), which, in each case, shall in no event exceed the aggregate consideration received in connection with such Disposition.

"Preferred Stock" means, with respect to any Person, Capital Stock of any class or classes (however designated) of such Person which is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over the Capital Stock of any other class of such Person whether now issued and outstanding, or issued after the date of this Agreement, and including, without limitation, all classes and series of preferred shares/stock or preference shares/stock of such Person.

"Proposed Director" means any individual nominated for appointment to the New DGHL Board in accordance with the Amended and Restated Bye-Laws of the Company and Section 14.22 (*DGHL Governance*), as applicable.

"Qualified Capital Stock" of any Person means any Capital Stock of such Person that is not Disqualified Capital Stock.

"Qualified Institutional Buyer" means any Person who is a "qualified institutional buyer" within the meaning of such term as set forth in Rule 144A(a)(1) under the Securities Act.

"Register" means the register of Notes maintained by the Registrar.

"Registrar" means the registrar appointed by the Company to maintain a register of Notes. The initial Registrar shall be Global Loan Agency Services Limited.

"Related Fund" means, in relation to (a) a fund or entity (the **"First Entity"**), or (b) a company owned by a fund or entity (the **"First Company"**), a fund or entity (or company owned by such fund or entity) which is ultimately managed or advised by (i) the First Entity or First Company, (ii) an Affiliate of the First Entity or First Company, (iii) the same investment manager or investment advisor as the First Entity, First Company or fund (or entity) that owns the First Company (as applicable), or (iv) an investment manager or investment advisor which is an

Affiliate of the investment manager or investment advisor of the First Entity, First Company, or fund (or entity) that owns the First Company (as applicable).

"Relevant Jurisdiction" means, in relation to an Obligor:

- (a) the jurisdiction under whose laws that Obligor is incorporated as at the date of this Agreement;
- (b) any jurisdiction where any asset subject to or intended to be subject to the Security to be created by it under the Collateral Documents is situated;
- (c) any jurisdiction where it conducts its business; and
- (d) the jurisdiction whose laws govern the perfection of any of the Collateral Documents entered into by it.

"Representative" means any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian.

"Restricted Person" means a person that is, or that is owned or controlled by, or that is acting for, on behalf or at the direction of, a person that is:

- (a) identified on any Sanctions List;
- (b) located in, incorporated or organised under the laws of a Sanctioned Territory; or
- (c) otherwise a subject of Sanctions.

"Sanctioned Territory" means, at any time, any country or territory that is itself the subject of comprehensive Sanctions (as of the date of this Agreement, Crimea, Cuba, Iran, North Korea, Syria, and those portions of the Donetsk People's Republic or Luhansk People's Republic regions (and such other regions) of Ukraine over which any Sanctions Authority imposes comprehensive Sanctions).

"Sanctions" means:

- (a) any trade, financial or economic sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by a Sanctions Authority; and
- (b) any other law enabling legislation, executive order or regulation in relation to paragraph (a) above.

"Sanctions Authority" means:

- (a) the US;
- (b) the Security Council of the United Nations;
- (c) the European Union and each member state thereunder;
- (d) the UK; and
- (e) the respective Governmental Authorities of any of the foregoing, including without limitation OFAC, the US Department of State and His Majesty's Treasury.

"Sanctions List" means:

- (a) the "Specially Designated Nationals and Blocked Persons" List, the Sectoral Sanctions Identifications List, and the Consolidated Sanctions List issued by OFAC;
- (b) the Consolidated List of Financial Sanctions Targets and the Investment Ban List and the List of Persons Subject to Restrictive Measures in View of Russia's Actions Destabilising the Situation in Ukraine issued by His Majesty's Treasury;
- (c) the European Union's list of restrictive measures against persons and entities issued pursuant to Council Regulation (EC) No. 881/2002 of 27 May 2002, Council Regulation (EC) No. 2580/2001 of 27 December 2001 and Council Common Position 2005/725/CFSP of 17 October 2005; and
- (d) any similar list issued or maintained or made public from time to time by any of the Sanctions Authorities (each as amended, supplemented or substituted from time to time).

"**Scheme**" has the meaning specified in the Scheme Document.

"**Scheme Document**" means [the document dated [●] 2023 [attached to the Scheme Sanction Order] in respect of the scheme of arrangement pursuant to section 99 of the Companies Act between the Company, the holders of the Existing Notes and the Existing Notes Depository Nominee and the Existing Notes Trustee (each as defined therein)].¹

"**Scheme Effective Date**" has the meaning specified in the Scheme Document.

"**Scheme Sanction Order**" means the order of the Supreme Court of Bermuda sanctioning the Scheme dated [●] 2023.

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**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.

"**Senior Tranche Notes**" means one, some or all of the Tranche 1A Notes, the Tranche 2A Notes, the Tranche 3A Notes and the Tranche 4A Notes as the context requires.

"**Solvent Liquidation**" means a voluntary liquidation under the Companies Act.

"**Specified Office**" means:

- (a) in respect of any Electing Creditor, the office or offices notified by such Electing Creditor to the Company in writing on or before the date of this Agreement as the office or offices through which it will perform its obligations under this Agreement;
- (b) in respect of the Holding Period Trustee, the office or offices notified by it to the Company in writing on or before the date of this Agreement as the office or offices through which it will perform its obligations under this Agreement; and
- (c) in respect of any Holder, the office specified against its name in the Register or such other office as such Holder may notify to the Paying Agent and Company in accordance with Section 23 (*Notices*).

¹ **NTD:** Definition to be confirmed.

"**Subsidiary**" has the meaning specified in the Intercreditor Agreement.

For all purposes in this Agreement other than in the definition of "Digicel Group" in this Section 1.1 and Sections 14.11 (*Holding Company*) and 14.27 (*DL and DHL*), "Subsidiary" shall not be deemed to refer to any subsidiary of the Company other than any subsidiary that is a member of the Group.

"**Super Majority Holders**" means, at any time, Holders who together represent at least 75% of the aggregate principal amount of the Senior Tranche Notes within each Tranche Set then outstanding (or, if the Senior Tranche Notes in a Tranche Set have been redeemed in full, Holders who together represent at least 75% of the aggregate principal amount of the corresponding Junior Tranche Notes within such Tranche Set then outstanding).

"**SVO**" means the Securities Valuation Office of the NAIC.

"**TDSA**" has the meaning set forth in the definition of "TDSA Loan Agreement".

"**TDSA Loan Agreement**" means a loan agreement dated June 21, 2013, between TURGEAU DEVELOPMENTS S.A., a société anonyme incorporated in Haiti ("**TDSA**") and International Finance Corporation amongst other parties (as amended, varied, and restated from time to time) which was assigned to the Company under an Assignment Agreement dated June 30, 2022.

"**Telstra SPA**" means that certain share purchase agreement, dated October 24, 2021, by and among, BidCo (S) Pte. Ltd., Telstra, and DGHL, relating to the purchase and sale of Digicel Pacific Limited, as amended, novated, supplemented, extended or restated.

"**Tranche**" means one, some or all of the Tranche 1A Notes, the Tranche 1B Notes, the Tranche 2A Notes, the Tranche 2B Notes, the Tranche 3A Notes, the Tranche 3B Notes, the Tranche 4A Notes and the Tranche 4B Notes as the context requires.

"**Tranche 1A Notes**" means the US\$[●] zero coupon notes due [●].²

"**Tranche 1B Notes**" means the US\$[●] zero coupon notes due [●].³

"**Tranche 2A Notes**" means the US\$[●] zero coupon notes due [●].⁴

² **NTD:** The total principal amount of the Tranche 1A Notes and the Tranche 1B Notes issued by DGHL on the Scheme Effective Date shall be equal to the principal amount (and accrued unpaid interest and default interest, if any) outstanding under the Existing Unsecured Notes of those Holders of the Existing Unsecured Notes who do not elect to receive Tranche 2 Notes under the terms of the Scheme, less any amounts paid to such Holders in respect of the DGHL Subordinated Convertible Notes Cash Distribution (as defined in the Scheme) paid on or before the Scheme Effective Date, subject to the waterfalls set out in the Intercreditor Agreement, rounded to the nearest US\$[1.00].

³ **NTD:** The Tranche 1B Notes should represent real value, taking into consideration the amounts which will be payable by DGHL in respect of the corresponding Tranche 1A Notes.

⁴ **NTD:** The total principal amount of the Tranche 2A Notes and the Tranche 2B Notes issued by DGHL on the Scheme Effective Date shall be equal to the principal amount (and accrued unpaid interest and default interest, if any) outstanding under the Existing Unsecured Notes of those Holders of the Existing Unsecured Notes who elect to receive Tranche 2 Notes under the terms of the Scheme, less any amounts paid to such Holders in respect of the DGHL Subordinated Convertible Notes Cash Distribution (as defined in the Scheme) paid on or before the Scheme Effective Date, subject to the waterfalls set out in the Intercreditor Agreement, rounded to the nearest US\$[1.00].

"Tranche 2B Notes" means the US\$[●] zero coupon notes due [●].⁵

"Tranche 3A Notes" means the US\$[●] zero coupon notes due [●].⁶

"Tranche 3B Notes" means the US\$[●] zero coupon notes due [●].⁷

"Tranche 4A Notes" means the US\$[●] zero coupon notes due [●].⁸

"Tranche 4B Notes" means the US\$[●] zero coupon notes due [●].⁹

"Tranche Set" means one, some or all of the following sets of Notes: (a) a Tranche 1A Note and a corresponding Tranche 1B Note; (b) a Tranche 2A Note and a corresponding Tranche 2B Note; (c) a Tranche 3A Notes and a corresponding Tranche 3B Note; and (d) a Tranche 4A Note and a corresponding Tranche 4B Note.

"Transfer Date" means, in relation to a transfer of a Note, the date on which the Registrar registers such transfer in the Register.

"Trustee Acts" means the Trustee Act 1925 and the Trustee Act 2000.

"UK" means the United Kingdom of Great Britain and Northern Ireland.

"Unidentified Creditors" means all creditors (other than the Electing Creditors) under the Existing Notes Indentures and the Existing Notes as at the Scheme Effective Date.

"US" means the United States of America.

"Wholly-Owned Subsidiary" of any Person means any Subsidiary of such Person, 100% of the Capital Stock of which (other than directors' qualifying shares or shares required by applicable law to be owned by a resident of the relevant jurisdiction) shall be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

⁵ **NTD:** The Tranche 2B Notes should represent real value, taking into consideration the amounts which will be payable by DGHL in respect of the corresponding Tranche 2A Notes.

⁶ **NTD:** The total principal amount of the Tranche 3A Notes and the Tranche 3B Notes issued by DGHL on the Scheme Effective Date shall be equal to the principal amount (and accrued unpaid interest and default interest, if any) outstanding under the Existing Subordinated Notes of those Holders of the Existing Subordinated Notes who do not elect to receive Tranche 4 Notes under the terms of the Scheme, less any amounts paid to such Holders in respect of the DGHL Subordinated Convertible Notes Cash Distribution (as defined in the Scheme) paid on or before the Scheme Effective Date, subject to the waterfalls set out in the Intercreditor Agreement, rounded to the nearest US\$[1.00].

⁷ **NTD:** The Tranche 3B Notes should represent real value, taking into consideration the amounts which will be payable by DGHL in respect of the corresponding Tranche 3A Notes.

⁸ **NTD:** The total principal amount of the Tranche 4A Notes and the Tranche 4B Notes issued by DGHL on the Scheme Effective Date shall be equal to the principal amount (and accrued unpaid interest and default interest, if any) outstanding under the Existing Subordinated Notes of those Holders of the Existing Subordinated Notes who elect to receive Tranche 4 Notes under the terms of the Scheme, less any amounts paid to such Holders in respect of the DGHL Subordinated Convertible Notes Cash Distribution (as defined in the Scheme) paid on or before the Scheme Effective Date, subject to the waterfalls set out in the Intercreditor Agreement, rounded to the nearest US\$[1.00].

⁹ **NTD:** The Tranche 4B Notes should represent real value, taking into consideration the amounts which will be payable by DGHL in respect of the corresponding Tranche 4A Notes.

"Winding-Up Petition" means the winding-up petition against DGHL filed by Solus Long-Term Opportunities Fund Master LP before the Bermuda Commercial Court Companies (Winding Up) 2023: No. 77 on March 10, 2023.

1.2 Construction

- (a) Unless a contrary indication appears, any reference in this Agreement to:
 - (i) any **"Holder"**, any **"Obligor"** or any **"Party"** shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents;
 - (ii) **"assets"** includes present and future properties, revenues and rights of every description;
 - (iii) a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
 - (iv) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
 - (v) a **"person"** or **"Person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
 - (vi) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
 - (vii) a provision of law is a reference to that provision as amended or re-enacted from time to time; and
 - (viii) a time of day is a reference to New York time.
- (b) Capitalised terms not otherwise defined in this Agreement have the meaning given to them in the Intercreditor Agreement and terms which are defined in both this Agreement and the Intercreditor Agreement shall, when referred to in this Agreement, have the meaning given to them and shall be construed in accordance with this Agreement.
- (c) The provisions of clause 1.2 (*Construction*) of the Intercreditor Agreement apply to this Agreement as though they were set out in full in this Agreement, except that references to the Intercreditor Agreement will be construed as references to this Agreement.
- (d) An accounting term not otherwise defined has the meaning assigned to it in accordance with International Financial Reporting Standards (**"IFRS"**).
- (e) The table of contents and headings of the Sections of this Agreement have been inserted for convenience of reference only, are not intended to be considered a part hereof and shall not modify or restrict any of the terms or provisions hereof.

1.3 **Intercreditor Agreement**

This Agreement is subject to the terms of the Intercreditor Agreement. Without prejudice to Section 1.2(b) (*Construction*), if there is any conflict between the terms of this Agreement and the terms of the Intercreditor Agreement (as the case may be) the terms of the Intercreditor Agreement (as appropriate) will prevail.

1.4 **Currency symbols and definitions**

"US\$", "USD" and "Dollars" denote the lawful currency of the US.

1.5 **Meaning of "Outstanding"**

For the purposes of this Agreement, the Notes (but without prejudice to its status for any other purpose) and the Intercreditor Agreement, a Note shall be considered to be "outstanding" unless one or more of the following events has occurred:

- (a) it has been redeemed in full, or purchased in accordance with Section 6 (*Redemption*), and in either case has been cancelled in accordance with Section 8 (*Cancellation*);
- (b) the due date for its redemption in full has occurred and all sums due in respect of such Note have been received by the Paying Agent;
- (c) proceedings to enforce a claim for principal in respect of such Note have become barred; or
- (d) for any matter requiring the action, direction, waiver or consent of Noteholders,, it is held by, or by any person for the benefit of, any Company Affiliate (as such term is defined in the Intercreditor Agreement) or the Holding Period Trustee.

2. **NOTES**

2.1 **Notes¹⁰**

- (a) The Notes comprise:¹¹
 - (i) US\$[●] in aggregate principal amount of Tranche 1A Notes;
 - (ii) US\$[●] in aggregate principal amount of Tranche 1B Notes;
 - (iii) US\$[●] in aggregate principal amount of Tranche 2A Notes;
 - (iv) US\$[●] in aggregate principal amount of Tranche 2B Notes;
 - (v) US\$[●] in aggregate principal amount of Tranche 3A Notes;
 - (vi) US\$[●] in aggregate principal amount of Tranche 3B Notes;

¹⁰ **NTD:** In the event CUSIP determines, following a review of the substantially agreed form of the Note Agreement, that the issuance of separate CUSIPs in respect of each Tranche of the Notes is not possible given registered nature of the Notes, then such amendments as may be necessary to ensure the issuance of CUSIPs will be effectuated (including the issuance of physical Note Certificates).

¹¹ **NTD:** Principal amount of each Tranche of Notes to be updated based on which creditors decide to roll into which Tranche.

- (vii) US\$[●] in aggregate principal amount of Tranche 4A Notes; and
 - (viii) US\$[●] in aggregate principal amount of Tranche 4B Notes.
- (b) The Notes will be issued only in registered form.
 - (c) The Notes will be reflected in the Register in the name of each Holder and each Holder will be deemed to hold a Note Certificate issued in the name of such Holder in respect of the Notes held by such Holder as reflected in the Register from time to time. The Registrar shall reflect transfers and redemptions of the Notes in the Register and in each Note Certificate deemed issued to a Holder upon receipt of an instruction to effectuate such transfer from a Holder in accordance with Section 16.1 (*Transfer of Notes*).
 - (d) The Company, the Holders, the Note Agent, the Paying Agent, the Registrar, the Cash Manager and the Security Agent shall deem and treat any person who is for the time being shown in the Register as entitled to payment of a particular amount in respect of the Notes and as the holder of the corresponding number of new Notes (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof).

2.2 Compliance with obligations

The Company covenants in favour of the Note Agent and each Holder that it will duly perform and comply with the obligations expressed to be undertaken by it in this Agreement (and for this purpose any reference in this Agreement to any obligation or payment under or in respect of the Notes shall be construed to include a reference to any obligation or payment under or pursuant to this provision).

3. ISSUE OF THE NOTES

3.1 Undertaking to issue

- (a) The Company will issue to each of the Electing Creditors on the Closing Date Notes in the principal amount specified opposite such Electing Creditor's name in Part A of Schedule 1 (*The Original Parties*).
- (b) The Company will issue to the Holding Period Trustee on the Scheme Effective Date Notes in the principal amount specified opposite its name in Part B of Schedule 1 (*The Unidentified Creditors' Holding Trustee*), it being agreed that such amount reflects the aggregate principal amount, plus any accrued and unpaid interest and default interest (if any), of the Debt owed to each Unidentified Creditor under the Existing Notes as at the Scheme Effective Date (after taking account of the payment of the DGHL Unsecured Notes Cash Distribution and the DGHL Subordinated Convertible Notes Cash Distribution, as each such term is defined in the Scheme Document).

3.2 Holders' rights and obligations

- (a) The obligations of each Holder under the Finance Documents are several (and not joint nor joint and several). Failure by a Holder to perform its obligations under the Finance Documents does not affect the obligations of any other Party under the Finance Documents. No Holder is responsible for the obligations of any other Holder under the Finance Documents.
- (b) The rights of each Holder under or in connection with the Finance Documents are separate and independent rights and any debt arising under the Finance Documents to

a Holder from the Company is a separate and independent debt in respect of which a Holder shall be entitled to enforce its rights in accordance with paragraph (c) below. The rights of each Holder include any debt owing to that Holder under the Finance Documents and, for the avoidance of doubt, the outstanding principal amount of any Note held by a Holder or any other amount owed by the Company which relates to that Note or that Holder's role under a Finance Document is a debt owing to that Holder by the Company.

- (c) Subject to the Intercreditor Agreement, a Holder may, except as specifically provided in the Finance Documents, separately enforce its rights under or in connection with the Finance Documents.

4. CLOSING

4.1 Closing

- (a) The Closing shall occur on the Closing Date.
- (b) At the Closing, the Registrar will record the principal amount of the Notes to be issued to each Electing Creditor in the name of such Electing Creditor in the Register.
- (c) At the Closing, the Company will record the principal amount of the Notes to be issued to the Holding Period Trustee in the name of the Holding Period Trustee in the Register.

4.2 Conditions precedent to Closing

- (a) The Holding Period Trustee and each Electing Creditor will only be obliged to subscribe for Notes if:
 - (i) prior to or at the Closing, the Holding Period Trustee and the Note Agent has received confirmation from any of the PCG Ad Hoc Group Advisers and any of the DGHL Ad Hoc Group Advisers that all of the documents and other evidence listed in Schedule 2 (*Conditions Precedent to Closing*) has been received; and
 - (ii) on the Closing Date, the representations to be made by each Obligor pursuant to Section 12 (*Representations*) are true in all material respects.
- (b) The Note Agent (acting on the instructions of 75% of the Electing Creditors (or their legal advisers)) shall notify the Company promptly upon receipt of all of the documents and other evidence listed in Schedule 2 (*Conditions Precedent to Closing*).

5. REGISTER AND TITLE

5.1 Registration of Notes

- (a) The Company shall use commercially reasonable efforts to cause the Registrar to maintain at its registered office or principal place of business a Register in respect of the Notes in accordance with the regulations in Schedule 6 (*Regulations Concerning Transfers and Registration of the Notes*).
- (b) Each Holder's participation in the Notes will be recorded and conclusively evidenced by an entry in the Register.

- (c) On the Closing Date, each Holder will be deemed to receive a Note Certificate issued in the name of such Holder in respect of the Notes held by such Holder in accordance with the Register.
- (d) The Company shall use commercially reasonable efforts to cause each Tranche of the Notes to be issued an ISIN number and a CUSIP number. The Note Agent shall use ISIN and CUSIP numbers in notices of redemption as a convenience to Holders. The Company shall promptly notify the Note Agent of any change in any ISIN or CUSIP number.

5.2 Title

- (a) The Holder of each Note shall (except as otherwise required by law) be treated as the absolute owner of such Note for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest in such Note or Register relating to such Notes) and no person shall be liable for so treating such Holder.
- (b) The Company shall, promptly on demand by any Holder (and in any event within five (5) Business Days after demand), use commercially reasonable efforts to cause the Registrar to send to such Holder a correct and complete extract of the Register showing the date on which that Holder was registered as a Holder, and the principal amount of each Note held by that Holder.
- (c) The Company shall, promptly on demand by the Note Agent (and in any event within one (1) Business Day after demand), use commercially reasonable efforts to cause the Registrar to send to the Note Agent a correct and complete copy of the Register. The Note Agent agrees to treat the Register and all information contained thereon as if it were Confidential Information in accordance with the provisions of Section 27.6.

5.3 Registration upon transfer

Within ten (10) Business Days of the assignment or transfer of an interest in the Notes in accordance with Section 16.1 (*Transfer of Notes*), the Company shall use commercially reasonable efforts to cause the Registrar to register the transfer in question in the Register and promptly update the Register.

5.4 Regulations concerning transfers and registration

All transfers of Notes and entries on the Register are subject to the detailed regulations concerning the transfer and registration of Notes set out in Schedule 6 (*Regulations Concerning Transfers and Registration of the Notes*).

6. REDEMPTION

6.1 Limited Recourse

Without limiting any claim that it may have in respect of this Agreement, the Notes and the other Finance Documents, each Holder acknowledges and agrees with the Company that it shall only be entitled to make any recoveries in respect of any unpaid amounts under this Agreement, the Notes and the other Finance Documents to the extent that it receives amounts in accordance with clause 18 (*Application of Proceeds*) of the Intercreditor Agreement (or otherwise pursuant to an order of a court of competent jurisdiction).

6.2 Maturity Date

On the Maturity Date (subject to the completion of any redemption of the Notes that is required to occur on or before the Maturity Date in accordance with Sections 6.3 (*Mandatory redemption – Future DPL Sale Proceeds*), 6.4 (*Mandatory redemption – Additional Assets Disposal Proceeds*), 6.5 (*Mandatory redemption – Telstra Reserve*) and 6.6 (*Mandatory redemption – Holding Trust Amounts*), in each case only as applicable):

- (a) all amounts outstanding under this Agreement and the Notes shall automatically be reduced to US\$0.00 without any further action by any party or any other person;
- (b) the Holders shall have no further claims against the Company in respect of any unpaid amounts under this Agreement and the Notes and such unpaid amounts shall be automatically released and discharged in full without any further action by any party or any other person;
- (c) the Company shall, or shall use commercially reasonable efforts to cause the Registrar, to cancel the Notes and the Notes will no longer be considered outstanding under this Agreement; and
- (d) the Holders will not be entitled to take any further steps against the Company to recover any further sums due under this Agreement and the Notes and the right to receive any such sums shall be automatically released and extinguished in full without any further action by any party or any other person.

6.3 Mandatory Redemption – Future DPL Sale Proceeds

The Company shall comply with its obligations under clauses 17.1 (*Future DPL Sale Proceeds*) and 17.4 (*Mandatory Redemption – Future DPL Sale Proceeds and Additional Assets Disposal Proceeds*) of the Intercreditor Agreement and shall ensure that the Cash Manager makes the distributions contemplated thereby in accordance with the order of application of proceeds set out under clauses 18.1 **Error! Reference source not found.** (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) of the Intercreditor Agreement.

6.4 Mandatory Redemption – Additional Assets Disposal Proceeds

The Company shall comply with its obligations under clauses 17.2 (*Additional Assets Disposal Proceeds*) and 17.4 (*Mandatory Redemption – Future DPL Sale Proceeds and Additional Assets Disposal Proceeds*) of the Intercreditor Agreement and shall ensure that the Cash Manager makes the distributions contemplated thereby in accordance with the order of application of proceeds set out under clauses 18.1 **Error! Reference source not found.** (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) of the Intercreditor Agreement.

6.5 Mandatory redemption – Telstra Reserve

The Company shall comply with its obligations under clauses 17.3 (*Telstra Reserve*) of the Intercreditor Agreement and shall ensure that the Cash Manager makes the distributions contemplated thereby in accordance with the order of application of proceeds set out under clause 18 (*Application of Proceeds*) of the Intercreditor Agreement.

6.6 Mandatory redemption – Holding Trust Amounts

The Company shall procure that the Holding Period Trustee will pay to the Company, promptly upon the occurrence of the Holding Period Expiry Date (as defined in the Holding Period Trust Deed), any amounts held in trust for the Unidentified Creditors and the Company shall ensure that the Cash Manager promptly makes the distributions contemplated thereby in accordance with Section 6.4 (*Mandatory Redemption: Additional Assets Disposal Proceeds*) and the order of application of proceeds set out under clauses 18.1 (*Error! Reference source not found. (Order of application)*) and 18.2(d) (*Order of application: Secured Creditors and Supporting Shareholder*) of the Intercreditor Agreement.

6.7 Partial redemption

- (a) If any Tranche is redeemed in part, each Note of that Tranche shall be redeemed on a pro rata basis.
- (b) On a partial redemption of the Notes, the Company shall use commercially reasonable efforts to cause the Registrar to note on the Register a memorandum of the amount and date of any redemption in part in respect of each Note.

6.8 No other redemption

The Company shall not be entitled to redeem the Notes otherwise than in accordance with this Section 6 and the Intercreditor Agreement.

6.9 Redemption amount

Any redemption under this Agreement shall be made without premium or penalty.

6.10 Payments

The Cash Manager is authorised to make payments contemplated or required by this Section in accordance with the order of application of proceeds set out under clauses 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) of the Intercreditor Agreement.

7. PURCHASE OF THE NOTES

Neither the Company nor the Pledgor will, nor will the Company permit any other member of the Group to, purchase, prepay or otherwise acquire, directly or indirectly, any of the outstanding Junior Tranche Notes.

8. CANCELLATION

- (a) Any Note which is redeemed or any Note which is held at any time by the Company shall be cancelled and may not be reissued or resold.
- (b) Any Junior Tranche Note (other than any Junior Tranche Notes originally issued to the Supporting Shareholder or any of its Affiliates as at the Closing Date) held at any time by any Company Affiliate (as such term is defined in the Intercreditor Agreement) shall be transferred to the Company and cancelled, and may not be reissued or resold.

9. **INTEREST**

No interest shall accrue on any Note.

10. **STAMP TAXES**

The Company shall pay and, within three (3) Business Days of demand, indemnify each Holder, the Note Agent, the Paying Agent, the Registrar, the Cash Manager and the Holding Period Trustee, as applicable, against any cost, loss or liability that the Holder, the Note Agent, the Paying Agent, the Registrar, the Cash Manager or the Holding Period Trustee, as applicable, incurs in relation to all stamp duty, registration and other similar taxes payable in connection with the entry into, performance or enforcement of any Finance Document, in each case to the extent imposed by a Relevant Taxing Jurisdiction, except for any such tax payment in connection with any transfer or deemed transfer of Notes by a Holder.

For purposes of this Section 10, “**Relevant Taxing Jurisdiction**” shall mean (i) any jurisdiction in which the Company is incorporated, organized or otherwise considered to be a resident or maintaining a permanent establishment or doing business for tax purposes or (ii) any jurisdiction from or through which the Company makes any payment on the Notes or by or within any department or political subdivision thereof or therein having the power to tax.

11. **COSTS AND EXPENSES**

11.1 **Transaction expenses**

The Company shall promptly on demand pay the Holders and the Note Agent, the Paying Agent, the Registrar, the Cash Manager and the Holding Period Trustee, as applicable, the amount of all costs and expenses (including legal fees) reasonably incurred by any of them in connection with the negotiation, preparation, printing and execution of:

- (a) this Agreement and any other documents referred to in this Agreement; and
- (b) any other Finance Documents executed after the date of this Agreement;

provided, that, to the extent such costs and expenses were incurred in connection with documents entered into on or before the Closing Date, such payment shall be limited solely to those costs and expenses incurred in accordance with the Agreed Budget.

11.2 **Amendment costs**

If the Company requests an amendment, waiver or consent, the Company shall, within three (3) Business Days of demand, reimburse each Holder and the Note Agent, the Paying Agent, the Registrar, the Cash Manager and the Holding Period Trustee, as applicable, for the amount of all costs and expenses (including documented legal fees) reasonably incurred by it in responding to, evaluating, negotiating or complying with that request or requirement.

11.3 **Enforcement costs**

The Company shall, within three (3) Business Days of demand, pay to each Holder and the Note Agent, the Paying Agent, the Registrar, the Cash Manager and the Holding Period Trustee, as applicable, the amount of all costs and expenses (including legal fees) incurred by that Holder or the Note Agent, the Paying Agent, the Registrar, the Cash Manager and the Holding Period Trustee, as applicable, in connection with the enforcement of, or the preservation of any rights under, any Finance Document.

12. REPRESENTATIONS

Each of the Pledgor and the Company (other than with respect to the Pledgor, Section 12.1(c), and with respect to the Company, Section 12.1(b)), severally and not jointly, represents and warrants to, and agrees with, the Note Agent, each Holder, each Electing Creditor and the Holding Period Trustee by reference to the facts and circumstances then existing on the Closing Date (or such other date as provided herein), as follows:

12.1 Status

- (a) It is an exempted company limited by shares, duly incorporated and validly existing under the laws of its jurisdiction of incorporation.
- (b) The Pledgor has the power to own its assets and carry on its business as it is being conducted save to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.
- (c) The Company and each of its Subsidiaries has the power to own its assets and carry on its business as it is being conducted save to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

12.2 Binding obligations

Subject to the Legal Reservations and the Perfection Requirements:

- (a) the obligations expressed to be assumed by it in each Finance Document are legal, valid, binding and enforceable obligations; and
- (b) (without limiting the generality of paragraph (a) above), each Collateral Document to which it is a party creates the security interests which that Collateral Document purports to create and those security interests are (i) valid and effective in all material respects and (ii) subject completion of the Perfection Requirements, fully perfected on the Collateral (with the priority such security interests are expressed to have within the relevant Collateral Documents) subject to no other Liens other than Permitted Liens.

12.3 Non-conflict with other obligations

Subject to the Legal Reservations and the Perfection Requirements, the entry into and performance by it of, and the transactions contemplated by, the Finance Documents do not and will not conflict with:

- (a) any law or regulation applicable to it to the extent or in a manner that such conflict gives rise to a Material Adverse Effect;
- (b) its or any of its Subsidiaries' constitutional documents in any material respect; or
- (c) any agreement or instrument binding upon it or any of its Subsidiaries or any of its or any of its Subsidiaries' assets, where such conflict gives rise to a Material Adverse Effect.

12.4 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Finance Documents to which it is a party and the transactions contemplated by those Finance Documents.

12.5 Validity and admissibility in evidence

- (a) Subject to the Legal Reservations and the Perfection Requirements, all Authorisations required:
 - (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Finance Documents to which it is a party;
 - (ii) to make the Finance Documents to which it is a party admissible in evidence in its Relevant Jurisdictions; and
 - (iii) to enable it to create the security interests expressed to be created pursuant to any Collateral Document and to ensure that such security interest has the priority and ranking it is expressed to have,have been (or will by the required date be) obtained or effected and are (or will by the required date be) in full force and effect except to the extent failure to obtain or effect those Authorisations has not had or is not reasonably likely to have a Material Adverse Effect.
- (b) All Authorisations necessary for the conduct of the business, trade and ordinary activities of members of the Group have been (or will by the required date be) obtained or effected and are (or will by the required date be) in full force and effect if failure to obtain or effect those Authorisations has or is reasonably likely to have a Material Adverse Effect.

12.6 No liabilities

No Pledgor Liabilities or Intra-Group Liabilities exist as at the date of this Agreement.

12.7 No default

- (a) No Default is continuing or might reasonably be expected to result from the issue of the Notes or the other transactions contemplated by the Finance Documents.
- (b) To the best of the knowledge and belief of the Company, no other event or circumstance is outstanding which constitutes a default under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or might have a Material Adverse Effect.

12.8 Liabilities between the Group and the DL Group

Liabilities that are accounted for as trade payables owing from members of the Group to members of the DL Group did not exceed US\$[6,000,000]¹² as of August 22, 2023 and any such liabilities incurred between that date and the date of this Agreement would have been incurred in accordance within the terms of this Agreement as if this Agreement were in effect at the time.¹³

12.9 Private Offering by the Company

- (a) Neither the Company nor anyone acting on its behalf has offered or will offer the Notes or any similar securities, for sale to, or solicited or will solicit any offer to buy any of

¹² **NTD:** Company to confirm the amount of the liabilities as of the relevant date.

¹³ **NTD:** Inclusion of TDSA loan in covenant remains under discussion.

the same from, or otherwise approached or negotiated or will approach or negotiate in respect thereof with, any Person other than the Holders, each of which has been offered the Notes at a private sale for investment.

- (b) Neither the Company nor anyone acting on its behalf has taken, or will take, any action that would subject the issue of the Notes to the registration requirements of Section 5 of the Securities Act or to the registration requirements of any securities or blue sky laws of any applicable jurisdiction.
- (c) Assuming the accuracy of, and compliance with, the representations, warranties and agreements of the Holding Period Trustee and the Electing Creditors in Section 20 of this Agreement and the compliance by the Electing Creditors and the Holding Period Trustee with the offering and transfer restrictions set forth in this Agreement, the offer and sale of the Notes by the Company in the manner contemplated by this Agreement will be exempt from the registration requirements of the Securities Act by reason of Section 4(a)(2) thereof or by Regulation S ("**Regulation S**") thereunder.

12.10 [Reserved]

12.11 [Reserved]

12.12 Status under Investment Company Act

The Company is not an "investment company" that is or is required to be registered under the US Investment Company Act of 1940, as amended.

13. INFORMATION COVENANTS

The undertakings in this Section 13 are for the benefit of the Holders and the Note Agent and shall remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents.

13.1 Reports.

- (a) The Company shall furnish to the Note Agent and each Holder (upon request by a Holder) (i) its consolidated and standalone quarterly financial statements (including a balance sheet, income statement and cash flow statement for the fiscal quarter then ended and the corresponding fiscal quarter from the prior year, and notes thereto) (the "**Quarterly Financial Reports**") within 60 days of the end of each fiscal quarter of each fiscal year and an operating and financial review of the quarterly financial statements, including a discussion of the results of operations, financial condition, material changes in liquidity and capital resources, current cash balances, distributions of the Future DPL Sale Proceeds (to the extent that such disclosure is permitted under and would not prejudice any ongoing litigation and permitted under any confidentiality obligations of the Company under any agreements, including the Telstra SPA) and any proceeds in relation to Additional Assets and updates in relation to the progress of the disposal of the Additional Assets, in each case during such fiscal quarter and (ii) its audited consolidated annual financial statements (including a balance sheet, income statement and cash flow statement for the fiscal year then ended and the prior fiscal year, and notes thereto) (the "**Annual Financial Reports**" and, collectively with the Quarterly Financial Reports, the "**Financial Reports**") within 120 days of the end of each fiscal year and an operating and financial review of the annual financial statements, including a discussion of the results of operations, financial condition, material changes in liquidity and capital resources, current cash balances, distributions of the Future DPL Sale Proceeds (to the extent that such disclosure is permitted under and would not

prejudice any ongoing litigation and permitted under any confidentiality obligations of the Company under any agreements, including the Telstra SPA) and any proceeds in relation to Additional Assets and updates in relation to the progress of the disposal of the Additional Assets, in each case during such fiscal year.

- (b) The Financial Reports shall be prepared in accordance with IFRS.
- (c) The Company shall, between normal business hours for New York City, London and Bermuda on a specified Business Day no later than fifteen (15) Business Days after providing to the Holders any Financial Report as contemplated by sub-paragraph (b), hold a conference call to discuss matters included in such Financial Report, provide a general update on all material matters relevant to the Company and the Holders and address any reasonable queries any Holder may have (each such conference call being an "**Quarterly Investor Call**"). The Company shall provide each Holder and the Note Agent with details about how to access, on a toll-free basis, each Quarterly Investor Call no earlier than the date of delivery of the relevant Financial Report and no later than five (5) Business Days prior to the date of such Quarterly Investor Call.
- (d) Each Financial Report delivered by the Company pursuant to this Section 13.1 shall be certified by a director of the Company as fairly presenting its financial condition as at the date as at which those financial statements were drawn up.

13.2 **Information: miscellaneous**

The Company shall supply to each Holder:

- (a) promptly upon becoming aware of them, the details of any litigation, arbitration, administrative proceedings, judgment or order of a court, arbitral tribunal or other tribunal or sanction of any governmental or other regulatory body or agency which are current, threatened or pending against the Pledgor or any member of the Group, and which might, if adversely determined, have a Material Adverse Effect; and
- (b) promptly, such information readily available to the Company explaining the Company's financial statements if such information has been requested by the SVO in order to assign or maintain a designation of the Notes.

13.3 **Notification of default**

The Company shall notify the Holders of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

13.4 **Delivery obligations**

- (a) The Company shall be deemed to have satisfied its obligations under this Section 13 to deliver information to the Holders if it publishes that information on an electronic datasite (the "**Datasite**") available to the Note Agent, the Security Agent, the Holders and the Holding Period Trustee.
- (b) In the event the Datasite is established pursuant to clause (a) above, the Company shall maintain the Datasite until the Maturity Date.
- (c) The Company shall ensure the access requirements to the Datasite are no more extensive or restrictive than the confidentiality provisions provided in Section 28 (*Confidentiality*) of this Agreement.

14. GENERAL COVENANTS

The undertakings in this Section 14 are for the benefit of the Holders and shall remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents. For the avoidance of doubt, none of the undertakings in this Section 14 shall be construed to limit the implementation of the DIFL/DL Restructuring.

14.1 Payment of Notes

The Company covenants and agrees for the benefit of the Holders that it shall duly and punctually pay the principal of the Notes on the dates and in the manner provided in the Notes and this Agreement. Principal shall be considered paid on the date due if on such date the Paying Agent (other than the Company or any of its Affiliates) has received from the Company, as of 11:00 a.m. London time on the due date, in accordance with this Agreement, money sufficient to pay all principal then due.

14.2 Corporate Existence and Governance

- (a) Each Obligor shall (and the Company shall cause each other member of the Group to) do or cause to be done all things necessary to preserve and keep in full force and effect its corporate, partnership, limited liability company or other existence and its rights (charter and statutory), licenses and franchises except to the extent failure to comply with the foregoing has not had or is not reasonably likely to have a Material Adverse Effect; *provided* that the Company shall not be required to preserve any such right, license or franchise if the board of directors of the Company shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Group as a whole and that the loss thereof is not disadvantageous in any material respect to the Holders.
- (b) Each Obligor shall at all times maintain the status of the Company as a Bermuda tax resident.

14.3 Merger

No Obligor shall (and the Company shall ensure that no other member of the Group will) enter into any amalgamation, demerger, merger, consolidation, reorganisation or reconstruction other than under an intra-Group re-organisation on a solvent basis or other transaction agreed by the Super Majority Holders.

14.4 Compliance with Law and Other Documents

- (a) The Company shall (and the Company shall cause, solely to the extent within its control, each other member of the Group to) comply with all laws and regulations to which it is subject save to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.
- (b) The Company shall (and the Company shall cause, solely to the extent within its control, each other member of the Group to) (i) comply in all material respects with the provisions of the Telstra SPA and (ii) prevent entry into any amendments to the Telstra SPA that would reasonably be expected to adversely affect the rights and interests of the Holders.
- (c) The Company shall (and the Company shall cause, solely to the extent within its control, each other member of the Group to) (i) comply in all material respects with the provisions of the Holding Period Trust Deed and (ii) prevent entry into any

amendments to the Holding Period Trust Deed without the consent of the Note Agent (acting on the instructions of the Super Majority Holders).

- (d) The Company shall (and the Company shall cause, solely to the extent within its control, each other member of the Group to) (i) comply in all material respects with the provisions of the Agency Agreement, (ii) prevent entry into any amendments to the Agency Agreement without the consent of the Note Agent (acting on the instructions of the Majority Holders) and (iii) make available to the Paying Agent and the Cash Manager all information requested by them to perform their functions in accordance with the Agency Agreement, the Intercreditor Agreement and this Agreement.

14.5 Maintenance of Properties

The Company shall (and the Company shall cause each other member of the Group to) cause all properties owned by it or used or held for use in the conduct of its business to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment and shall cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of such person may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; *provided* that nothing in this Section shall prevent any person from discontinuing the maintenance of any such properties if such discontinuance is, in the judgment of such person, desirable in the conduct of the business of the Group as a whole and not disadvantageous in any material respect to the Holders.

14.6 Insurance

The Company shall (and the Company shall cause each other member of the Group to) maintain insurance with carriers believed by such person to be responsible, against such risks and in such amounts, and with such deductibles, retentions, self-insured amounts and coinsurance provisions, as is customarily carried by businesses similarly situated and owning like properties, including as appropriate general liability, property and casualty loss and interruption of business insurance.

14.7 Statement as to Compliance

The Company shall deliver to the Note Agent, within 120 days after the end of each fiscal year, an Officer's Certificate, stating that in the course of the performance by the signer of its duties as an officer of the Company such signer would normally have knowledge of any Default and whether or not the signer knows of any Default that occurred during such period and if any specifying such Default, its status and what action the Company is taking or proposed to take with respect thereto. For purposes of this Section 14.7, such compliance shall be determined without regard to any period of grace or requirement of notice under this Agreement.

14.8 Status of Capital Stock

The Company shall not (and the Company shall not permit any other member of the Group to) issue any additional Capital Stock or permit any Capital Stock to be transferred to any Person; *provided*, that nothing in the foregoing shall prohibit one or more offers and sales of Qualified Capital Stock of any Subsidiary, including by way of one or more rights offerings, with gross proceeds (including for this purpose any Debt converted into equity or assumed in lieu of payment in Cash) to the issuing entity of up to, in aggregate, US\$15,000,000 for all such issuances.

14.9 Cash Management

The Company shall not use any DGHL Cash other than in accordance with the Agreed Budget.

14.10 Intercompany Liabilities

The Company shall preserve the DGHL/DIFL Intercompany Liabilities and the DGHL/DL Intercompany Liabilities (in each case on a limited recourse basis) until such time as DIFL and DL (or any transferees or assignees of DIFL and DL with respect to the DGHL/DIFL Intercompany Liabilities and the DGHL/DL Intercompany Liabilities, respectively) have received the DIFL/DL Cash Distribution and their respective portion of any proceeds in relation to Additional Assets and any Future DPL Sale Proceeds, in each case in accordance with the terms of the Intercreditor Agreement.

14.11 Holding Company

- (a) The Pledgor shall not engage in any business or activity other than the ownership of all the issued and outstanding Capital Stock of the Company. The Pledgor will not own or acquire any assets (other than Capital Stock of the Company and Cash as permitted hereunder and in accordance with the Agreed Budget) or incur any liabilities (other than liabilities under the Finance Documents and liabilities reasonably incurred in connection with the maintenance of its existence).
- (b) The Company shall not be permitted to engage in any business or activity other than (i) the ownership of all the issued and outstanding Capital Stock of its Subsidiaries and (ii) the collection, distribution and monetization of any Future DPL Sale Proceeds, any proceeds in relation to Additional Assets and any DGHL Cash (including the prevention of any agreement to compromise any rights, claims or interests in such assets). The Company will not own or acquire any assets (other than Capital Stock of its Subsidiaries and Cash as permitted hereunder and in accordance with the Agreed Budget) or incur any liabilities (other than liabilities under the Finance Documents and liabilities reasonably incurred in connection with the maintenance of its existence).
- (c) For the avoidance of doubt, nothing in paragraphs (a) and (b) of this Section 14.11 shall prohibit or limit the Pledgor or the Company from engaging in activities incidental or reasonably connected to the maintenance of its existence, including: performance of its obligations with respect to the Telstra SPA and related agreements (including a transition services agreement and trademark co-existence agreement), the DGHL/DIFL Services Agreement, the TDSA Loan Agreement and the CPL Loan Agreement; filing tax reports and returns and paying taxes in the ordinary course (and contesting any taxes); participating in tax, accounting and other administrative matters; preparing reports to Governmental Authorities and to its shareholders; holding director and shareholder meetings; preparing corporate records and other corporate activities required to maintain its separate corporate structure or to comply with applicable requirements of law; the maintenance of its legal existence (including the ability to incur fees, costs and expenses relating to such maintenance), holding any Cash or Cash Equivalents; providing indemnification to its officers and directors; participating in tax, accounting, and other administrative matters; and any activities incidental or reasonably related to the foregoing.
- (d) For the avoidance of doubt, no action undertaken by (x) the Pledgor, to the extent such action is required in accordance with the terms of any Finance Document, or (y) the Company, to the extent such action is required or reasonably permissible in accordance with the terms of any Finance Document (notwithstanding any limitations that would

otherwise be imposed by this Section 14.11), shall be deemed to be in violation of this Section 14.11.

14.12 Limitation on Debt

The Company shall not (and the Company shall not permit any other member of the Group to) directly or indirectly, create, incur, assume or otherwise become liable with respect to any Debt except in respect of any Permitted Debt.

14.13 Limitation on Liens

No Obligor shall (and the Company shall not permit any other member of the Group to) create, incur, assume or permit or suffer to exist any Lien on or with respect to any property or assets (including Capital Stock of a Subsidiary) of any kind owned by it, whether owned at or acquired after the date of this Agreement, or any interest therein or any income or profits therefrom except in respect of any Permitted Liens.

14.14 Preservation of Collateral

Each Obligor (i) shall make all filings, (ii) will deliver to the Security Agent copies of all such documents required to be filed pursuant to any Collateral Document, and (iii) will do or cause to be done all such other acts or execute all such other documents, in each case with respect to clauses (i), (ii) and (iii), as may be necessary under applicable law, reasonably requested by the Note Agent or the Security Agent, or as required by the provisions of the Collateral Documents or the other Finance Documents, to confirm to the Security Agent the perfected first priority security interest in the Collateral contemplated to be granted by it, or hereby and/or by any Collateral Document or any part thereof, as from time to time constituted, so as to render the same available for the security and benefit of this Agreement and of the Notes. Each Obligor shall take any and all actions reasonably required under applicable law or reasonably requested by the Note Agent and/or the Security Agent to cause the Collateral Documents to create and maintain, as security for the relevant obligations under the Notes, a valid and enforceable perfected Lien in and on all the Collateral to be granted by it, or in favor of the Security Agent for the benefit of the Note Agent and the Holders, to the extent required by, and with the Lien priority required under, the Collateral Documents. The Parties agree that, notwithstanding anything to the contrary, the Note Agent and Security Agent shall not be responsible for the perfection of the Collateral and shall not be liable for any failure to perfect such Collateral.

14.15 Limitation on Restricted Payments

No Obligor shall (and the Company shall not permit any other member of the Group to) pay or make, directly or indirectly:

- (a) any dividend or other distribution on account of any shares of any class of the Capital Stock of any member of the Group, except a dividend payable solely in shares of Qualified Capital Stock to the holders of such class and any dividend on any class of Capital Stock of any Subsidiary so long as the Company (or its Subsidiary) receives its pro rata share based on its relative ownership of such class;
- (b) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value of any shares of any class of the Capital Stock of the Company;
- (c) any payment made to retire, or to obtain the surrender of, any issued and outstanding warrants, options or other rights to acquire shares of any class of the Capital Stock of the Company outstanding on the Closing Date or thereafter; or

- (d) any Investment in any Person that is not a Permitted Investment,

provided that this Section 14.15 shall not prohibit any payments (i) which are made in order to enable the Company to make required payments under the Finance Documents, or (ii) in respect of Future DPL Sale Proceeds to the Supporting Shareholder in accordance with the Intercreditor Agreement.

14.16 Limitation on Sale of Assets

- (a) No Obligor shall (and the Company shall not permit any other member of the Group to) enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any Additional Asset (each, an "**Asset Sale**") unless:
 - (i) the consideration the member of the Group receives for such Asset Sale is not less than the Fair Market Value of the assets sold; and
 - (ii) 100% of the consideration the member of the Group receives in respect of such Asset Sale consists of Cash or Cash Equivalents.
- (b) The Pledgor shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, transfer or otherwise dispose of the Capital Stock of the Company.
- (c) The Company shall (and the Company shall cause any other member of the Group to) take all commercially reasonable actions required to implement the disposal of the Additional Assets (insofar as possible for cash) as soon as commercially practicable and in any event prior to the Maturity Date.

14.17 Limitation on Transactions with Affiliates

The Company shall not (and the Company shall not permit any other member of the Group to) enter into directly or indirectly any transaction or group of related transactions (including the purchase, lease, sale or exchange of properties of any kind or the rendering of any service) with any Affiliate, except in respect of a transaction or group of related transactions involving a Fair Market Value not to exceed US\$1,000,000 which is entered into in the ordinary course and pursuant to the reasonable requirements of the Company's or such other member of the Group's business consistent with past practice and upon fair and reasonable terms no less favourable to the Company or such other member of the Group than would be obtainable in a comparable arm's-length transaction with a Person not an Affiliate; *provided*, that nothing in the foregoing shall prohibit:

- (a) transactions and groups of transactions consistent with past practice ongoing and/or in existence on the Closing Date and any amendment, modification or extension thereof to the extent that such amendment, modification or extension, taken as a whole, is not (i) materially adverse to the Holders or (ii) more disadvantageous to the Holders than the relevant transaction in existence on the Closing Date;
- (b) transactions in connection with, and reasonably incidental to, the DGHL/DIFL Services Agreement;
- (c) transactions in the ordinary course of business and consistent with past practice in connection with, and reasonably incidental to, existing transactions with CPL Limited (including sponsorships and media contracts) and in each case on fair and reasonable

terms no less favourable to any member of the Group than would be obtainable in a comparable arm's-length transaction;

- (d) sales, transfers or other dispositions of members of the Group to an Affiliate, to the extent (i) upon fair and reasonable terms no less favourable to such member of the Group than would be obtainable in a comparable arm's-length transaction with a Person not an Affiliate, (ii) consistent with past practice and (iii) unanimously approved by the board of directors of the Company;
- (e) transactions permitted by Section 14.15 (*Limitation on Restricted Payments*) (including any Permitted Investments) or Section 14.16(a) (*Limitation on Sale of Assets*); and
- (f) to the extent consistent with past practice, customary directors' fees, indemnification, expense reimbursement and similar arrangements (including the payment of directors' and officers' insurance premiums), consulting fees, financial advisory fees, employee salaries, bonuses, employment agreements and arrangements, compensation or employee benefit arrangements, including stock options or legal fees, so long as the Company's board of directors (or equivalent body) has approved the terms thereof and deemed the services theretofore or thereafter to be performed for such compensation or payments to be fair consideration therefor.

14.18 Limitation on Sale and Lease-Back Transactions

The Company shall not (and the Company shall not permit any other member of the Group to) directly or indirectly, become or remain liable as lessee or as a guarantor or other surety with respect to any lease of any property (whether real, personal or mixed), whether now owned or hereafter acquired, which the Company or any other member of the Group (a) has sold or transferred or is to sell or to transfer to any other Person (other than another member of the Group) and (b) intends to use for substantially the same purpose as the property which has been or is to be sold or transferred by the member of the Group to any Person (other than another member of the Group) in connection with such lease.

14.19 Limitation on Dividends and Other Payment Restrictions Affecting Subsidiaries

The Company shall not (and the Company shall not permit any other member of the Group to) directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any member of the Group to:

- (a) 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;
- (b) pay any Debt owed to any other member of the Group;
- (c) make loans or advances to any other member of the Group; or
- (d) transfer any of its properties or assets to any other member of the Group.

14.20 Payment of Taxes and Other Claims

The Company shall cause each member of the Group to pay or discharge before the same shall become delinquent (a) all material taxes, assessments and governmental charges levied or imposed upon (i) the Company or any such other member of the Group, (ii) the income or profits of any such other member of the Group that is a corporation or (iii) the property of the Company or any such other member of the Group, and (b) all material lawful claims for labor,

materials and supplies that, if unpaid, might by law become a lien upon the property of the Company or any such other member of the Group; *provided* that the Company shall not be required to pay or discharge, or cause to be paid or discharged, any such tax, assessment, charge or claim the amount, applicability or validity of which is being contested in good faith by appropriate proceedings or for which adequate reserves have been established.

14.21 Further Instruments and Acts

Upon request of the Majority Holders (but without imposing any duty or obligation of any kind on the Majority Holders to make any such request), the Company shall (and the Company shall cause each other member of the Group to) execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purpose of this Agreement.

14.22 DGHL Governance¹⁴

- (a) Each Obligor shall, at the Closing Date, ensure that subject to paragraph (b) below, the board of directors of the Company (the “**New DGHL Board**”) is solely constituted of (i) the Supporting Shareholder and (ii) two independent directors (together, the “**Independent Directors**” and each, an “**Independent Director**”) ¹⁵ appointed in accordance with the Amended and Restated Bye-Laws.
- (b) Each Obligor shall, at all times, ensure that:
 - (i) if at any time the Supporting Shareholder ceases to be appointed to the New DGHL Board due to his resignation or removal for Cause (as defined in the Amended and Restated Bye-Laws), the Independent Directors will together confer and appoint a Proposed Director as a replacement; *provided* that, if the Supporting Shareholder ceases to be a member of the New DGHL Board for any other reason, the Supporting Shareholder or his personal representative will promptly appoint a Proposed Director as a replacement;
 - (ii) if at any time any Independent Director ceases to be appointed to the New DGHL Board, the remaining Independent Director will promptly appoint a Proposed Director as a replacement;
 - (iii) subject to the final paragraph of this paragraph (iii), if at any time no Independent Directors are appointed to the New DGHL Board, (x) the Company shall promptly (and in any event, within no more than two (2) Business Days thereafter) notify the Holders of such vacancies, (y) the Holder(s) who together represent more than 10% of the aggregate principal amount of either of the Tranche 1B Notes or the Tranche 2B Notes will, no later than fifteen (15) Business Days following the date no Independent Director is appointed to the New DGHL Board, nominate two Proposed Directors for appointment to the New DGHL Board as replacements and will notify the Note Agent of such nominations and (z) the Note Agent will, as soon as reasonably practicable, notify each of the other Holders of such nominations, *provided* that:

¹⁴ **NTD:** To be updated and aligned with relevant provisions in final form bye-laws of the Company.

¹⁵ **NTD:** Initially to be nominated, in each case, by a majority in value of both the PCG Ad Hoc Group and the DGHL Ad Hoc Group.

- (A) if more than two nominations are made at any time, the two Proposed Directors nominated by the Holder(s) who together represent the greatest aggregate principal amount of either the Tranche 1B Notes or the Tranche 2B Notes will receive the final nominations and such nominees will be appointed to the New DGHL Board; and
- (B) if such Holders fail to nominate Proposed Directors within fifteen (15) Business Days following the date no Independent Director is appointed to the New DGHL Board, (x) the Company shall promptly (and in any event, within no more than two (2) Business Days thereafter) notify the Holders of such failure to nominate, (y) the Holder(s) who together represent more than 10% of the aggregate principal amount of either the Tranche 1A Notes or the Tranche 2A Notes will, no later than thirty (30) Business Days following the date no Independent Director is appointed to the New DGHL Board, nominate two Proposed Directors for appointment to the New DGHL Board as replacements and will notify the Note Agent of such nominations and (z) the Note Agent will, as soon as reasonably practicable, notify each of the other Holders of such nominations; *provided* that, if more than two nominations are made at any time, the two Proposed Directors nominated by the Holder(s) who together represent the greatest aggregate principal amount of either the Tranche 1A Notes or the Tranche 2A Notes will receive the final nominations and such nominees will be appointed to the New DGHL Board (and in the event of there being two or more nominating groups of Holders who together represent the same aggregate principal amount of the applicable Notes, the nominations made first in time shall be the final nominations).

Notwithstanding the foregoing, upon there being no Independent Directors appointed to the New DGHL Board, (i) the Company shall promptly notify the Note Agent of such vacancies and request that the Note Agent calculate whether a Majority Junior Transfer Event has occurred, and (ii) the Note Agent will, as soon as reasonably practicable, upon such request from the Company, calculate whether a Majority Junior Transfer Event has occurred as at such date and notify each of the Holders if such an event has occurred. If such an event has occurred and is continuing, then the nominations contemplated in this paragraph (iii) will require the consent of the Holders who together represent more than 50% of the aggregate principal amount of the corresponding Senior Tranche Notes of such Tranche Set then outstanding, *provided* that, if Majority Junior Transfer Event has occurred and is continuing in respect of both the Tranche 1B Notes and the Tranche 2B Notes, and either the Tranche 1A Notes or the Tranche 2A Notes (but not both) have been redeemed in full, then the nominations contemplated in this paragraph (iii) will require the consent of the Holder(s) who together represent more than 50% of the aggregate principal amount of the Tranche 1A Notes or the Tranche 2A Notes, as applicable, then outstanding. If each of the Tranche 1A Notes, the Tranche 1B Notes, the Tranche 2A Notes and the Tranche 2B Notes have been redeemed in full, then the rights and privileges applicable to such Tranches in this paragraph (iii) shall be held by the Tranche 3A Notes, the Tranche 3B Notes, the Tranche 4A Notes and the Tranche 4B Notes, respectively;

- (iv) any removal of an Independent Director without such Independent Director's consent will require the consent of the Holder(s) who together represent more

than 50% of the aggregate principal amount of each of the Tranche 1B Notes and the Tranche 2B Notes then outstanding; *provided* that:

- (A) if either the Tranche 1B Notes or the Tranche 2B Notes (but not both) have been redeemed in full, then such removal will require the consent of the Holders who together represent more than 50% of the aggregate principal amount of the Tranche 1B Notes or the Tranche 2B Notes, as applicable, then outstanding; or
- (B) if both the Tranche 1B Notes and the Tranche 2B Notes have been redeemed in full, then such removal will require the consent of the Holder(s) who together represent more than 50% of the aggregate principal amount of each of the Tranche 3B Notes and the Tranche 4B Notes then outstanding;

Notwithstanding the foregoing, upon the request of Holders who together represent more than 50% of any Tranche of Notes, the Note Agent will, as soon as reasonably practicable, calculate whether a Majority Junior Transfer Event has occurred as at such date and notify each of the Holders if such an event has occurred. If such an event has occurred and is continuing, then the nominations contemplated in this paragraph (iv) will require the consent of the Holders who together represent more than 50% of the aggregate principal amount of the corresponding Senior Tranche Notes of such Tranche Set then outstanding, *provided* that, if Majority Junior Transfer Event has occurred and is continuing in respect of both the Tranche 1B Notes and the Tranche 2B Notes, and either the Tranche 1A Notes or the Tranche 2A Notes (but not both) have been redeemed in full, then the nominations contemplated in this paragraph (iv) will require the consent of the Holder(s) who together represent more than 50% of the aggregate principal amount of the Tranche 1A Notes or the Tranche 2A Notes, as applicable, then outstanding. If each of the Tranche 1A Notes, the Tranche 1B Notes, the Tranche 2A Notes and the Tranche 2B Notes have been redeemed in full, then the rights and privileges applicable to such Tranches in this paragraph (iv) shall be held by the Tranche 3A Notes, the Tranche 3B Notes, the Tranche 4A Notes and the Tranche 4B Notes, respectively;

- (v) any decision of the New DGHL Board will require the approval of a simple majority of the New DGHL Board and that the quorum for any meeting of the New DGHL Board will not be satisfied unless at least one of the Independent Directors is present at such meeting;
- (vi) the Amended and Restated Bye-Laws are not amended without the consent in writing from the Note Agent (acting on the instructions of the Majority Holders);
- (vii) the Holders receive such notifications, and be promptly informed of any right the Holders may have from time to time to nominate proposed directors of the Company, as are included in the Amended and Restated Bye-Laws from time to time; and
- (viii) the New DGHL Board will not directly or indirectly take any action to impede or interfere with, or direct any other Person to impede or interfere with, any restructuring efforts or proceedings of any member of the Digicel Group, including, for the avoidance of doubt, the restructuring of the Company in accordance with the Scheme and the DIFL/DL Restructuring.

- (c) Each Obligor shall, at all times following the Closing Date, ensure:
 - (i) subject to Section 14.22(c)(ii) the New DGHL Board will not approve any costs or expenses which, in the aggregate, are greater than the Agreed Budget Excess; and
 - (ii) any further costs or expenses to be incurred by the Company in excess of such Agreed Budget Excess will require the approval of the Majority Holders; *provided* that such approval of the Majority Holders will not be required with respect to such further costs and expenses which do not in the aggregate exceed of US\$[●], (a) have been approved by the New DGHL Board, including the approval of each of the then appointed independent directors and (b) where the New DGHL Board has been advised by external counsel and determined that incurrence and payment of such further costs and expenses is consistent with the fiduciary duties of the members of the New DGHL Board.

14.23 DGHL/DIFL Services Agreement

- (a) The Company shall use commercially reasonable efforts to cause, pursuant to the DGHL/DIFL Services Agreement, DIFL shall provide administrative and financial reporting support to the Company, including, without limitation, with respect to (a) reporting to the New DGHL Board and to the Holders under the Finance Documents, (b) fulfilling obligations under the transition services agreement relating to the Telstra SPA, and (c) managing litigation (including, without limitation, the arbitration pending before ICSID against the Independent State of Papua New Guinea).
- (b) The Company shall ensure that no amendments are made to the DGHL/DIFL Services Agreement that would have a material adverse effect on the Company or the Holders with respect to the matters contemplated by paragraph (a) above.

14.24 Economic Sanctions, Etc.

The Company will not, and will not permit any member of the Group to (a) become (including by virtue of being owned or controlled by a Restricted Person), own or control a Restricted Person; or (b) directly or indirectly have any investment in or engage in any dealing or transaction with or for the benefit of (x) any Restricted Person or Sanctioned Territory, or (y) any other person if such investment, dealing or transaction (1) would result in a violation of applicable Sanctions by any person or (2) would reasonably be expected to result in the imposition of sanctions under, any Sanctions applicable to any Obligor or member of the Group.

14.25 Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions

- (a) The Company shall (and the Company shall ensure that each other member of the Group, as well as the officers, directors, employees, agents and representatives of the Company and each member of the Group will) comply in all material respects with applicable Anti-Corruption Laws, applicable Anti-Money Laundering Laws and applicable Sanctions.
- (b) The Company shall not (and the Company shall ensure that no member of the Group will):
 - (i) use, lend, contribute, provide or otherwise make available to any Subsidiary, Affiliate, joint venture partner or other person, any part of the proceeds of any transaction contemplated by this Agreement directly, knowingly or indirectly:

- (A) for the purpose, or with the effect, of financing any investments, trade, business or other activities, dealings or transactions involving any Restricted Person (including for the benefit of any Restricted Person) or Sanctioned Territory; or
 - (B) in any manner that would result in a violation of applicable Sanctions, applicable Anti-Corruption Laws or applicable Anti-Money Laundering Laws by any person; or
- (ii) fund all or part of any payment in connection with a Finance Document out of proceeds directly or indirectly derived from (A) investments, trade, business or other activities or transactions involving a Restricted Person or Sanctioned Territory, (B) from criminal activity or investments, trade, business or other activity or transactions in violation of applicable Anti-Corruption Laws, applicable Anti-Money Laundering Laws or applicable Sanctions, or (C) that would otherwise cause any person to be in violation of any applicable Sanctions.

14.26 Further assurance

- (a) Each Obligor shall (and the Company shall procure that each of its Subsidiaries will) promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may deem necessary or reasonably required (and in such form as the Security Agent may deem necessary or reasonably require in favour of the Security Agent or its nominee(s)):
 - (i) to perfect the security interests created or intended to be created under or evidenced by the Collateral Documents (which may include the execution of a mortgage, charge, assignment or other security interests over all or any of the assets which are, or are intended to be, the subject of the Collateral Documents) or for the exercise of any rights, powers and remedies of the Security Agent or the Holders provided by or pursuant to the Finance Documents or by law;
 - (ii) to ensure the creation and perfection of the security interests granted or intended to be granted to the Security Agent over any Collateral or property and assets intended to be Collateral of that Obligor located in any Relevant Jurisdiction pursuant to the Collateral Documents; and/or
 - (iii) provided an Event of Default has occurred and is continuing, to facilitate the realisation of the assets which are, or are intended to be, the subject of the Collateral Documents.
- (b) Each Obligor shall (and the Company shall procure that each other member of the Group will) take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security interests conferred or intended to be conferred on the Security Agent or the Holders by or pursuant to the Finance Documents.

14.27 DL and DHL

Notwithstanding any other provisions of this Agreement, the Company shall not permit (a) the transfer of any portion of the assets, businesses or operations of any member of the Group (or equity interests therein) to DL, DHL or any of their respective Subsidiaries, (b) guarantees (including guarantees of Debt), surety, indemnities, keepwells and similar arrangements from any member of the Group to DL, DHL or any of their respective Subsidiaries, (c) Liens incurred by any member of the Group in respect

of any obligations of DL, DHL or any of their respective Subsidiaries or (d) Investments by any member of the Group in DL, DHL or any of their respective Subsidiaries (for purposes of this Section 14.27, (a)-(d) collectively, the “**subject transactions**”), other than (x) subject transactions existing on the date of this Agreement or reasonably connected to or required by arrangements existing on the date of this Agreement (and any amendment, modification or extension thereof to the extent that such amendment, modification or extension, taken as a whole, is not (i) materially adverse to the Holders or (ii) more disadvantageous to the Holders than the relevant subject transaction in existence on the Closing Date) and (y) transactions incurred and/or entered into on or after the Closing Date permitted in accordance with Sections 14.6(a) (*Limitation on Sale of Assets*) or 14.17(c) (*Limitations on Transactions with Affiliates*). .

15. EVENTS OF DEFAULT

Each of the events or circumstances set out in this Section 14.26 is an Event of Default (save for Section 15.12 (*Acceleration*)).

15.1 Non-payment

The Company does not pay on the due date any amount of principal of a Note payable pursuant to the Finance Documents at the place at and in the currency in which it is expressed to be payable.

15.2 Other obligations

- (a) Any Obligor or the Supporting Shareholder does not comply with any provision of the Finance Documents to which it is a party (other than those referred to in Section 15.1 (*Non-payment*)).
- (b) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of remedy and is remedied within ten (10) Business Days of the earlier of (A) a Holder or the Note Agent giving notice to the Company, and (B) the Company becoming aware of the failure to comply.

15.3 Misrepresentation

Any representation made or deemed to be made by an Obligor under Section 12.6 (*No liabilities*) is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

15.4 Cross-default

- (a) Any Debt of any member of the Group is not paid when due nor within any originally applicable grace period.
- (b) Any Debt of any member of the Group is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).
- (c) Any commitment for any Debt of any member of the Group is cancelled or suspended by a creditor of any member of the Group as a result of an event of default (however described).
- (d) Any creditor of any member of the Group becomes entitled to declare any Debt of any member of the Group due and payable prior to its specified maturity as a result of an event of default (however described).

- (e) As a consequence of the occurrence or continuation of any event or condition (other than the passage of time or the right of the holder of Debt to convert such Debt into equity interests), (i) the Company or any of its Subsidiaries has become obligated to purchase or repay any Debt before its regular maturity or before its regularly scheduled dates of payment, or (ii) one or more Persons have the right to require the Company or any of its Subsidiaries so to purchase or repay such Debt.
- (f) Any Security granted by any member of the Group in respect of a Debt is enforced.
- (g) No Event of Default will occur under this Section 15.4 if the aggregate amount of Debt or commitment for Debt falling within paragraphs (a) to (f) above is less than US\$1,000,000 (or its equivalent in any other currency or currencies).

15.5 **Insolvency**

- (a) Other than in connection with a Solvent Liquidation, an Obligor or DPL :
 - (i) is unable or admits inability to pay its debts as they fall due; or
 - (ii) suspends making payments on any of its debts
- (b) A moratorium is declared in respect of any indebtedness of any Obligor or DPL.

15.6 **Insolvency proceedings**

Any corporate action, legal proceedings or other procedure or step is taken in respect of the Pledgor, a member of the Group or DPL in relation to:

- (a) the passing of a resolution or the making of an order for the winding up, dissolution, administration or reorganisation of that entity, a moratorium is declared in relation to any indebtedness of that entity or an administrator is appointed to that entity;
- (b) any composition, compromise, assignment or arrangement is made with any of that entity creditors;
- (c) a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer is appointed in respect of that entity or any of their assets; or
- (d) a resolution being proposed or passed, an application being made or an order being applied for or granted, to authorise the entry into or implementation of any business rescue proceedings (or any similar proceedings) in respect of that entity;
- (e) the enforcement of any Security granted by that entity; or
- (f) any analogous procedure or step is taken in any jurisdiction.

This Section 15.6 shall not apply to (i) the Solvent Liquidation; (ii) any winding-up petition that is frivolous or vexatious and is discharged, stayed or dismissed within 30 days of commencement; (iii) the Winding-Up Petition; or (iv) an Insolvency Event with respect to Digicel Panama S.A.

15.7 **Judgments**

One or more final judgments, orders or decrees (not subject to appeal and not covered by insurance) shall be rendered against the Company, either individually or in an aggregate amount, in excess of US\$10,000,000, and either a creditor shall have properly commenced an

enforcement proceeding upon such judgment, order or decree or there shall have been a period of 30 consecutive days or more during which a stay of enforcement of such judgment, order or decree was not (by reason of pending appeal or otherwise) in effect.

15.8 Creditors' process

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of an Obligor having an aggregate value of US\$1,000,000 and is not discharged within 30 days.

15.9 Ownership of the Company

The Company is not or ceases to be a wholly-owned Subsidiary of the Pledgor.

15.10 Unlawfulness and invalidity

It is or becomes unlawful for an Obligor or any other member of the Group that is a party to the Intercreditor Agreement to perform any of its obligations under the Finance Documents or any Security created or expressed to be created or evidenced by the Collateral Documents ceases to be effective or any subordination created under the Intercreditor Agreement is or becomes unlawful.

15.11 Repudiation

An Obligor rescinds or purports to rescind or repudiates or purports to repudiate a Finance Document or evidences an intention to rescind or repudiate a Finance Document.

15.12 [Reserved]

15.13 Acceleration

- (a) On and at any time after the occurrence of an Event of Default which is continuing, Holders who together represent at least 25% in aggregate of the principal amount outstanding of a specific Tranche of Notes (or the Note Agent acting on the instructions of such Holders) may, by notice to the Company, declare that all of the Notes of that specific Tranche be immediately due and payable, whereupon they shall become immediately due and payable without any further notice, declaration or other action by any Holder, the Note Agent or any other person.
- (b) Any acceleration of any Tranche of the Notes in accordance with this Section 15.13 shall result in an immediate and automatic acceleration of each other Tranche of the Notes without any notice, declaration or other action by any Holder, the Note Agent or any other person.
- (c) Any Change of Control (other than a Change of Control that occurs as a result of the enforcement of the Security created pursuant to the Collateral Documents) in respect of the Company shall result in an immediate and automatic acceleration of each Tranche of the Notes without any notice, declaration or other action by any Holder, the Note Agent or any other person.
- (d) For the avoidance of doubt, no Holder shall be restricted from filing any winding-up petition in respect of any of its Notes which has become immediately due and payable.

16. CHANGES TO THE HOLDERS

16.1 Transfer of Notes

- (a) Subject to Sections 5.4 (*Regulations concerning transfers and registration*) and 16.2 (*Conditions of transfer of Notes*), a Note may be transferred by a Holder (the "**Existing Holder**") to a New Holder upon delivery of an Assignment Agreement duly completed and duly executed by the Existing Holder and the New Holder, at the registered office or principal place of business of the Paying Agent (with a copy to the Company), *provided* that any such transfer or exchange must be made in compliance with the federal securities laws of the United States, including the Securities Act, and other applicable state securities or blue sky law.
- (b) Where not all of the Notes in a particular Tranche held by an Existing Holder are being transferred, a Note may not be transferred unless the principal amount of Notes in that particular Tranche transferred is equal to or greater than the applicable Minimum Denomination.
- (c) Subject to paragraph (b) above or unless a Holder ceases to hold both Senior Tranche Notes and Junior Tranche Notes within a Tranche Set, a Holder may, upon written notice to the Company and the Paying Agent (a "**Non-Pro Rata Notification**"), transfer Senior Tranche Notes or Junior Tranche Notes, as applicable, without transferring, respectively, a corresponding pro rata amount of Junior Tranche Notes or Senior Tranche Notes, as applicable, in the relevant Tranche Set (each such proposed transfer being a "**Non-Pro Rata Transfer**") (with such pro rata amount determined solely in reference to such Holder's holdings of the relevant Tranche of Notes). The Company and the Paying Agent shall not register any Non-Pro Rata Transfer unless a Non-Pro Rata Notification has been made by the applicable Holder in form and substance reasonably satisfactory to the Paying Agent (which, for the avoidance of doubt, may be satisfied by way of inclusion of that confirmation in the applicable Assignment Agreement delivered to the Company and the Paying Agent).

16.2 Conditions of transfer of Notes

- (a) No consent of any person (including without limitation, any Obligor) is required for any assignment or transfer by a Holder pursuant to this Section 16.
- (b) A transfer of the Notes by way of assignment will only be effective if the procedure and conditions set out in Section 16.4 (*Procedure for assignment*) are complied with.
- (c) A transfer of the Notes by way of assignment will only be effective on receipt by the Paying Agent (with a copy to the Company and the Note Agent):
 - (i) (whether in the Assignment Agreement or otherwise) of written confirmation from the New Holder (in substantially the form set out in Schedule 4 (*Form of Assignment Agreement*) or otherwise in form and substance satisfactory to the Company) that (A) the New Holder will assume the same obligations to the other Holders as it would have been under if it was an Electing Creditor and (B) the New Holder agrees to the terms of the Agency Agreement; and
 - (ii) performance by the Paying Agent of all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to such assignment to a New Holder, the completion of which the Paying Agent shall promptly notify to the Existing Holder and the New Holder.

- (d) Each New Holder, by executing the relevant Assignment Agreement, confirms that the Note Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Holder or Holders in accordance with this Agreement on or prior to the date on which the assignment becomes effective in accordance with this Agreement and that it is bound by that decision to the same extent as the Existing Holder would have been had it remained a Holder.
- (e) No fee shall be payable by any Holder in connection with a transfer or assignment in accordance with this Section 16.

16.3 **Limitation of responsibility of Existing Holders**

- (a) Unless expressly agreed to the contrary, an Existing Holder makes no representation or warranty and assumes no responsibility to a New Holder for:
 - (i) the legality, validity, effectiveness, adequacy or enforceability of the Finance Documents or any other documents;
 - (ii) the financial condition of any Obligor;
 - (iii) the performance and observance by any Obligor of its obligations under the Finance Documents or any other documents; or
 - (iv) the accuracy of any statements (whether written or oral) made in or in connection with any Finance Document or any other document,
 and any representations or warranties implied by law are excluded.
- (b) Each New Holder confirms to the Existing Holder and the other Holders that it:
 - (i) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of each Obligor and its related entities in connection with its holding of the Notes and has not relied exclusively on any information provided to it by the Existing Holder in connection with any Finance Document; and
 - (ii) will continue to make its own independent appraisal of the creditworthiness of each Obligor and its related entities whilst any amount is or may be outstanding under the Finance Documents.
- (c) Nothing in any Finance Document obliges an Existing Holder to:
 - (i) accept a re-transfer or re-assignment from a New Holder of any of the rights and obligations assigned or transferred under this Section 16; or
 - (ii) support any losses directly or indirectly incurred by the New Holder by reason of the non-performance by any Obligor of its obligations under the Finance Documents or otherwise.

16.4 **Procedure for assignment**

- (a) Subject to:
 - (i) the conditions set out in Section 16.2 (*Conditions of transfer of Notes*) a transfer of Notes by way of assignment may be effected in accordance with paragraph (b) below when the Existing Holder delivers to the Paying Agent

(with a copy to the Company and the Note Agent) a duly completed Assignment Agreement; and

- (ii) performance by the Paying Agent of all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to such assignment to a New Holder, the completion of which the Paying Agent shall promptly notify to the Existing Holder and the New Holder.
- (b) On the Transfer Date:
 - (i) the Existing Holder will assign absolutely to the New Holder all the rights under the Finance Documents relating to its Notes expressed to be the subject of the assignment in the Assignment Agreement;
 - (ii) the Existing Holder will be released by each Obligor and the other Holders from the obligations owed by it which relate to such Notes (the "**Relevant Obligations**") and expressed to be the subject of the release in the Assignment Agreement; and
 - (iii) the New Holder will be bound by obligations equivalent to the Relevant Obligations.
- (c) Holders may utilise procedures other than those set out in this Section 16.4 to assign their rights under the Finance Documents (but not, without the consent of the relevant Obligor, to obtain a release by that Obligor from the obligations owed to that Obligor by the Holders nor the assumption of equivalent obligations by a New Holder), *provided* that they comply with the conditions set out in Section 16.2 (*Conditions of transfer of the Notes*).

16.5 Security over Holders' rights

Each Holder may without consulting with or obtaining consent from any Obligor, at any time charge, assign or otherwise create Security in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document to secure obligations of that Holder including, without limitation:

- (a) any charge, assignment or other Security to secure obligations to a federal reserve or central bank; and
- (b) any charge, assignment or other Security granted to any holders (or trustee or representatives of holders) of obligations owed, or securities issued, by that Holder as security for those obligations or securities,

except that no such charge, assignment or Security shall:

- (i) release a Holder from any of its obligations under the Finance Documents or substitute the beneficiary of the relevant charge, assignment or Security for the Holder as a party to any of the Finance Documents; or
- (ii) require any payments to be made by an Obligor other than or in excess of, or grant to any person any more extensive rights than, those required to be made or granted to the relevant Holder under the Finance Documents.

17. CHANGES TO THE OBLIGORS

No Obligor may assign any of its rights or transfer any of its rights or obligations under the Finance Documents.

18. CONDUCT OF BUSINESS BY THE HOLDERS

No provision of this Agreement will:

- (a) interfere with the right of any Holder to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) oblige any Holder to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
- (c) oblige any Holder to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of tax, other than any such information reasonably requested by the Paying Agent for purposes of fulfilling its withholding or tax reporting obligations, if any.

19. PAYMENTS TO HOLDERS

If at any time prior to the Final Discharge Date, any Holder receives or recovers (including by way of set-off) any payment or distribution of, or on account of or in relation to, any of the Liabilities other than, in each case, any amount received or recovered in accordance with the Intercreditor Agreement (including Section 18 (*Application of Proceeds*) thereof), that Holder will:

- (a) in relation to receipts and recoveries not received or recovered by way of set-off:
 - (i) hold an amount of that receipt or recovery equal to the Liabilities (or if less, the amount received or recovered) on trust for the Security Agent and promptly pay or distribute that amount to the Security Agent for application in accordance with the terms of clause 18 (*Application of Proceeds*) of the Intercreditor Agreement; and
 - (ii) promptly pay or distribute an amount equal to the amount (if any) by which the receipt or recovery exceeds the Liabilities to the Security Agent for application in accordance with the terms of clause 18 (*Application of Proceeds*) of the Intercreditor Agreement; and
- (b) in relation to receipts and recoveries received or recovered by way of set-off, promptly pay an amount equal to that recovery to the Security Agent for application in accordance with the terms of clause 18 (*Application of Proceeds*) of the Intercreditor Agreement.

20. REPRESENTATIONS OF THE ELECTING CREDITORS

20.1 Acquisition of the Notes

- (a) Each Electing Creditor severally represents that it is acquiring the Notes for its own account or for one or more separate accounts maintained by such Electing Creditor or for the account of one or more pension or trust funds and not with a view to the distribution of the Notes.

- (b) The provisions in paragraph (a) shall not restrict such Electing Creditor or such pension or trust funds from disposing of its or their property, which shall at all times be within such Electing Creditor's or pension or trust funds' control.
- (c) The Holding Period Trustee confirms that it is holding the Notes pursuant to, and for the purposes described in, the Holding Period Trust Deed, and not with a view to the general distribution of the Notes.

20.2 Securities Act

Each Electing Creditor understands that the Notes have not been registered under the Securities Act and may be resold only if registered pursuant to the provisions of the Securities Act or if an exemption from registration is available, except under circumstances where neither such registration nor such an exemption is required by law, and that the Company is not required to register the Notes.

20.3 Securities laws

- (a) Each Electing Creditor severally represents that it has not taken and will not take any action that would subject the issue and subscription of the Notes to the registration requirements of the Securities Act or to the registration, filing or qualification requirements of any securities or blue sky laws of any applicable jurisdiction.
- (b) Each Electing Creditor represents, for itself, that it is purchasing the Notes to be purchased by it solely for its own account and not as nominee or agent for any other Person and not with a view to, or for offer or sale in connection with, any distribution thereof (within the meaning of the Securities Act) that would be in violation of the securities laws of the United States or any state thereof, without prejudice, however, to each Electing Creditor's right at all times to sell or otherwise dispose of all or any part of such Notes pursuant to a registration statement under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act, subject to the terms of this Agreement.
- (c) Each Electing Creditor further represents, agrees and acknowledges, for itself, that it:
 - (i) is knowledgeable, sophisticated and experienced in business and financial matters;
 - (ii) has such knowledge and experience in financial and business matters and expertise in assessing credit risk that it is capable of evaluating the merits and risks of its investments in the Notes;
 - (iii) understands and acknowledges that it is responsible for conducting its own due diligence in connection with the issuance and any purchase of Notes by it;
 - (iv) has had the opportunity to ask and has asked any queries regarding an acquisition of the Notes, the Company and its subsidiaries and their affairs, and the terms of the Notes, and has received satisfactory answers from representatives of the Company, and has had access to such information and materials concerning the Company and the Notes as it has deemed necessary and relevant to conduct its own due diligence and make an informed investment decision on its behalf and on behalf of each account for which it is acting (if any);

- (v) has made its own assessment concerning the relevant tax, legal, economic and other considerations relevant to its investment in the Notes. It is aware and understands that an investment in the Notes involves a considerable degree of risk, that it is able to bear the economic risk, and sustain a complete loss, of such investment in the Notes, and that no U.S. federal or state or non-U.S. agency has made any finding or determination as to the fairness for investment or any recommendation or endorsement of any such investment;
- (vi) has previously invested in securities similar to the Notes;
- (vii) it and each account for which it is acting (if any) is either an "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act and/ or a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act, and was not formed for the specific purpose of investing in the Notes, or is a non-US Person (as defined in Regulation S) and is purchasing the Notes in an offshore transaction in accordance with Regulation S under the Securities Act;
- (viii) did not employ any broker or finder in connection with the transactions contemplated in this Agreement;
- (ix) understands that:
 - (A) the Notes have not been registered under the Securities Act and are being issued by the Company in transactions exempt from the registration requirements of the Securities Act and the Company has not undertaken to register the Notes under the Securities Act or any state or blue sky law; and
 - (B) the Notes may not be offered or sold except pursuant to an effective registration statement under the Securities Act or pursuant to an applicable exemption from registration under the Securities Act, subject to the terms relating to the restriction on sales in this Agreement; and
- (x) further understands that the exemption from registration afforded by Rule 144 (the provisions of which are known to the Electing Creditor promulgated under the Securities Act depends on the satisfaction of various conditions, and that, if applicable, Rule 144 may afford the basis for sales only in limited amounts.

20.4 Compliance with MiFID and FSMA

If in the European Economic Area, such Electing Creditor is not a retail investor, whereby a retail investor means a person who is one (or more) of person who is one (or more) of (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "EU MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. If in the United Kingdom, such Electing Creditor is a not retail investor, whereby a retail investor means a person who is one (or more) of (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or (b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

21. PAYMENT MECHANICS

21.1 Payments

- (a) On each date on which the Company is required to make a payment under a Finance Document, the Company shall make the amount of such payment available to its recipient (unless a contrary indication appears in a Finance Document) on the due date at the time and in such funds specified by its recipient as being customary at the time for settlement of transactions in Dollars in the place of payment.
- (b) Payment shall be made to such account in the principal financial centre of the country of that currency (or, in relation to euro, in a principal financial centre in such Participating Member State or London, as specified by the recipient of the payment) with such bank as the recipient of the payment specifies.

21.2 Partial payments

- (a) Subject to the Intercreditor Agreement, if a Holder receives a payment that is insufficient to discharge all the amounts then due and payable to that Holder by the Company under the Finance Documents, that Holder shall apply that payment towards the relevant obligations of the Company under the Finance Documents in the following order:
 - (i) **firstly**, in or towards payment pro rata of any unpaid fees, costs and expenses of any of the Note Agent, the Paying Agent, the Registrar, the Cash Manager or the Holding Period Trustee;
 - (ii) **secondly**, in or towards payment pro rata of any unpaid fees, costs and expenses of any of the Holders of Senior Tranche Notes under the Finance Documents;
 - (iii) **thirdly**, in or towards payment pro rata of any unpaid fees, costs and expenses of any of the Holders of Junior Tranche Notes under the Finance Documents;
 - (iv) **fourthly**, in or towards payment pro rata of any principal in respect of Senior Tranche Notes due but unpaid under this Agreement;
 - (v) **fifthly**, in or towards payment pro rata of any principal in respect of Junior Tranche Notes due but unpaid under this Agreement; and
 - (vi) **sixthly**, in or towards payment pro rata of any other sum due but unpaid under the Finance Documents.
- (b) The Holders may by unanimous agreement vary the order set out in paragraphs (a)(ii) to (a)(vi) above.
- (c) Paragraphs (a) and (b) will override any appropriation made by the Company.

21.3 No set-off by the Company

All payments to be made by the Company under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

21.4 **Business Days**

- (a) Subject to paragraph (b) below, any payment under a Finance Document which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not),
- (b) Notwithstanding anything to the contrary in any Finance Document, any payment of principal of any Note (including principal due on the Maturity Date) that is due on a date that is not a Business Day shall be made on the next succeeding Business Day.

21.5 **Currency of account**

- (a) Subject to paragraphs (b) to (d) below, Dollars is the currency of account and payment for any sum due from the Company under any Finance Document.
- (b) Any redemption or purchase of the Notes shall be made in the currency in which the Notes are denominated, pursuant to this Agreement, on its due date.
- (c) Each payment in respect of costs, expenses or taxes shall be made in the currency in which the costs, expenses or taxes are incurred.
- (d) Any amount expressed to be payable in a currency other than Dollars shall be paid in that other currency.

21.6 **Disruption to payment systems etc.**

- (a) If either the Majority Holders determine (in their discretion) that a Disruption Event has occurred or the Holders are notified by the Company that a Disruption Event has occurred:
 - (i) the Majority Holders may, and shall if requested to do so by the Company, consult with the Company with a view to agreeing with the Company such changes to the operation or administration of the Notes as the Majority Holders may deem necessary in the circumstances; and
 - (ii) the Majority Holders shall not be obliged to consult with the Company in relation to any changes mentioned in paragraph (i) above if, in their opinion, it is not practicable to do so in the circumstances and, in any event, shall have no obligation to agree to such changes.
- (b) Any agreement between the Majority Holders and the Company will be (whether or not it is finally determined that a Disruption Event has occurred) binding on the Parties notwithstanding the provisions of Section 27 (*Amendments and waivers*).

21.7 **Paying Agent**

- (a) The Notes are the subject of the Agency Agreement and the Holders are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement.
- (b) The Holding Period Trustee and each Electing Creditor hereby confirms that it has received a copy of the Agency Agreement and agrees to be bound by the terms thereof.
- (c) Each payment due under a Finance Document which is made by the Company to the Paying Agent in the manner provided in the Agency Agreement shall satisfy, to the

extent of such payment, the relevant obligations of the Company under that Finance Document; except to the extent that the corresponding payment of that payment is not made to the relevant Holders in accordance with such Finance Document.

- (d) If any payment under a Finance Document is made by the Company to the Paying Agent after the due date of that payment, that payment shall be deemed not to have been made until the full amount of that payment is paid to the relevant Holders in accordance with that Finance Document.
- (e) If any payment under a Finance Document is made by the Company to the Paying Agent on or before its due date but the corresponding payment is made by the Paying Agent to the relevant Holder after its due date, payment shall be deemed not to have been made until the full amount is paid to the relevant Holder in accordance with the relevant Finance Document.
- (f) Each Holder shall promptly upon the request of the Company supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Company for the Paying Agent in order for the Paying Agent to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents or the Agency Agreement.

22. SET-OFF

Subject to the terms of the Intercreditor Agreement, a Holder may set off any matured obligation due from the Company under the Finance Documents (to the extent beneficially owned by that Holder) against any matured obligation owed by that Holder to the Company, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Holder may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

23. NOTICES

23.1 Communications in writing

Any communication to be made under or in connection with the Finance Documents shall be made in writing and, unless otherwise stated, may be made by fax or letter.

23.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party and the Paying Agent for any communication or document to be made or delivered under or in connection with the Finance Documents is:

- (a) in the case of the Company and the Pledgor, that identified with its name below;
- (b) in the case of each Electing Creditor or the Holding Period Trustee, that identified with its name below;
- (c) in the case of any Holder, that specified in the Register;
- (d) in the case of the Note Agent, that identified with its name below;
- (e) in the case of the Paying Agent, that notified in writing to the Parties on or prior to its appointment as paying agent;

- (f) in the case of the Registrar, that notified in writing to the Parties on or prior to its appointment as registrar; and
- (g) in the case of the Cash Manager, that notified in writing to the Parties on or prior to its appointment as cash manager,

or any substitute address or fax number or department or officer as the Party may notify to the other Parties by not less than five (5) Business Days' notice.

23.3 **Delivery**

- (a) Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective:
 - (i) if by way of fax, when received in legible form; or
 - (ii) if by way of letter, when it has been left at the relevant address or five (5) Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Section 23.2 (*Addresses*), if addressed to that department or officer.

- (b) Any communication or document made or delivered to the Company in accordance with this Section will be deemed to have been made or delivered to each of the Obligor.
- (c) Any communication or document which becomes effective, in accordance with paragraphs (a) and (b) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

23.4 **Electronic communication**

- (a) Any communication to be made between any two Parties under or in connection with the Finance Documents may be made by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if those two Parties:
 - (i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and
 - (ii) notify each other of any change to their address or any other such information supplied by them by not less than five (5) Business Days' notice.
- (b) Any such electronic communication as specified in paragraph (a) above to be made between an Obligor and a Holder may only be made in that way to the extent that those two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication.
- (c) Any such electronic communication as specified in paragraph (a) above made between any two Parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by a Party to a Holder only if it is addressed in such a manner as that Holder shall specify for this purpose.

- (d) Any electronic communication which becomes effective, in accordance with paragraph (b) above, after 5:00 p.m. in the place in which the Party to whom the relevant communication is sent or made available has its address for the purpose of this Agreement shall be deemed only to become effective on the following day.
- (e) Any reference in a Finance Document to a communication being sent or received shall be construed to include that communication being made available in accordance with this Section 23.4.

23.5 English language

- (a) Any notice given under or in connection with any Finance Document must be in English.
- (b) All other documents provided under or in connection with any Finance Document must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by a Holder, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

23.6 Holder notices

Any Holder may by notice to the Company and the Note Agent appoint a person to receive on its behalf all notices, communications, information and documents to be made or despatched to that Holder under the Finance Documents. Such notice shall contain the address, fax number and (where communication by electronic mail or other electronic means is permitted under Section 23.4 (*Electronic communication*)) electronic mail address and/or any other information required to enable the transmission of information by that means (and, in each case, the department or officer, if any, for whose attention communication is to be made) and be treated as a notification of a substitute address, fax number, electronic mail address (or such other information), department and officer by that Holder for the purposes of Section 23.2 (*Addresses*) and paragraph (a)(ii) of Section 23.4 (*Electronic communication*) and the Company and the Note Agent shall be entitled to treat such person as the person entitled to receive all such notices, communications, information and documents as though that person were that Holder.

24. CALCULATIONS AND CERTIFICATES

24.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by a Holder are *prima facie* evidence of the matters to which they relate.

24.2 Certificates and determinations

Any certification or determination by a Holder of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

25. PARTIAL INVALIDITY

If, at any time, any provision of a Finance Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

26. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of any Holder or the Note Agent, any right or remedy under a Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No election to affirm any Finance Document on the part of any Holder or the Note Agent shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

27. AMENDMENTS AND WAIVERS

The provisions relating to amendments and waivers set out in clause 27 (*Consents, Amendments and Override*) of the Intercreditor Agreement shall apply to this Agreement.

27.1 Without Consent of Holders

The Company, when authorized by a resolution of its board of directors (as evidenced by the delivery of such resolution to the Note Agent) and the Note Agent (and, with respect to any Collateral Documents, the Security Agent) may modify, amend or supplement this Agreement, the Collateral Documents or the Notes without notice to or consent of any Holder:

- (a) to add to any Obligor's covenants for the benefit of the Holders or to surrender any right or power conferred upon an Obligor in the Collateral Documents or in the Notes;
- (b) to cure any ambiguity, or to correct or supplement any provision in this Agreement, the Notes or the Collateral Documents that may be defective or inconsistent with any other provision in this Agreement, the Notes or the Collateral Documents or make any other modifications with respect to matters or questions arising under this Agreement, the Notes or the Collateral Documents; *provided* that, in each case, such provisions shall not adversely affect the interests of the Holders in any way;
- (c) to evidence and provide the acceptance of the appointment of a successor Note Agent or Security Agent under this Agreement and the Collateral Documents;
- (d) to mortgage, pledge, hypothecate or grant a security interest for the benefit of the Security Agent, the Note Agent and the Holders as additional security for the payment and performance of each Obligor's obligations under this Agreement and the Notes, in any property, or assets, including any of which are required to be mortgaged, pledged or hypothecated, or in which a security interest is required to be granted for the benefit of the Security Agent, the Note Agent and the Holders pursuant to this Agreement or otherwise;
- (e) to secure the Notes; and
- (f) to release Collateral from the Liens pursuant to this Agreement and the Collateral Documents when permitted or required by this Agreement or the Collateral Documents.

27.2 With Consent of Holders

- (a) Subject to clause 27 (*Consents, Amendments and Override*) of the Intercreditor Agreement and the remaining provisions of this Section 27, any term of the Finance Documents may be amended or waived only with the consent of the Majority Holders and the Company and any such amendment or waiver will be binding on all Parties, *provided* that, to the extent any amendment or waiver applies solely in respect of one Tranche of the Notes, such Tranche of the Notes may be amended or waived solely with the consent of the Holders who together represent more than 50% of the aggregate principal amount of such Tranche of the Notes.
- (b) An amendment or waiver of any term of any Finance Document that has the effect of changing or which relates to:
 - (i) the definition of "Anti-Corruption Laws", "Anti-Money Laundering Laws", "Change of Control", "Majority Holders", "Maturity Date", "Restricted Person", "Sanctioned Territory", "Sanctions", "Sanctions Authority", "Sanctions List" and "Super Majority Holders" in Section 1.1 (*Definitions*);
 - (ii) a change to the currency of payment of any amount under the Finance Documents;
 - (iii) an extension to the date of payment of any amount under the Finance Documents;
 - (iv) a change to the Obligors other than in accordance with Section 17 (*Changes to the Obligors*);
 - (v) a change to Section 1.2(b) (*Construction*), Section 4.2(b) (*Conditions precedent to Closing*) and any provision which expressly requires the consent of, or instruction on behalf of, the Super Majority Holders;
 - (vi) a change to the limited recourse of the Notes described under Section 6.1 (*Limited Recourse*);
 - (vii) a reduction in the amount of any payment of principal or fees payable in respect of the Notes unless such reduction is in connection with a mandatory redemption or in connection with the satisfaction and discharge of this Agreement and the Notes at the Maturity Date;
 - (viii) a release of any Liens securing any Tranche of the Notes;
 - (ix) a change to any provisions of the Finance Documents affecting the ranking or subordination provisions of the Notes (other than as contemplated in Section 27.1(f) (*Without Consent of Holders*));
 - (x) a change to clause 18 (*Application of Proceeds*) of the Intercreditor Agreement in a manner that would reasonably be expected to adversely affect the rights and interest of the Holders;
 - (xi) any mandatory redemption provision contained in any Finance Document; and
 - (xii) Section 3.2 (*Holdings' rights and obligations*), Section 4 (*Closing*), Section 6 (*Redemption*), Section 13 (*Information Covenants*), Section 14 (*General Covenants*), Section 14.26 (*Events of Default*), Section 16 (*Changes to the*

Holders), Section 17 (*Changes to the Obligors*), this Section 27, Section 30 (*Governing Law*) or Section 31 (*Enforcement*),

shall not be made without the prior consent of the Super Majority Holders of the Notes then outstanding, *provided* that, to the extent any amendment or waiver applies solely in respect of one Tranche of the Notes, such Tranche of the Notes may be amended or waived solely with the consent of the Holders who together represent at least 75% of the aggregate principal amount of such Tranche of the Notes.

- (c) An amendment or waiver of any term of any Finance Document that adversely affects the economic treatment or legal rights or material obligations or interests of any Junior Tranche Notes within each Tranche Set shall not be made without the prior written consent of the Note Agent (acting on the instructions of the Holders who together represent more than 50% of the aggregate principal amount of such Junior Tranche Notes within such Tranche Set).

27.3 Other exceptions

An amendment or waiver of any of the provisions of Section 3 (*Issue of the Notes*) and Section 4 (*Closing*) or any defined term used in such Sections may not be effected without the consent of the Note Agent (acting on the instructions of the Super Majority Holders).

27.4 Holder Voting

Any Notes held by the Company, DL, DIFL or the Supporting Shareholder (or any successors or Affiliates of such Persons) shall be disregarded in calculating the consent thresholds applicable to this Section 27.

27.5 Note Agent

No amendment or waiver which relates to the rights or obligations of the Note Agent (in its capacity as such) under the Finance Documents may be effected without the prior written consent of the Note Agent.

27.6 Paying Agent, Registrar and Cash Manager

No amendment or waiver which relates to the rights or obligations of the Paying Agent, the Registrar or the Cash Manager (each in its capacity as such) under the Finance Documents may be effected without the prior written consent of the Paying Agent, the Registrar or the Cash Manager, as relevant.

27.7 Holding Period Trustee

No amendment or waiver which relates to the rights or obligations of the Holding Period Trustee (in its capacity as such) under the Finance Documents may be effected without the prior written consent of the Holding Period Trustee.

27.8 Consent in contemplation of transfer

Any consent given pursuant to this Section 27 by a Holder that has transferred or has agreed to transfer its Notes to:

- (a) any member of the Group or any Affiliate of the Company; or

- (b) any other person in connection with, or in anticipation of, such other person acquiring, making a tender offer for or merging with the Company and/or any of its Affiliates,

in each case in connection with that consent, shall be void and of no force or effect except solely as to that Holder, and any amendments effected or waivers granted or to be effected or granted that would not have been or would not be so effected or granted but for that consent (and the consents of all other Holders that were acquired under the same or similar conditions) shall be void and of no force or effect except solely as to that Holder.

28. **CONFIDENTIAL INFORMATION**

28.1 **Confidentiality**

Each Holder agrees to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by Section 28.2 (*Disclosure of Confidential Information*), and to ensure that all Confidential Information is protected with security measures and a degree of care that would apply to its own confidential information.

28.2 **Disclosure of Confidential Information**

Any Holder may disclose:

- (a) to any of its Affiliates and Related Funds and any of its or their officers, directors, employees, professional advisers, auditors, partners and Representatives such Confidential Information as that Holder shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph (a) is informed in writing of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information;
- (b) to any person:
 - (i) to (or through) whom it assigns or transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Finance Documents to any of that person's Affiliates, Related Funds, Representatives and professional advisers;
 - (ii) with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to, one or more Finance Documents and/or one or more Obligors and to any of that person's Affiliates, Related Funds, Representatives and professional advisers;
 - (iii) appointed by any Holder or by a person to whom paragraph (b)(i) or (ii) above applies to receive communications, notices, information or documents delivered pursuant to the Finance Documents on its behalf;
 - (iv) who invests in or otherwise finances (or may potentially invest in or otherwise finance), directly or indirectly, any transaction referred to in paragraph (b)(i) or (b)(ii) above;

- (v) to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;
- (vi) to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes;
- (vii) any other person to which such delivery or disclosure may be necessary or appropriate (x) to effect compliance with any law, rule, regulation or order applicable to such Holder, (y) in response to any subpoena or other legal process, or (z) if an Event of Default has occurred and is continuing, to the extent such Holder may reasonably determine such delivery and disclosure to be necessary or appropriate in the enforcement or for the protection of the rights and remedies under the Finance Documents;
- (viii) any nationally recognised rating agency that requires access to information about such Holder's investment portfolio; or
- (ix) with the consent of the Company,

in each case, such Confidential Information as that Holder shall consider appropriate if:

- (A) in relation to paragraphs (b)(i), (b)(ii) and (b)(iii) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking except that there shall be no requirement for a Confidentiality Undertaking if the recipient is a professional adviser and is subject to professional obligations to maintain the confidentiality of the Confidential Information;
 - (B) in relation to paragraph (b)(iv) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking or is otherwise bound by requirements of confidentiality in relation to the Confidential Information they receive and is informed that some or all of such Confidential Information may be price-sensitive information; and
 - (C) in relation to paragraphs (b)(v), (b)(vi), (b)(vii) and (b)(viii) above, the person to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of that Holder, it is not practicable so to do in the circumstances; and
- (c) to any person appointed by that Holder or by a person to whom paragraph (b)(i) or (b)(ii) above applies to provide administration or settlement services in respect of one or more of the Finance Documents including without limitation, in relation to the trading of Notes, such Confidential Information as may be required to be disclosed to enable such service provider to provide any of the services referred to in this paragraph (c) if the service provider to whom the Confidential Information is to be given has entered into a confidentiality agreement substantially in the form of the Loan Market Association's Master Confidentiality Undertaking for Use With

Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Company and the relevant Holder.

28.3 Confidentiality override

The Company will not disclose any Confidential Information to any Noteholder without the consent of that Noteholder in writing, such disclosure to be conditional on the Company and such Noteholder agreeing the terms of a confidentiality agreement including arrangements in respect of the cleansing of MNPI.

28.4 Entire agreement

Subject to Section 28.3, this Section 28.3 constitutes the entire agreement between the Parties in relation to the obligations of the Holders under the Finance Documents regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.

28.5 Notification of disclosure

Each of the Holders agrees (to the extent permitted by law and regulation) to inform the Company:

- (a) of the circumstances of any disclosure of Confidential Information made pursuant to paragraphs (b)(v) or (b)(vii)(x) of Section 28.2 (*Disclosure of Confidential Information*) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and
- (b) upon becoming aware that Confidential Information has been disclosed in breach of this Section 28.5.

28.6 Continuing obligations

The obligations in this Section 28 are continuing and, in particular, shall survive and remain binding on each Holder for a period of twelve months from the earlier of:

- (a) the date on which all amounts payable by the Obligors under or in connection with this Agreement and the Notes have been paid in full; and
- (b) the date on which such Holder otherwise ceases to be a Holder.

28.7 Use of name

Each Obligor agrees that it will not (and will cause their directors, officers, agents, representatives, affiliates, shareholders, members, partners, employees, and any other person acting on their behalf not to), directly or indirectly, use the names of any of the Holders or any of the Holders' affiliates or investment advisors and managers (or any derivations thereof) or take any action that may imply any relationship with such persons, except with the prior written consent of such Holder.

29. COUNTERPARTS

Each Finance Document 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 the Finance Document. Each Finance Document may be delivered by electronic mail (including pdf) or any electronic means. Any counterpart so delivered and executed (including by e-signature or other electronic

means) shall be deemed to have been duly and validly delivered and be valid and effective for all purposes to the fullest extent permitted by applicable law. For the avoidance of doubt, the foregoing also applies to any amendment, extension or renewal of this Agreement.

30. **GOVERNING LAW**

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

31. **ENFORCEMENT**

- (a) Each Obligor agrees that any suit, action or proceeding against any Obligor brought by any Holder or the Note Agent arising out of or based upon this Agreement or the Notes may be instituted in any state or federal court in the Borough of Manhattan, New York, New York, and any appellate court from any thereof, and each of them irrevocably submits to the exclusive jurisdiction of such courts in any suit, action or proceeding.
- (b) Each Obligor irrevocably waives, to the fullest extent permitted by law, any objection to any suit, action, or proceeding that may be brought in connection with this Agreement or the Notes, including such actions, suits or proceedings relating to securities laws of the US or any state thereof, in such courts whether on the grounds of venue, residence or domicile or on the ground that any such suit, action or proceeding has been brought in an inconvenient forum.
- (c) Each Obligor agrees that final judgment in any such suit, action or proceeding brought in such court shall be conclusive and binding upon such Obligor and may be enforced in any court to the jurisdiction of which such Obligor is subject by a suit upon such judgment; *provided* that service of process is effected upon any Obligor in the manner provided by this Agreement.
- (d) Each Obligor has appointed [C T Corporation System], with offices on the date hereof at [28 Liberty Street, New York, NY 10005], or any successor, as its authorized agent (the “**Authorized Agent**”), upon whom process may be served in any suit, action or proceeding arising out of or based upon this Agreement or the Notes or the transactions contemplated herein which may be instituted in any state or federal court in the Borough of Manhattan, New York, New York, by any Holder or the Note Agent, and expressly accepts the non-exclusive jurisdiction of any such court in respect of any such suit, action or proceeding. Each Obligor hereby represents and warrants that the Authorized Agent has accepted such appointment and has agreed to act as said agent for service of process, and each Obligor agrees to take any and all action, including the filing of any and all documents that may be necessary to continue such respective appointment in full force and effect as aforesaid. Service of process upon the Authorized Agent shall be deemed, in every respect, effective service of process upon an Obligor. Notwithstanding the foregoing, any action involving any Obligor arising out of or based upon this Agreement or the Notes may be instituted by any Holder or the Note Agent in any other court of competent jurisdiction.

32. **SUPPLEMENT TO THE TRUSTEE ACTS**

By way of supplement to the Trustee Acts, it is expressly declared as follows in relation to the note agent and the trusts created by the finance documents:

32.1 **Appointment of the Note Agent**

- (a) Each Holder appoints the Note Agent to act as its agent under and in connection with the Finance Documents.
- (b)
 - (i) Each Holder authorises the Note Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Note Agent under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.
 - (ii) Notwithstanding (i) above or as otherwise provided in this Agreement, the Note Agent may only take action on the instructions of the Majority Holders, the Super Majority Holders or, if the relevant Finance Document stipulates the matter is a decision for any other group of Holders, from that group of Holders. Notwithstanding anything in this Agreement to the contrary, the role and duties of the Note Agent are limited to being a conduit for delivery of notices and information to and from the Noteholders and the other parties to certain of the Finance Documents. The Note Agent has no discretion to act on behalf of the Holders hereunder and to the extent any consent or action is deemed to be given or taken or expressed to be given or taken by the Note Agent it will in fact be given or taken by the requisite Holders.
- (c) Each Holder authorises and instructs the Note Agent to enter into (i) each of the Finance Documents to which it is expressed to be a party herein, and (ii) any additional Finance Document that the Majority Holders may request from time to time.

32.2 **Instructions**

- (a) All instructions delivered to the Note Agent by the Holders shall be in any form of writing or any other method reasonably requested by, or otherwise acceptable to, the Note Agent.
- (b) The Note Agent shall:
 - (i) unless a contrary indication appears in a Finance Document, exercise or refrain from exercising any right, power, authority or discretion vested in it as Note Agent in accordance with any instructions given to it by:
 - (A) the Majority Holders, if the relevant Finance Document stipulates that the matter is a Majority Holders decision or does not expressly state that the matter is a decision for the Super Majority Holders;
 - (B) the Super Majority Holders, if the relevant Finance Document stipulates that the matter is a Super Majority Holders decision; and
 - (C) if the relevant Finance Document stipulates the matter is a decision for a specific group of Holders, from that group of Holders; and
 - (ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with 32.2(b)(i).

- (c) The Note Agent shall be entitled to request instructions, or clarification of any instruction from, the Majority Holders or the Super Majority Holders, as applicable (or, if the relevant Finance Document stipulates the matter is a decision for any other group of Holders, from that group of Holders) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Note Agent may refrain from acting unless and until it receives those instructions or that clarification.
- (d) Unless a contrary indication appears in a Finance Document, any instructions given to the Note Agent by the Majority Holders shall override any conflicting instructions given by any other Parties and will be binding on all Holders.
- (e) The Note Agent may refrain from acting in accordance with any instructions of the Majority Holders or the Super Majority Holders, as applicable (or, if the relevant Finance Document stipulates the matter is a decision for any other group of Holders, from that group of Holders) until it has received any indemnification, pre-funding and/or security that it may in its discretion require (which may be greater in extent than that contained in the Finance Documents and which may include payment in advance) for any cost, loss or liability (together with any VAT thereon) which it may incur in complying with those instructions.
- (f) The Note Agent is not authorised to act on behalf of a Holder (without first obtaining that Holder's consent) in any legal or arbitration proceedings relating to any Finance Document.

32.3 Powers and Duties of Note Agent

- (a) The Note Agent shall, as regards all the rights, powers, authorities, duties and discretions vested in it by the Finance Documents, except where expressly provided otherwise, have regard to the interests of the Holders and the other Secured Parties, but if, in the Note Agent's sole opinion, there is a conflict between their interests, it will have regard solely to the interests of the Holders and no other Secured Parties shall have any claim against the Note Agent for so doing.
- (b) The Note Agent's duties under the Finance Documents are solely mechanical and administrative in nature.
- (c) The Note Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Note Agent for that Party by any other Party, except that the Note Agent shall be under no obligation to forward to any holder or holders of Notes any notice, document or other communication which the Company is required under the terms of any Finance Document to send to such holder or holders of Notes.
- (d) The Note Agent shall promptly forward to a Noteholder the original or a copy of any document which is delivered to the Note Agent for that Noteholder by the Security Agent.
- (e) Except where a Finance Document specifically provides otherwise, the Note Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.
- (f) If the Note Agent receives notice from a Party referring to this Agreement, describing a Default and stating that the circumstance described is a Default, it shall promptly notify each Holder and the Security Agent.

- (g) The Note Agent shall have only those duties, obligations and responsibilities expressly specified in the Finance Documents to which it is expressed to be a party (and no others shall be implied).

32.4 **No fiduciary duties**

- (a) Nothing in any Finance Document constitutes the Note Agent as a Note Agent or fiduciary of any other Person.
- (b) The Note Agent shall not be bound to account to any Holder for any sum or the profit element of any sum received by it for its own account.

32.5 **Business with the Group**

The Note Agent may accept deposits from, lend money to and generally engage in any kind of banking or other business with the Pledgor or any member of the Group.

32.6 **Rights and discretions**

- (a) The Note Agent may:
 - (i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;
 - (ii) assume that:
 - (A) any instructions received by it from any Holder or any group of Holders, including the Majority Holders and the Super Majority Holders, are duly given in accordance with the terms of the Finance Documents; and
 - (B) unless it has received notice of revocation, that those instructions have not been revoked; and
 - (iii) rely on a certificate from any Person:
 - (A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that Person; or
 - (B) to the effect that such Person approves of any particular dealing, transaction, step, action or thing,as sufficient evidence that that is the case and, in the case of Section 32.6(a)(iii)(iii), may assume the truth and accuracy of that certificate.
- (b) The Note Agent may assume (unless it has received written notice to the contrary in its capacity as Note Agent for the Holders) that:
 - (i) no Default or Event of Default has occurred;
 - (ii) any right, power, authority or discretion vested in any Party or the Majority Holders or the Super Majority Holders, as applicable (or any other group of Holders) has not been exercised; and
 - (iii) any notice or request made by the Company is made on behalf of and with the consent and knowledge of all the Obligor.

- (c) No Note Agent and no director or officer of any corporation being a Note Agent hereof shall by reason of the fiduciary position of such Note Agent be in any way precluded from making any contracts or entering into any transactions in the ordinary course of business with the Company or any other Secured Party or any person or body corporate directly or indirectly associated with the Company or such other party, or from accepting the trusteeship of any other debenture stock, debentures or securities of the Company or such other party or any person or body corporate directly or indirectly associated with the Company or such other party. Neither the Note Agent nor any director or officer of any corporation being a Note Agent shall be accountable to the Holders, the other Secured Parties, the Company or any person or body corporate directly or indirectly associated with the Company or any such other Secured Parties for any profit, fees, commissions, interest, discounts or share of brokerage earned, arising or resulting from any such contracts or transactions and the Note Agent and any such director or officer shall also be at liberty to retain the same for its or his own benefit.
- (d) The Note Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.
- (e) Without prejudice to the generality of Sections 32.6(d) or 32.6(i), the Note Agent may at any time engage (at the cost of the Company) any lawyers to act as independent counsel to the Note Agent (and so separate from any lawyers instructed by the Holders) if the Note Agent in its reasonable opinion deems this to be desirable.
- (f) The Note Agent may, in the conduct of an agent created pursuant to the Finance Documents, instead of acting personally, employ and pay an agent on any terms, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Note Agent (including the receipt and payment of money) and the Note Agent shall not be bound to supervise the proceedings or acts of, and shall not in any way or to any extent be responsible for, any liability incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder.
- (g) The Note Agent may, in the execution and exercise of all or any of the powers, authorities and discretions vested in it by the Finance Documents, act by responsible officers or a responsible officer for the time being of the Note Agent and the Note Agent may also whenever it thinks fit, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons all or any of the powers, authorities and discretions vested in it by the Finance Documents. Any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate with the consent of the Note Agent) as the Note Agent may think fit in the interests of the Holders and the Note Agent shall not be bound to supervise the proceedings or acts of, and shall not in any way or to any extent be responsible for any liability incurred by reason of the misconduct, omission or default on the part of, such delegate or sub-delegate.
- (h) The Note Agent may appoint and pay any person to act as a custodian or nominee on any terms in relation to the Security as the Note Agent may determine, including for the purpose of depositing with a custodian this Agreement or any document relating to the security created by the Finance Documents and the Note Agent shall not be responsible for any liability incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person; the Note Agent is not obliged to appoint a custodian if the Note Agent invests in securities payable to bearer.

- (i) The Note Agent may act on the opinion or advice of, or a certificate or any information obtained from, any lawyers, bankers, valuers, brokers, auctioneers, accountants, tax advisers, auditors, surveyors or other professional advisers or experts (whether obtained by such Note Agent or by any other Party, the Company or any other Secured Parties or any other person and whether or not such lawyer's, banker's, valuer's, broker's, auctioneer's, accountant's, tax adviser's, auditor's, surveyor's or other professional adviser's or expert's liability in respect thereof is limited by a monetary cap or otherwise) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying. Any opinion, advice, certificate or information referred to may be sent or obtained by letter, telegram, e-mail or fax transmission and the Note Agent shall not be liable for acting on any opinion, advice, certificate or information purporting to be so conveyed although the same contains some error or is not authentic.
- (j) the Note Agent may call for and shall be at liberty to accept a certificate signed by two directors and/or two authorised signatories of the Company or any other Party (or other person duly authorised on its behalf):
 - (i) as to any fact or matter prima facie within the knowledge of the Company or such other Party; and
 - (ii) to the effect that any particular dealing, transaction or step or thing is, in the opinion of the person so certifying, expedient,

as sufficient evidence that such is the case, and the Note Agent shall not be bound in any such case to call for further evidence or be responsible for any liability that may be occasioned by its failing so to do and in any event (without limitation) shall be entitled to assume the truth and accuracy of any such certificate without being required to make any further investigation in respect thereof;
- (k) The Note Agent may act in relation to the Finance Documents through its officers, employees and agents and the Note Agent shall not:
 - (i) be liable for any error of judgment made by any such person; or
 - (ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part of, any such person,

unless such error or such loss was directly caused by the Note Agent's gross negligence or wilful misconduct.
- (l) Save as expressly otherwise provided herein or in the other Finance Documents, the Note Agent shall have absolute and uncontrolled discretion as to the exercise or non-exercise as regards all the rights, powers, authorities and discretions vested in it by the Finance Documents or by operation of law. The Note Agent shall not be responsible for any liability that may result from the exercise or non-exercise of such discretion, but whenever the Note Agent is under the provisions of the Finance Documents bound to act at the request or direction of the Holders, the Note Agent shall nevertheless not be so bound unless first indemnified and/or secured and/or prefunded to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all liabilities which it may incur by so doing.
- (m) Unless a Finance Document expressly provides otherwise, the Note Agent may disclose to any other Party any information it reasonably believes it has received in its capacity as Note Agent under this Agreement.

- (n) Notwithstanding any other provision of any Finance Document to the contrary, the Note Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.
- (o) The Note Agent may refrain from taking any action, step, proceeding or exercising any right, power, authority or discretion vested in it under the Finance Documents or any other agreement relating to the transactions herein or therein contemplated or from taking any action, step or proceeding to enforce the Security until it has been indemnified and/or secured and/or prefunded to its satisfaction against any and all liabilities which might be brought, made or conferred against or suffered, incurred or sustained by it as a result (which may include payment on account). Notwithstanding any provision of any Finance Document to the contrary, the Note Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

32.7 Information

It is a term created in this Agreement that, except where expressly provided otherwise in the Finance Documents, if the Note Agent receives any information provided to it under to the terms of the Finance Documents, it is for information purposes only and the Note Agent will not and is not expected routinely to review or monitor such information.

32.8 Entry on Register

The Note Agent shall not be liable to the Company, the Holders or any other Secured Parties by reason of having accepted as valid or not having rejected any entry on the Register later found to be forged or not authentic and can assume for all purposes in relation hereto that any entry on the Register is correct.

32.9 [Reserved]

32.10 Responsibility for documentation

The Note Agent is not responsible or liable for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Note Agent, a Holder, any Obligor or any other person in or in connection with any Finance Document or the transactions contemplated in the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;
- (b) investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in or in connection with any Finance Document or the transactions contemplated in the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document, herein or therein contemplated or for the execution, the legality, validity, effectiveness, adequacy, genuineness, validity, or enforceability or admissibility in evidence thereof and shall assume the accuracy and correctness thereof nor shall the Note Agent, by execution of any Finance Document or the Transaction Security or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance

Document or the Transaction Security, be deemed to make any representation as to the validity, sufficiency or enforceability of either the whole or any part of such Finance Documents; or

- (c) any determination as to whether any information provided or to be provided to any Note Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

32.11 No duty to monitor

The Note Agent shall not be bound to enquire:

- (a) whether or not any Default or Event of Default has occurred;
- (b) as to the performance, default or any breach by any Party of its obligations under any Finance Document; or
- (c) whether any other event specified in any Finance Document has occurred.

32.12 [Reserved]

32.13 [Reserved]

32.14 Exclusion of liability

- (a) Without limiting Section 32.14(b) (and without prejudice to any other provision of any Finance Document excluding or limiting the liability of the Note Agent), the Note Agent will not be liable (including, without limitation, for negligence or any other category of liability whatsoever) for:
 - (i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct;
 - (ii) exercising, or not exercising, any right, power, authority or discretion given to it by, or in connection with, any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Finance Document; or
 - (iii) without prejudice to the generality of Sections 32.14(a)(i) and 32.14(a)(ii), any damages, costs or losses to any Person, any diminution in value or any liability whatsoever arising as a result of:
 - (A) any act, event or circumstance not reasonably within its control; or
 - (B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets (including any Disruption Event); breakdown, failure or malfunction of any third

party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

- (b) No Party (other than the Note Agent) may take any proceedings against any officer, employee or agent of the Note Agent, in respect of any claim it might have against the Note Agent or in respect of any act or omission of any kind by that officer, employee or agent or in relation to any Finance Document and any officer, employee or agent of the Note Agent may rely on this Section.
- (c) The Note Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Note Agent if the Note Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Note Agent for that purpose.
- (d) Nothing in this Agreement shall oblige the Note Agent to carry out:
 - (i) any "know your customer" or other checks in relation to any person; or
 - (ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Holder,

on behalf of any Holder and each Holder confirms to the Note Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Note Agent.

- (e) Without prejudice to any provision of any Finance Document excluding or limiting the Note Agent's liability, any liability of the Note Agent arising under or in connection with any Finance Document shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Note Agent or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Note Agent at any time which increase the amount of that loss. In no event shall the Note Agent be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Note Agent has been advised of the possibility of such loss or damages.

32.15 Illegality

Notwithstanding anything else contained in the Finance Documents, the Note Agent may refrain from doing anything which would or might in its opinion be contrary to any law of any jurisdiction or any directive or regulation of any agency of any state or the Note Agent's internal policies relating to "know your customer" or anti-money laundering or which would or might otherwise render it liable to any person and may do anything which is, in its opinion, necessary to comply with any such law, directive or regulation.

32.16 Resignation of the Note Agent

- (a) The Note Agent may resign and appoint one of its Affiliates acting through an office in the UK as successor by giving notice to the Holders and the Company. The Note Agent shall not be obliged to provide any reason for such resignation and will not be responsible for any liabilities incurred by reason of such resignation.
- (b) Alternatively, the Note Agent (the "**Retiring Agent**") may resign by giving 30 days' notice to the Holders and the Company in which case the Majority Holders (after

consultation with the Company and at the Company's expense) may appoint a successor to that Retiring Agent.

- (c) If the Holders have not appointed a successor to a Retiring Agent in accordance with Section 32.16(b) within 20 days after notice of resignation was given, the Retiring Agent (after consultation with the Company) may appoint a successor to that Retiring Agent (acting through an office in the UK). The Retiring Agent shall not be bound to supervise or be responsible in any way for any loss incurred by reason of misconduct or default on the part of the successor Note Agent.
- (d) The Retiring Agent shall, at the cost of the Company, make available to the successor Note Agent such documents and records and provide such assistance as the successor Note Agent may reasonably request for the purposes of performing its functions as a Note Agent under the Finance Documents. The Company shall, within three (3) Business Days of demand, reimburse the Retiring Agent for the amount of all costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.
- (e) A Note Agent's resignation notice shall only take effect upon the appointment of a successor who has acceded to all Finance Documents to which the Retiring Agent was a party.
- (f) Upon the appointment of a successor, a Retiring Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under Section 32.16(d) but shall remain entitled to the benefit of Section 32.21 (*Company's Indemnity to the Note Agent*) (but, only to the extent such indemnified liabilities arose whilst the Retiring Agent was the Note Agent) and this Section 32.16 (and any agency fees for the account of the Retiring Agent shall cease to accrue from (and shall be payable on) that date). Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

32.17 Replacement of the Note Agent

- (a) Subject to Section 32.17(e), after consultation with the Company, the Majority Holders may by giving 30 days' notice to the Note Agent (the "**Replaced Agent**") (or, at any time when the Note Agent is an Impaired Agent, by giving any shorter notice determined by the Majority Holders) replace the Note Agent by appointing a successor Note Agent (acting through an office in the UK).
- (b) The Replaced Agent shall (at its own cost if it is an Impaired Agent and otherwise at the expense of the Company) make available to the successor Note Agent such documents and records and provide such assistance as the successor Note Agent may reasonably request for the purposes of performing its functions as a Note Agent under the Finance Documents. The Company shall, within three (3) Business Days of demand, reimburse the Replaced Agent for the amount of all costs and expenses (including documented legal fees) properly incurred by it in making available such documents and records and providing such assistance.
- (c) The appointment of the successor Note Agent to any Replaced Agent shall take effect on the date specified in the notice from the Majority Holders to the Replaced Agent. As from this date, the Replaced Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under Section 32.17(b)) but shall remain entitled to the benefit of Section 32.21 (*Company's Indemnity to the Note Agent*) (but, only to the extent such indemnified liabilities arose whilst the

Replaced Agent was the Note Agent) and this Section 32.17 (and any agency fees for the account of the Replaced Agent shall cease to accrue from (and shall be payable within five (5) Business Days of) that date).

- (d) Any successor to a Replaced Agent and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.
- (e) The Majority Holders shall not be required to consult with the Company in Section 32.17(a) for so long as an Event of Default has occurred which is continuing or if the Notes have become due and payable under this Agreement.

32.18 Confidentiality

- (a) In acting as Note Agent for the Holders (or any of them), the Note Agent, if applicable, shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.
- (b) If information is received by another division or department of the Note Agent, it may be treated as confidential to that division or department and the Note Agent shall not be deemed to have notice of it.
- (c) Notwithstanding any other provision of any Finance Document to the contrary, the Note Agent is not obliged to disclose to any other Person (A) any confidential information or (B) any other information if the disclosure would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty.

32.19 Relationship with the Holders

- (a) The Note Agent and the Security Agent may treat the Person shown in the most recent copy of the Register as the holder of Notes, at the opening of business (in the place of the Note Agent's principal office as notified to the relevant Holders from time to time) as the holder of Notes:
 - (i) entitled to or liable for any payment due under any Finance Document on that day;
 - (ii) subject to paragraph (b), entitled to receive and act upon any notice, request, document or communication or make any decision or determination under any Finance Document made or delivered on that day, and
 - (iii) for other purposes under the Finance Documents,

unless it has received prior notice from that Holder to the contrary in accordance with the terms of this Agreement.

- (b) Any Holder may by notice to the Note Agent appoint a person to receive on its behalf all notices, communications, information and documents to be made or despatched to that Holder under the Finance Documents. Such notice shall contain the address, fax number and electronic mail address and/or any other information required to enable the sending and receipt of information by that means (and, in each case, the department or officer, if any, for whose attention communication is to be made) and be treated as a notification of a substitute address, fax number, electronic mail address, department and officer by that Holder for the purposes of Section 27 (*Notices*) and the Note Agent

shall be entitled to treat such Person as the Person entitled to receive all such notices, communications, information and documents as though that Person were that Holder.

32.20 Credit appraisal

Without affecting the responsibility of any Obligor for information supplied by it or on its behalf in connection with any Finance Document, each Holder confirms to the Note Agent, that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Finance Document including but not limited to:

- (a) the financial condition, status and nature of each member of the Group;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document, the Transaction Security and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Transaction Security;
- (c) whether that Holder has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Finance Document, the Transaction Security, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Transaction Security; and
- (d) the adequacy, accuracy or completeness of any information provided by the Note Agent, any Party or by any other person under or in connection with any Finance Document, the transactions contemplated by any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document.

The Note Agent shall not at any time have any responsibility for any such appraisal or investigation and no Holders or other Secured Parties shall rely on the Note Agent in respect thereof.

32.21 Company's Indemnity to the Note Agent

The Company irrevocably and unconditionally agrees that it shall within three (3) Business Days of demand indemnify the Note Agent against:

- (a) any cost, loss or liability incurred by the Note Agent (acting reasonably) as a result of:
 - (i) investigating any event which it reasonably believes is a Default or an Event of Default which is continuing;
 - (ii) acting or relying on any notice, request or instruction from an Obligor which it reasonably believes to be genuine, correct and appropriately authorised; or
 - (iii) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under this Agreement; and
- (b) any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by the Note Agent (otherwise than by reason of the Note Agent's fraud, gross negligence or wilful misconduct) in acting as a Note

Agent under the Finance Documents (other than any taxes based on the Note Agent's net income).

The indemnity given by the Company in this Section 32.21 shall not be affected by an act, omission, matter or thing which, but for this paragraph, would reduce, release or prejudice any of its obligations under this Section 32.21 (without limitation and whether or not known to it or the Note Agent) including:

- (i) any refusal or neglect to take up or enforce any rights against any Obligor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any refusal or failure to enforce any Finance Document;
- (ii) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- (iii) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document;
- (iv) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document; or
- (v) any insolvency or similar proceedings.

The obligations of the Company under this Section 32.21 will survive payment or any transfer of any Note, the enforcement, amendment or waiver of any provision of this Agreement, the Notes or any other Finance Document, and the termination of this Agreement.

32.22 Priority of Indemnity

The Note Agent shall be entitled to be indemnified out of the Security against all liabilities payable pursuant to Clause 32.21 (*Company's Indemnity to the Note Agent*) in respect of any matter or thing in any way omitted or done in any way in relation to this Agreement in accordance with the priorities of payments and the Note Agent may retain and payout of the monies in its hands arising from the Security all sums necessary to effect such indemnity.

32.23 Consents, amendments, waivers and delivery of information via the Note Agent

Without prejudice to any term of this Agreement:

- (a) the Company shall deliver to the Note Agent a copy of any information, notice or other document concurrently with the delivery thereof to any holder of a Note; and
- (b) if any consent, amendment, waiver, confirmation or approval under any Finance Document requires the consent, confirmation or approval of the Majority Holders or the Super Majority Holders, as applicable (or any other proportion of the Holders of the Notes), the Note Agent may provide any such consent, amendment, waiver, confirmation or approval in writing on behalf of the Majority Holders or the Super Majority Holders, as applicable (or any other proportion of the Holders of the Notes, as may be required) if the Note Agent has been expressly authorized or instructed to do so by the Majority Holders or the Super Majority Holders, as applicable (or any other proportion of the Holders of the Notes, as may be required).

32.24 Management Time

- (a) In the event that the Note Agent is requested by the Company or the Majority Holders to undertake duties which the Note Agent (acting reasonably) believes to be of an exceptional nature or outside the scope of the normal duties of the Note Agent under the Finance Documents, the Note Agent shall notify the Company accordingly and shall negotiate in good faith with the Company such amendments to the Fee Letters as are necessary to include such duties within its scope and effect a commensurate increase to the fees of the Note Agent.
- (b) In the event that such amendments cannot be agreed within five (5) Business Days of the notification to the Company pursuant to paragraph (a) above, any amount payable to the Note Agent under any indemnity or costs and expenses provision in its favour in any Finance Document shall include the cost of utilising the Note Agent's management time or other resources and will be calculated on the basis of such reasonable daily or hourly rates as the Note Agent may notify to the Company and the Holders, and is in addition to any fee paid or payable to the Note Agent under or in connection with the Finance Documents. Any invoice which includes a charge for the Note Agent's management time or other resources pursuant to this paragraph (b) shall be accompanied by a statement setting out, in reasonable detail, the relevant work completed by members of the Note Agent's management and/or other resources used.

32.25 Note Agent – Intercreditor Agreement

In consideration for the Note Agent agreeing to act in that capacity under the Finance Documents to which it is a party, each Holder of a Note (solely in its capacity as such):

- (a) agrees that it will comply with, and will be bound by, the terms and conditions of the Intercreditor Agreement; and
- (b) acknowledges and agrees that the Note Agent is authorised to take any and all actions on behalf of the Holders contemplated by the Intercreditor Agreement and the other Finance Documents.

32.26 Note Agent Liability

Subject to Sections 750 and 751 of the Companies Act 2006 (if applicable) and notwithstanding anything to the contrary in the Finance Documents, the Note Agent shall not be liable to any person for any matter or thing done or omitted in any way in connection with or in relation to the Finance Documents save in relation to its own gross negligence, wilful misconduct or fraud.

32.27 Disapplication

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Note Agent constituted by the Finance Documents. Where there are any inconsistencies between the Trustee Acts and the provisions of the Finance Documents, the provisions of the Finance Documents shall, to the extent allowed by law, prevail and, in the case of any such inconsistency with the Trustee Act 2000, the provisions of the Finance Documents shall constitute a restriction or exclusion for the purposes of that Act.

33. SECURITY AGENT – INTERCREDITOR AGREEMENT

In consideration for the Security Agent agreeing to act in that capacity under the Finance Documents to which it is a party, each Holder of a Note (solely in its capacity as such):

- (a) agrees that it will comply with, and will be bound by, the terms and conditions of the Intercreditor Agreement and the Collateral Documents; and
- (b) acknowledges and agrees that the Security Agent is authorised to take any and all actions on behalf of the Holders contemplated by the Intercreditor Agreement and the Collateral Documents.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

**SCHEDULE 1
THE ORIGINAL PARTIES**

PART 1 - THE ELECTING CREDITORS¹⁶

Name of Electing Creditor	Tranche and aggregate principal amount of Notes (US\$)

PART 2 – THE UNIDENTIFIED HOLDERS’ HOLDING TRUSTEE

Name of Unidentified Holders’ Holding Trustee	Tranche and aggregate principal amount of Notes (US\$)
	Tranche 1A Notes -
	Tranche 1B Notes -
	Tranche 2A Notes -
	Tranche 2B Notes -
	Tranche 3A Notes -
	Tranche 3B Notes -
	Tranche 4A Notes -
	Tranche 4B Notes -

¹⁶ **NTD:** In order to provide signoff for Sections 2.1(c) (Notes), 4.1 (Closing) and 5.1 (Registration of Notes), GLAS will need to receive a list of all holders and their note amounts in order to create the basis for a Register.

SCHEDULE 2

CONDITIONS PRECEDENT TO CLOSING

1. Obligors
 - (a) A copy of the constitutional documents of each Obligor.
 - (b) A copy of a resolution of the board of directors of each Obligor:
 - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute the Finance Documents to which it is a party;
 - (ii) authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf; and
 - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party.
 - (c) A specimen of the signature of each person authorised by the resolution referred to in paragraph (b) above.
 - (d) A certificate of an authorised signatory of the relevant Obligor certifying that each copy document relating to it specified in this Schedule is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement.
2. Other documents and evidence
 - (a) Copies of this Agreement and the Intercreditor Agreement duly executed by the Obligors.
 - (b) Copies of each of the Collateral Documents duly executed by all applicable parties.
 - (c) A copy of the agreed form Settlement Agreement.
 - (d) A copy of the agreed form Agency Agreement.
 - (e) A copy of the agreed form Holding Period Trust Deed.
 - (f) A copy of the agreed form DGHL/DIFL Services Agreement.
 - (g) A copy of the Agreed Budget.
 - (h) The Fee Letters executed by the Company.
 - (i) A copy of the Amended and Restated Bye-Laws evidencing that the issuance of the Notes will not cause any borrowing or similar limit binding on the Company to be exceeded.
 - (j) Evidence that the appointment of the New DGHL Board referred to in Section 14.22 (*DGHL Governance*) has occurred.

- (k) Evidence that any process agent referred to in Section **Error! Reference source not found.** (*Service of process*) has accepted its appointment.
- (l) Evidence that the costs and expenses then due from the Company pursuant to the Finance Documents have been paid or will be paid by the Closing Date.
- (m) Evidence that all applicable conditions precedent relating to the issuance of the Notes as set out in the Scheme Document have been satisfied or otherwise waived.
- (n) A Private Placement Number issued by Standard & Poor's CUSIP Service Bureau (in cooperation with the SVO) shall have been obtained for each Tranche of the Notes.
- (o) A copy of any other Authorisation or other document or assurance which any Electing Creditor or the Holding Period Trustee considers to be necessary or desirable (if it has notified the Company accordingly) in connection with the entry into and performance of the transactions contemplated by any Finance Document or for the validity and enforceability of any Finance Document.
- (p) All documents, information and other evidence reasonably requested by the Note Agent, an Electing Creditor or the Holding Period Trustee prior to the date of this Agreement in order for any such person to carry out "know your customer" or other similar checks in relation to any Obligor and member of the Group in connection with applicable Anti-Money Laundering Laws, applicable Anti-Corruption Laws and applicable Sanctions.

SCHEDULE 3
FORM OF NOTE CERTIFICATE

Note Certificate No. []

US\$ [*amount*]

THIS NOTE IS SUBJECT TO THE TERMS OF THE INTERCREDITOR AGREEMENT

Digicel Group Holdings Limited (the "Company")
(Incorporated in Bermuda))

**US\$ [*amount*] Zero Coupon Senior Secured Tranche [1A]/[1B]/[2A]/[2B]/[3A]/[3B]/[4A]/[4B]
Notes due 2030**

This is to certify that [] is the registered holder of US\$[*amount*] in principal amount of the US\$[*amount*] zero coupon senior secured notes due 20XX] (the "**Tranche [1A]/[1B]/[2A]/[2B]/[3A]/[3B]/[4A]/[4B] Notes**") issued with the benefit of and subject to the provisions contained in the note agreement relating to the Notes dated [date] 2023 and made between, among others, the Company and the other parties thereto from time to time (the "**Note Agreement**"). Words and expressions defined in the Note Agreement (including, without limitation, words and expressions defined in the Intercreditor Agreement and incorporated by reference into the Note Agreement) shall, unless the context otherwise requires, have the same meanings in this Note Certificate.

No interest accrues on the Tranche [1A]/[1B]/[2A]/[2B]/[3A]/[3B]/[4A]/[4B] Notes. The Tranche [1A]/[1B]/[2A]/[2B]/[3A]/[3B]/[4A]/[4B] Notes are redeemable in accordance with Section 6 (*Redemption*), subject to and in accordance with the Note Agreement and the Intercreditor Agreement.

Payments in respect of the Tranche [1A]/[1B]/[2A]/[2B]/[3A]/[3B]/[4A]/[4B] Notes will be made in accordance with the Note Agreement and the Intercreditor Agreement.

The Tranche [1A]/[1B]/[2A]/[2B]/[3A]/[3B]/[4A]/[4B] Notes are transferable in an amount equal to or greater than US\$1.00. An Assignment Agreement must be duly completed and duly executed before any transfer is registered or any new Note Certificate is deemed issued in exchange.

The Tranche [1A]/[1B]/[2A]/[2B]/[3A]/[3B]/[4A]/[4B] Notes are not guaranteed.

The Tranche [1A]/[1B]/[2A]/[2B]/[3A]/[3B]/[4A]/[4B] Notes are secured in accordance with the Note Agreement.

THESE TRANCHE [1A]/[1B]/[2A]/[2B]/[3A]/[3B]/[4A]/[4B] NOTES OR INTERESTS THEREIN HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT, OR ANY OTHER APPLICABLE SECURITIES LAW OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT AS SET FORTH BELOW. BY ITS ACCEPTANCE OF THESE TRANCHE [1A]/[1B]/[2A]/[2B]/[3A]/[3B]/[4A]/[4B] NOTES THE ACQUIRER AGREES THAT (1) (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER"(AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), (B) IT IS NOT A U.S. PERSON, IS NOT ACQUIRING THIS SECURITY FOR THE ACCOUNT OR FOR THE BENEFIT OF A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATIONS UNDER THE SECURITIES ACT OR (C) IT IS AN INSTITUTIONAL "ACCREDITED INVESTOR"(AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) OF THE SECURITIES ACT) AND (2) ANY RESALE, PLEDGE OR OTHER TRANSFER OF SUCH TRANCHE [1A]/[1B]/[2A]/[2B]/[3A]/[3B]/[4A]/[4B] NOTES OR INTERESTS THEREIN WILL BE MADE ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES, IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR 904 OF

REGULATION S UNDER THE SECURITIES ACT, (C) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER OR FOR THE ACCOUNT OF ANOTHER QUALIFIED INSTITUTIONAL BUYER, (D) IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT PURSUANT TO RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE), OR (E) PURSUANT TO ANOTHER EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, AND IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAW OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES.

This Note Certificate is evidence of entitlement only and is not a document of title. Entitlements are determined by the Register and only the duly registered Holders reflected in the Register are entitled to payment in respect of this Note Certificate in the amounts corresponding to the principal amount reflected by each such Holder's name.

The Tranche [1A]/[1B]/[2A]/[2B]/[3A]/[3B]/[4A]/[4B] Notes shall be construed and enforced in accordance with, and the rights of the Company and the holder of this Note shall be governed by, the law of the State of New York. THE TRANCHE [1A/1A/3A/4A] NOTES, TO THE EXTENT TREATED AS DEBT INSTRUMENTS FOR UNITED STATES FEDERAL INCOME TAX PURPOSES, MAY BE ISSUED WITH ORIGINAL ISSUE DISCOUNT FOR UNITED STATES FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, AMOUNT OF ORIGINAL ISSUE DISCOUNT, ISSUE DATE AND YIELD TO MATURITY OF THE TRANCHE [1A/1A/3A/4A] NOTES MAY BE OBTAINED BY WRITING TO THE COMPANY AT CLARENDON HOUSE, 2 CHURCH STREET, HAMILTON, HM11, BERMUDA.

DIGICEL GROUP HOLDINGS LIMITED

Name:

Title:

Issued on [] 202[X]

SCHEDULE 4
FORM OF ASSIGNMENT AGREEMENT

To: [Global Loan Agency Services Limited] (as the "**Paying Agent**")

Copy to: Digicel Group Holdings Limited (as the "**Company**")

[] (as the "**Registrar**")

From: [the *Existing Holder*]¹⁷ (the "**Existing Holder**") and [the *New Holder*] (the "**New Holder**")

Dated:

Digicel Group Holdings Limited – Note Agreement in respect of the [insert description of the Notes] (the "Notes") dated [●] 2023 (the "Agreement")

1. We refer to the Agreement. This is an Assignment Agreement. Terms defined in the Agreement have the same meaning in this Assignment Agreement unless given a different meaning in this Assignment Agreement.
2. [The Existing Holder confirms that the principal amount outstanding of Notes which it holds is US\$ [amount].]¹⁸
3. We refer to Section 16.1 (*Transfer of Notes*) and Section 16.4 (*Procedure for assignment*) of the Agreement:
 - (a) The Existing Holder confirms it intends to transfer the Note [with / without] a corresponding [Senior Tranche Note / Junior Tranche Note] within the relevant Tranche Set.¹⁹
 - (b) The Existing Holder assigns absolutely to the New Holder the aggregate principal amount of the Notes specified in Schedule 1 together with all the rights of the Existing Holder under the Agreement and the other Finance Documents which relate to such Notes.
 - (c) The Existing Holder is released from all the obligations of the Existing Holder which correspond to such Notes specified in Schedule 1.

¹⁷ The name of the person by or on whose behalf this Assignment Agreement is signed must correspond with the name of the registered holder as it appears in the Register:

- (a) a representative of such registered holder should state the capacity in which he signs, e.g. executor;
- (b) the signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the Paying Agent may require; and
- (c) any transfer of Notes shall be in an amount equal to US\$ [amount] or any integral multiple of US\$ [1.00] in excess of such amount.

¹⁸ This confirmation will not be required if the holder is a Holding Period Trustee.

¹⁹ This option will not apply to any transfer of Notes by the Holding Period Trustee.

- (d) The New Holder is bound by obligations equivalent to those from which the Existing Holder is released under paragraph (c) above.²⁰
- 3.2 By executing this Assignment Agreement, the New Holder confirms, with respect to Junior Tranche Notes only, that it is not a Company Affiliate (as such term is defined in the Intercreditor Agreement) (including, for the avoidance of doubt, the Supporting Shareholder and each of its Affiliates).
4. The New Holder confirms that it has received a copy of the Agency Agreement and agrees to be bound by the terms thereof.
5. The New Holder confirms that it has received a copy of the Intercreditor Agreement and agrees to be bound by the terms thereof.
6. In connection with the transfer, the Existing Holder certifies that such transfer has been effected in accordance with the terms and conditions of the Agreement and in compliance with the federal securities laws of the United States, including the Securities Act, and other applicable state securities or blue sky laws.
7. The New Holder understands that:
- (a) the Notes have not been registered under the Securities Act, were issued by the Company in transactions exempt from the registration requirements of the Securities Act and the Company has not undertaken to register the Notes under the Securities Act or any state or blue sky law; and
- (b) the Notes may not be offered or sold except pursuant to an effective registration statement under the Securities Act or pursuant to an applicable exemption from registration under the Securities Act, subject to the terms relating to the restriction on sales in the Agreement.
8. The New Holder confirms that it and each account for which it is acting (if any) is either an "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act and/ or a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act, and was not formed for the specific purpose of investing in the Notes, or is a non-US Person (as defined in Regulation S) and is purchasing the Notes in an offshore transaction in accordance with Regulation S under the Securities Act.
9. The New Holder confirms that it is acquiring the Notes for the New Holder's own benefit and account for investment only and not with a view to, or for resale in connection with, a public offering or distribution thereof.
10. The New Holder confirms that it has not taken and will not take any action that would subject the issue and subscription of the Notes to the registration requirements of the Securities Act or to the registration, filing or qualification requirements of any securities or blue sky laws of any applicable jurisdiction, and will comply with the transfer restrictions set forth in the Note Agreement and the New Notes.
11. [The proposed Transfer Date is [].]

²⁰ If the Assignment Agreement is used, local law advice should be sought to check the suitability of the Assignment Agreement due to the assumption of obligations contained in paragraph 3(c).

12. The Specified Office and address, fax number and attention details for notices of the New Holder for the purposes of Section 23.2 (*Addresses*) of the Agreement are set out in Schedule 1.
13. The New Holder expressly acknowledges the limitations on the Existing Holder's obligations set out in paragraph (c) of Section 16.3 (*Limitation of responsibility of Existing Holders*) of the Agreement.
14. The New Holder, by executing this Assignment Agreement, makes the representations in Section 20 (*Representations of the Electing Creditors*) of the Agreement as if the references to "Electing Creditor" were to the "New Holder".
15. This Assignment Agreement 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 Assignment Agreement.
16. This Assignment Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.
17. This Assignment Agreement has been entered into on the date stated at the beginning of this Assignment Agreement.

Schedule 1

Principal Amount of Notes to be transferred

[insert relevant details]

[Specified Office address, fax number and attention details for notices and account details for payments]

[Existing Holder]

[New Holder]

By:

By:

SCHEDULE 5
FORM OF CONFIDENTIALITY UNDERTAKING

[Letterhead of Seller]

Date: []

To:

[insert name of Potential Holder]

Re: **The Note Agreement dated [] (the "Agreement")**

<i>Company:</i>	(the " Company ")
<i>Date:</i>	
<i>Amount:</i>	
<i>Agent:</i>	

Dear Sirs

We understand that you are considering acquiring an interest in the Agreement which, subject to the Agreement, may be by way of novation, assignment, the entering into, whether directly or indirectly, of a sub-participation or any other transaction under which payments are to be made or may be made by reference to one or more Finance Documents and/or one or more Obligors or by way of investing in or otherwise financing, directly or indirectly, any such novation, assignment, sub-participation or other transaction (the "**Acquisition**"). In consideration of us agreeing to make available to you certain information, by your signature of a copy of this letter you agree as follows:

1. **CONFIDENTIALITY UNDERTAKING**

You undertake (a) to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by paragraph 2 below and to ensure that all Confidential Information is protected with security measures and a degree of care that would apply to your own confidential information, and (b) until the Acquisition is completed to use the Confidential Information only for the Permitted Purpose.²¹

2. **PERMITTED DISCLOSURE**

We agree that you may disclose:

- 2.1 to any of your Affiliates and any of your or their officers, directors, employees, professional advisers and auditors such Confidential Information as you shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph 2.1 is informed in writing of its confidential nature and that some or all of such Confidential

²¹ Please note that the Permitted Purpose ceases to apply on completion of the Acquisition however if the Acquisition does not complete, the prospective purchaser is not permitted to use any Confidential Information it has acquired for any purpose other than the Permitted Purpose.

Information may be price-sensitive information, except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information;

2.2 subject to the requirements of the Agreement, to any person:

- (a) to (or through) whom you assign or transfer (or may potentially assign or transfer) all or any of your rights and/or obligations which you may acquire under the Agreement such Confidential Information as you shall consider appropriate if the person to whom the Confidential Information is to be given pursuant to this sub-paragraph (a) of paragraph 2.2 has delivered a letter to you in equivalent form to this letter;
- (b) with (or through) whom you enter into (or may potentially enter into) any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to the Agreement or any Obligor such Confidential Information as you shall consider appropriate if the person to whom the Confidential Information is to be given pursuant to this sub-paragraph (b) of paragraph 2.2 has delivered a letter to you in equivalent form to this letter;
- (c) to whom information is required or requested to be disclosed by any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation such Confidential Information as you shall consider appropriate; and

2.3 notwithstanding paragraphs 2.1 and 2.2. above, Confidential Information to such persons to whom, and on the same terms as, a Holder is permitted to disclose Confidential Information under the Agreement, as if such permissions were set out in full in this letter and as if references in those permissions to Holders were references to you.

3. NOTIFICATION OF DISCLOSURE

You agree (to the extent permitted by law and regulation) to inform us:

- 3.1 of the circumstances of any disclosure of Confidential Information made pursuant to sub-paragraph (c) of paragraph 2.2 above except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and
- 3.2 upon becoming aware that Confidential Information has been disclosed in breach of this letter.

4. RETURN OF COPIES

If you do not enter into the Acquisition and we so request in writing, you shall return or destroy all Confidential Information supplied to you by us and destroy or permanently erase (to the extent technically practicable) all copies of Confidential Information made by you and use your reasonable endeavours to ensure that anyone to whom you have supplied any Confidential Information destroys or permanently erases (to the extent technically practicable) such Confidential Information and any copies made by them, in each case save to the extent that you or the recipients are required to retain any such Confidential Information by any applicable law, rule or regulation or by any competent judicial, governmental, supervisory or regulatory body or in accordance with internal policy, or where the Confidential Information has been disclosed under sub-paragraph (c) of paragraph 2.2 above.

5. CONTINUING OBLIGATIONS

The obligations in this letter are continuing and, in particular, shall survive and remain binding on you until (a) if you become a Holder, the date on which you become a Holder; (b) if you enter into the Acquisition but it does not result in you becoming a Holder, the date falling twelve months after the date on which all of your rights and obligations contained in the documentation entered into to implement that Acquisition have terminated; or (c) in any other case the date falling twelve months after the date of your final receipt (in whatever manner) of any Confidential Information.

6. NO REPRESENTATION; CONSEQUENCES OF BREACH, ETC

You acknowledge and agree that:

- 6.1 neither we, nor any member of the Group nor any of our or their respective officers, employees or advisers (each a "**Relevant Person**") (i) make any representation or warranty, express or implied, as to, or assume any responsibility for, the accuracy, reliability or completeness of any of the Confidential Information or any other information supplied by us or the assumptions on which it is based or (ii) shall be under any obligation to update or correct any inaccuracy in the Confidential Information or any other information supplied by us or be otherwise liable to you or any other person in respect of the Confidential Information or any such information; and
- 6.2 we or members of the Group may be irreparably harmed by the breach of the terms of this letter and damages may not be an adequate remedy; each Relevant Person may be granted an injunction or specific performance for any threatened or actual breach of the provisions of this letter by you.

7. ENTIRE AGREEMENT: NO WAIVER; AMENDMENTS, ETC

- 7.1 This letter constitutes the entire agreement between us in relation to your obligations regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.
- 7.2 No failure to exercise, nor any delay in exercising, any right or remedy under this letter will operate as a waiver of any such right or remedy or constitute an election to affirm this letter. No election to affirm this letter will be effective unless it is in writing. No single or partial exercise of any right or remedy will prevent any further or other exercise or the exercise of any other right or remedy under this letter.
- 7.3 The terms of this letter and your obligations under this letter may only be amended or modified by written agreement between us.

8. MATERIAL NON-PUBLIC INFORMATION

You acknowledge that some or all of the Confidential Information is or may be price-sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to material non-public information and you undertake not to use any Confidential Information for any unlawful purpose.

9. NATURE OF UNDERTAKINGS

The undertakings given by you under this letter are given to us and are also given for the benefit of the Company and each other member of the Group.

10. THIRD PARTY RIGHTS

- 10.1 Subject to this paragraph 10 and to paragraphs 6 and 9, a person who is not a party to this letter has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or to enjoy the benefit of any term of this letter.
- 10.2 The Relevant Persons may enjoy the benefit of the terms of paragraphs 6 and 9 subject to and in accordance with this paragraph 10 and the provisions of the Third Parties Act.
- 10.3 Notwithstanding any provisions of this letter, the parties to this letter do not require the consent of any Relevant Person to rescind or vary this letter at any time.

11. GOVERNING LAW AND JURISDICTION

- 11.1 This letter (including the agreement constituted by your acknowledgement of its terms) (the "**Letter**") shall be governed by, and construed in accordance with, the laws of the State of New York.
- 11.2 The parties to this Letter agree that any suit, action or proceeding arising out of or based upon this Letter may be instituted in any state or federal court in the Borough of Manhattan, New York, New York, and any appellate court from any thereof, and each of them irrevocably submits to the exclusive jurisdiction of such courts in any suit, action or proceeding.

12. DEFINITIONS

In this letter (including the acknowledgement set out below) terms defined in the Agreement shall, unless the context otherwise requires, have the same meaning and:

"Confidential Information" means all information relating to the Company, any Obligor, the Group, the Finance Documents, the Agency Agreement and/or the Acquisition which is provided to you in relation to the Finance Documents or the Agency Agreement by us or any of our affiliates or advisers, in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes information that:

- (a) is or becomes public information other than as a direct or indirect result of any breach by you of this letter; or
- (b) is identified in writing at the time of delivery as non-confidential by us or our advisers; or
- (c) is known by you before the date the information is disclosed to you by us or any of our affiliates or advisers or is lawfully obtained by you after that date, from a source which is, as far as you are aware, unconnected with the Group and which, in either case, as far as you are aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality.

"Group" has the meaning specified in the Intercreditor Agreement.

"Permitted Purpose" means considering and evaluating whether to enter into the Acquisition.

Please acknowledge your agreement to the above by signing and returning the enclosed copy.

Yours faithfully

.....
For and on behalf of

[Seller]

To: [Seller]

The Company and each other member of the Group

We acknowledge and agree to the above:

.....
For and on behalf of

[Potential Holder]

SCHEDULE 6
REGULATIONS CONCERNING TRANSFERS AND REGISTRATION OF THE NOTES

1. The Paying Agent shall keep the Register at its registered office or principal place of business and enter in it:
 - (a) the name and address of each Holder;
 - (b) the date on which each person was registered as a Holder;
 - (c) the principal amount of each Note held by a Holder; and
 - (d) the date on which a person ceased to be a Holder.
2. The Paying Agent shall enter in the Register each change to the information specified in paragraph 1.
3. Subject to Section 16.1 (*Transfer of Notes*), Notes may be transferred by execution of the relevant Assignment Agreement under the hand of the transferor and the transferee or, where the transferor or transferee is a corporation, under its common seal or under the hand of any officer duly authorised in writing.
4. The Assignment Agreement (including any certification as to compliance with any restrictions on transfer), duly completed and executed, must be delivered to the registered office or principal place of business of the Paying Agent, and together with such evidence as the Paying Agent may reasonably require to prove the title of the transferor and the authority of each person who has executed the Assignment Agreement.
5. The executors or administrators of a deceased Holder of a Note shall be the only persons recognised by the Paying Agent as having any title to such Note.
6. Any person becoming entitled to any Notes in consequence of the death or bankruptcy of the Holder of such Notes may, upon producing such evidence that he holds the position in respect of which he proposes to act under this paragraph or of his title as the Paying Agent reasonably may require (including legal opinions), become registered himself as the Holder of such Notes or, subject to the provisions of these Regulations, the Notes and this Agreement as to transfer, may transfer such Notes. The Obligors shall be at liberty to retain any amount payable upon the Notes to which any person is so entitled until such person is so registered or duly transfers such Notes.
7. Where there is more than one transferee (to hold other than as joint Holders), separate Assignment Agreements must be completed in respect of each new holding.
8. Joint holdings of Notes shall not be permitted and the entries in the Register shall identify a single person as the Holder of each Note.

SCHEDULE 7
FORM OF INTERCREDITOR AGREEMENT

[Letterhead of Seller]

SIGNATURE PAGES

The Company

DIGICEL GROUP HOLDINGS LIMITED

Name:

Title:

The Pledgor

DIGICEL INVESTMENTS LIMITED

Name:

Title:

The Note Agent

GLAS TRUSTEES LIMITED

Name:

Title:

The Paying Agent

GLOBAL LOAN AGENCY SERVICES LIMITED

Name:

Title:

The Registrar

[GLOBAL LOAN AGENCY SERVICES LIMITED]

Name:

Title:

The Cash Manager

GLOBAL LOAN AGENCY SERVICES LIMITED

Name:

Title:

The Security Agent

GLAS TRUST CORPORATION LIMITED

Name:

Title:

The Electing Creditors

[Signature blocks to be inserted]

The Holding Period Trustee
GLAS TRUSTEES LIMITED

Name:
Title:

APPENDIX 5
INTERCREDITOR AGREEMENT

INTERCREDITOR AGREEMENT

dated [●] 2023

Between

Digicel Group Holdings Limited
as Company

Digicel Investments Limited
as Pledgor

Digicel International Finance Limited

Digicel Limited

Denis O'Brien
as Supporting Shareholder

GLAS Trustees Limited
as Note Agent

Global Loan Agency Services Limited
as Cash Manager

GLAS Trust Corporation Limited
as Security Agent

and others

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THIS AGREEMENT (this “**Agreement**”) is dated [●] 2023 and made between:

- (1) **Digicel Group Holdings Limited**, being an exempted company limited by shares registered in Bermuda with registration number 55491 and with its registered address at Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda (the “**Company**”);
- (2) **Digicel Investments Limited**, being an exempted company limited by shares registered in Bermuda with registration number 40390 and with its registered address at Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda (the “**Pledgor**”);
- (3) **Digicel International Finance Limited**, being an exempted company limited by shares registered in Bermuda with registration number 202302649 and with its registered address at Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda (“**DIFL**”);
- (4) **Digicel Limited**, being an exempted company limited by shares registered in Bermuda with registration number 53898 and with its registered address at Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda (“**DL**”);
- (5) **Denis O’Brien**, of Apt 401, White Mansions, Ghar Id-Dud Street, Sliema, SLM 1573, Malta (the “**Supporting Shareholder**”);
- (6) GLAS Trustees Limited, as note agent for and on behalf of the Noteholders (as defined below) (the “**Note Agent**”);
- (7) GLAS Trust Corporation Limited, as security agent for the Secured Parties (the “**Security Agent**”); and
- (8) Global Loan Agency Services Limited, as cash manager (the “**Cash Manager**”).

RECITAL

On account of the Supporting Shareholder Liabilities (as defined herein), the Supporting Shareholder shall receive, in accordance with (and subject to) the terms of this Agreement, either (i) 10.0% of any distributions of the Initial DPL Amount, the Additional DPL Amount and the Final DPL Amount (as defined herein) or (ii) (x) 5.0% of the Initial DPL Amount and (y) 20.0% of any distributions of the Additional DPL Amount and the Final DPL Amount.

SECTION 1 INTERPRETATION

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"Acceleration Action" means the acceleration of any Liabilities or the making of any declarations that any Liabilities are prematurely due and payable.

"Acceleration Event" means the Note Agent (for and on behalf of the Noteholders) exercising any of its rights under section [15.13] (*Acceleration*) of the Note Agreement.

"Ad Hoc Groups" means, collectively, the DGHL Ad Hoc Group and the PCG Ad Hoc Group.

"Additional Approved Cost" means any costs and expenses of the Company (including, without limitation, in respect of funding (a) the Solvent Liquidation and (b) the collection and distribution of the Future DPL Sale Proceeds, the Additional Assets Disposal Proceeds, Additional Assets Other Receipts and any DGHL Cash not included in the Agreed Budget but otherwise authorised to be incurred by the Company in accordance with Section [14.22] (*DGHL Governance*) of the Note Agreement and section [45(m)] of the Amended and Restated Bye-Laws).

"Additional Assets" means all assets of the Company other than the DGHL Cash and Future DPL Sale Proceeds.

"Additional Assets Disposal Proceeds" means the consideration received by any member of the Group (including any amount received in repayment of intercompany debt) for any Disposal of any Additional Assets made by any member of the Group or any amounts received by the Security Agent in relation to the realisation or enforcement of all or any part of the Transaction Security excluding the Future DPL Sale Proceeds Security and in each case after deducting:

- (a) first, any reasonable and documented professional advisor expenses which are incurred by any member of the Group with respect to that Disposal to persons who are not members of or connected to the Group;
- (b) second, any Tax incurred and required to be paid by the seller in connection with that Disposal (as reasonably determined by the seller, on the basis of existing rates and taking account of any available credit, deduction or allowance);
- (c) third, any amount permitted to be retained by the Company at that time from such amount in respect of any Additional Approved Cost; and
- (d) fourth, any amount required to be applied at that time in reimbursement of the Cash Allocation Shortfall in accordance with Clause 17.5 (*Reimbursement of Cash Allocation Shortfall*).

"Additional Assets Other Receipts" means the amounts received (other than Additional Assets Disposal Proceeds) by any member of the Group in relation to any Additional Assets made by any member of the Group and in each case after deducting:

- (a) first, any reasonable and documented professional adviser expenses which are incurred by any member of the Group with respect to those receivables to persons who are not members of or connected to the Group;
- (b) second, any Tax incurred and required to be paid by any member of the Group in connection with those receivables (as reasonably determined by the Company, on the basis of existing rates and taking account of any available credit, deduction or allowance);
- (c) third, any amount permitted to be retained by the Company at that time from such amount in respect of any Additional Approved Cost; and
- (d) fourth, any amount required to be applied at that time in reimbursement of the Cash Allocation Shortfall in accordance with Clause 17.5 (*Reimbursement of Cash Allocation Shortfall*).

"Additional DPL Amount" means each additional amount received by the Company in respect of the Future DPL Sale Proceeds in excess of the Initial DPL Amount; *provided that* such amounts of Future DPL Sale Proceeds in excess of USD 190,000,000 received by the Company shall not be deemed to constitute part of the Additional DPL Amount for the purposes of this Agreement but shall constitute the Final DPL Amount for the purposes of this Agreement.

"Affiliate" means, with respect to any specified Person:

- (a) any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person, or
- (b) any other Person that beneficially owns, directly or indirectly, 5% or more of such specified Person's Voting Stock or any officer or director of any such specified Person or other Person or, with respect to any natural Person, any Person having a relationship with such Person by blood, marriage or adoption not more remote than first cousin.

For the purposes of this definition, "control," when used with respect to any specified Person, means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Agency Agreement" has the meaning set out in the Note Agreement.

"Agents" means the Cash Manager, the Paying Agent, the Holding Period Trustee and the New Notes Registrar and **"Agent"** means any of them.

"Agreed Budget" means the budget agreed as a condition precedent to the occurrence of the Scheme Effective Date, in relation to the transaction costs associated with the Scheme and the ongoing costs and expenses of the Company (including, without limitation, in respect of funding (a) the Solvent Liquidation and (b) the collection and distribution of the Future DPL Sale Proceeds, the Additional Assets Disposal Proceeds, Additional Assets Other Receipts and any DGHL Cash).

"Amended and Restated Bye-Laws" means the amended and restated bye-laws of the Company to be adopted on the Scheme Effective Date in substantially the same form as that appended to the Explanatory Statement.

"Appropriation" means the appropriation (or similar process) of the shares in the capital of a member of the Group by the Security Agent (or any Receiver or Delegate) which is effected (to the extent permitted under the relevant Security Document and applicable law) by enforcement of the Transaction Security.

"Borrowing Liabilities" means, in relation to a member of the Group, the liabilities and obligations it may have as a principal debtor to a Creditor or a Debtor in respect of Financial Indebtedness arising under the Debt Documents (whether incurred solely or jointly and including, without limitation, liabilities and obligations as a borrower under the Primary Finance Documents).

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in Bermuda, London and New York (provided that the availability of internet banking shall not constitute being open for general business).

"Capital Stock" means any and all shares, interests, participations or other equivalents (however designated) of capital stock or share capital of a corporation or company, any and all equivalent ownership interests in a person (other than a corporation or company), including partnership interests and membership interests, and any and all warrants, rights or options to purchase or other arrangements or rights to acquire any of the foregoing, but excluding for the avoidance of doubt any debt convertible into or exchangeable for any of the foregoing.

"Cash Allocation Shortfall" means the aggregate difference (if negative) between (a) the Company's available cash at the Scheme Effective Date after payment of Professional Fees, the Existing Notes Trustee's Fees and Expenses, the Work Fees and the funding of the Expense Reserve in accordance with the Agreed Budget, and the Telstra Reserve, and (b) the sum of the Cash Distributions and the DIFL/DL Cash Distribution.

"Cash Allocation Shortfall Outstanding Amount" means, at any time, the Cash Allocation Shortfall as such amount may be reduced pursuant to Clause 17.5 (*Reimbursement of Cash Allocation Shortfall*).

"Cash Distributions" means (a) the distribution of USD 19,500,000 payable by the Company to the DGHL Subordinated Noteholders, and (b) the distribution of USD 163,500,000 payable by the Company to the DGHL Unsecured Noteholders (less any amount received by the DGHL Unsecured Noteholders as an Interim Distribution prior to the Scheme Effective Date), in accordance with the terms of the Scheme or the Validation Order (as applicable).

"Cash Proceeds" means:

- (a) proceeds of the Security Property which are in the form of cash; and
- (b) any cash which is generated by holding, managing, exploiting, collecting, realising or disposing of any proceeds of the Security Property which is in the form of Non-Cash Consideration.

"Common Assurance" means any guarantee, indemnity or other assurance against loss in respect of any of the Liabilities, the benefit of which (however conferred) is, to the extent legally possible, given to all the Secured Parties in respect of their Liabilities.

"Common Currency" means US dollars.

"Common Currency Amount" means, in relation to an amount, that amount converted (to the extent not already denominated in the Common Currency) into the Common Currency at the Security Agent's Spot Rate of Exchange on the Business Day prior to the relevant calculation.

"Company Affiliate" means:

- (a) the Company, each of its Affiliates, any trust of which the Company or any of its Affiliates is a trustee, any partnership of which the Company or any of its Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, the Company or any of its Affiliates;
- (b) DL, each of its Affiliates, any trust of which DL or any of its Affiliates is a trustee, any partnership of which DL or any of its Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, DL or any of its Affiliates;
- (c) DIFL, each of its Affiliates, any trust of which DIFL or any of its Affiliates is a trustee, any partnership of which DIFL or any of its Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, DIFL or any of its Affiliates;
- (d) the Supporting Shareholder, each of its Affiliates, any trust of which the Supporting Shareholder or any of its Affiliates is a trustee, any partnership of which the Supporting Shareholder or any of its Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, the Supporting Shareholder or any of its Affiliates; and
- (e) the Pledgor, each of its Affiliates, any trust of which the Pledgor or any of its Affiliates is a trustee, any partnership of which the Pledgor or any of its Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, the Pledgor or any of its Affiliates.

"Competitive Sales Process" means:

- (a) any auction or other competitive sales process conducted with the advice of a Financial Adviser appointed by, or approved by, the Security Agent pursuant to Clause 14.7 (*Appointment of Financial Adviser*); and
- (b) any enforcement of the Transaction Security carried out by way of auction or other competitive sales process pursuant to requirements of applicable law.

"Consent" means any consent, approval, release or waiver or agreement to any amendment.

"Creditor Accession Undertaking" means:

- (a) an undertaking substantially in the form set out in Schedule 2 (*Form of Creditor Accession Undertaking*); or
- (b) in the case of an acceding Debtor which is expressed to accede as an Intra Group Lender in the relevant Debtor Accession Deed, that Debtor Accession Deed.

"Creditor Conflict" means, at any time prior to the Final Discharge Date, a conflict between the interests of any of the Secured Creditors as amongst themselves or between any of the Secured Creditors and the Supporting Shareholder.

"Creditors" means the Secured Creditors, the Intra Group Lenders, the Pledgor and the Supporting Shareholder.

"Debt Disposal" means any Liabilities Sale or disposal of any Debtors' Intra Group Receivables pursuant to paragraphs (d) or (e) of Clause 14.1 (*Facilitation of Distressed Disposals and Appropriation*).

"Debt Document" means each of this Agreement, the Primary Finance Documents, the Security Documents, any agreement evidencing the terms of the Pledgor Liabilities or the Intra Group Liabilities, the Settlement Agreement and any other document designated as such by the Security Agent and the Company.

"Debtor" means each Original Debtor and any person which becomes a Party as a Debtor in accordance with the terms of Clause 21 (*Changes to the Parties*).

"Debtor Accession Deed" means:

- (a) a deed substantially in the form set out in Schedule 2 (*Form of Debtor Accession Deed*); or
- (b) (only in the case of a member of the Group which is acceding as a borrower or guarantor under a Debt Document) an accession document in the form required by the relevant Debt Document (*provided that* it contains an accession to this Agreement which is substantially in the form set out in Schedule 2 (*Form of Debtor Accession Deed*)).

"Debtors' Intra-Group Receivables" means, in relation to a member of the Group, any liabilities and obligations owed to any Debtor (whether actual or contingent and whether incurred solely or jointly) by that member of the Group.

"Default" means an Event of Default or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Debt Documents or any combination of any of the foregoing) be an Event of Default.

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Security Agent.

"DGHL Cash" means all cash held by the Company as at 29 May 2023, being an amount of USD 311,310,690.

"DGHL/DIFL Intercompany Debt Purchase Transaction" means, in relation to any person, a transaction where such person:

- (a) purchases by way of assignment or transfer or otherwise acquires;
- (b) enters into any sub-participation in respect of; or
- (c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub-participation in respect of,

any interest in any DGHL/DIFL Intercompany Liabilities.

"DGHL/DIFL Intercompany Liabilities" means any Liabilities owed by the Company to DIFL pursuant to the Settlement Agreement.

"DGHL/DIFL Intercompany Liability Discharge Date" means the earlier to occur of:

- (a) the date on which DIFL has no entitlement to further distributions under the terms of this Agreement; and
- (b) the Maturity Date.

"DGHL/DL Intercompany Debt Purchase Transaction" means, in relation to any person, a transaction where such person:

- (a) purchases by way of assignment or transfer or otherwise acquires;
- (b) enters into any sub-participation in respect of; or
- (c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub-participation in respect of,

any interest in any DGHL/DL Intercompany Liabilities.

"DGHL/DL Intercompany Liabilities" means any Liabilities owed by the Company to DL pursuant to the Settlement Agreement.

"DGHL/DL Intercompany Liability Discharge Date" means the earlier to occur of:

- (a) the date on which DL has no entitlement to further distributions under the terms of this Agreement; and
- (b) the Maturity Date.

"DGHL Realisations" has the meaning given to such term in Clause 18.1 (*Order of application*).

"DGHL Ad Hoc Group" means the ad hoc group of DGHL Subordinated Noteholders and the DGHL Unsecured Noteholders as advised by the DGHL Ad Hoc Group Advisers in connection with the Scheme.

"DGHL Ad Hoc Group Advisers" means (a) Weil, Gotshal & Manges LLP (and its affiliates), (b) Carey Olsen Bermuda Limited, (c) any St Lucia counsel retained by (or on behalf of) the DGHL Ad Hoc Group and (d) any barrister retained (or on behalf of) the DGHL Ad Hoc Group.

"DGHL Subordinated Notes" means those 7.00% PIK Perpetual Convertible Notes issued by the Company pursuant to the DGHL Subordinated Notes Indenture, as cancelled pursuant to the Scheme.

"DGHL Subordinated Notes Indenture" means that certain indenture dated as of 23 June 2020 related to the DGHL Subordinated Notes (as amended, modified, or supplemented from time to time in accordance with the terms thereof).

"DGHL Subordinated Noteholders" means the former holders of the DGHL Subordinated Notes immediately prior to the cancellation of the DGHL Subordinated Notes.

"DGHL Unsecured Notes Indenture" means that certain indenture dated as of 23 June 2020 relating to the DGHL Unsecured Notes (as amended, modified, or supplemented from time to time in accordance with the terms thereof).

"DGHL Unsecured Notes" means those 8.00% Senior Cash Pay/PIK Notes issued by the Company pursuant to the DGHL Subordinated Notes Indenture, as cancelled pursuant to the Scheme.

"DGHL Unsecured Noteholders" means the former holders of the DGHL Unsecured Notes immediately prior to the cancellation of the DGHL Unsecured Notes.

"DHL" means Digicel Holdings (Bermuda) Limited.

"DHL Group" means DHL and its Subsidiaries from time to time.

"DIFL/DL Cash Distribution" means USD 110,200,000 payable by the Company to DIFL and DL (to be allocated among themselves in proportions to be agreed) (less any amount received by DIFL and DL as an Interim Distribution prior to the Scheme Effective Date) on account of the DGHL/DIFL Intercompany Liabilities and the DGHL/DL Intercompany Liabilities.

"DIFL/DL Restructuring" means a restructuring of the financial indebtedness of each of DIFL and DL to be implemented pursuant to separate schemes of arrangement under section 99 of the Companies Act 1981 of Bermuda following the date of this Agreement.

"Digicel Advisers" means (a) DC Advisory LLC, (b) Island Capital Management Services Limited, (c) Davis Polk & Wardwell LLP, (d) Conyers, Dill & Pearman Limited, and (e) the Information Agent as advisers to the Company in connection with the Scheme.

"Disposal" means a sale, lease, licence, transfer, loan or other disposal by a person of any asset, undertaking or business (whether by a voluntary or involuntary single transaction or series of transactions).

"Distress Event" means any of:

- (a) an Acceleration Event; or
- (b) the enforcement of any Transaction Security.

"Distressed Disposal" means a disposal of an asset of a member of the Group, or in respect of any disposal of the shares in the Company, the Pledgor, which is:

- (a) being effected at the request of the Instructing Group in circumstances where the Transaction Security has become enforceable;
- (b) being effected by enforcement of the Transaction Security (including the disposal of any Property of a member of the Group, or in respect of any disposal of the shares in the Company, the Pledgor, the shares in which have been subject to an Appropriation); or
- (c) being effected, after the occurrence of a Distress Event, by a Debtor to a person or persons which is, or are, not a member, or members, of the Group.

"DL Group" means DL and its Subsidiaries from time to time.

"DL Noteholder" means a holder of notes issued by DL.

"Earn Out Arrangements" means the earn out arrangements established under the Telstra SPA.

"Enforcement Action" means:

- (a) in relation to any Liabilities:
 - (i) the making of any declaration that any Liabilities are payable on demand;
 - (ii) the making of a demand in relation to a Liability that is payable on demand (other than a demand made by an Intra Group Lender in relation to any Intra Group Liabilities to the extent (A) that the demand is made in the ordinary course of dealings between the relevant Debtor and Intra Group Lender and (B) that any resulting Payment would be a Permitted Intra Group Payment);
 - (iii) the exercise of any right to require any member of the Group to acquire any Liability (including exercising any put or call option against any member of the Group for the redemption or purchase of any Liability);
 - (iv) the exercise of any right of set-off, account combination or payment netting against any member of the Group in respect of any Liabilities other than the exercise of any such right which is otherwise expressly permitted under the Primary Debt Documents to the extent that the exercise of that right gives effect to a Permitted Intra Group Payment; and
 - (v) the suing for, commencing or joining of any legal or arbitration proceedings against any member of the Group to recover any Liabilities;
- (b) the taking of any steps to enforce or require the enforcement of any Transaction Security (including the crystallisation of any floating charge forming part of the Transaction Security or the taking of any actions authorised by the terms of the Transaction Security);
- (c) the taking of any steps to or entering into of any composition, compromise, assignment or arrangement with any member of the Group which owes any Liabilities, or has given any Security, guarantee or indemnity or other assurance against loss in respect of the Liabilities (other than any action permitted under Clause 21 (*Changes to the Parties*)); or
- (d) the petitioning, applying or voting for, or the taking of any steps (including the appointment of any liquidator, receiver, administrator or similar officer) in relation to, the winding up, dissolution, administration or reorganisation of any member of the Group which owes any Liabilities, or has given any Security, guarantee, indemnity or other assurance against loss in respect of any of the Liabilities, or any of such member of the Group's assets or any suspension of payments or moratorium of any indebtedness of any such member of the Group, or any analogous procedure or step in any jurisdiction,

except that the taking of any action falling within paragraphs (a)(v) or (d) above which is necessary (but only to the extent necessary) to preserve the validity, existence or priority of claims in respect of Liabilities, including the registration of such claims before any court or

governmental authority and the bringing, supporting or joining of proceedings to prevent any loss of the right to bring, support or join proceedings by reason of applicable limitation periods shall not, in any case, constitute Enforcement Action.

"Escrow Arrangements" means the Telstra General Escrow and all other escrow arrangements established under the original form of the Telstra SPA.

"Event of Default" has the meaning given to such term in the Note Agreement.

"Existing Notes Indentures" means the DGHL Unsecured Notes Indenture and the DGHL Subordinated Notes Indenture.

"Existing Notes Trustee" means Wilmington Trust, National Association, in its capacity as indenture trustee, and in each other capacity for which it serves, under or in connection with the Existing Notes Indentures.

"Existing Notes Trustee's Fees and Expenses" means the reasonable and documented compensation, fees, expenses, disbursements and indemnity claims, including without limitation, attorneys' fees, expenses and disbursements, incurred by the Existing Notes Trustee in any and all capacities to the extent payable or reimbursable under either the Existing Notes Indentures or any related documents.

"Expense Reserve" means a reserve as shown in the Agreed Budget, for the purposes of funding the ongoing costs and expenses of the Company, including the Solvent Liquidation.

"Fairness Opinion" means, in respect of a Distressed Disposal or a Liabilities Sale, an opinion that the proceeds received or recovered in connection with that Distressed Disposal or Liabilities Sale are fair from a financial point of view taking into account all relevant circumstances, including, without limitation, the method of enforcement or disposal.

"Final Discharge Date" means the first date on which, in accordance with the Debt Documents (including pursuant to Clause 18.8 (*Limited Recourse*)), all Secured Liabilities have been fully and finally discharged to the satisfaction of the Secured Creditors, whether or not as the result of an enforcement, and the Secured Creditors are under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents.

"Final DPL Amount" means each amount received by the Company in respect of the Future DPL Sale Proceeds which, in aggregate exceeds USD 190,000,000. For the avoidance of doubt, any amounts of Future DPL Sale Proceeds that are less than USD 190,000,000 in aggregate received by the Company do not constitute part of the Final DPL Amount for the purposes of this Agreement.

"Financial Adviser" means any:

- (a) independent internationally recognised investment bank;
- (b) independent internationally recognised accountancy firm; or
- (c) other independent internationally recognised professional services firm which is regularly engaged in providing valuations of businesses or financial assets or, where applicable, advising on competitive sales processes.

"Financial Indebtedness" has the meaning given to the term "Debt" in the Note Agreement.

"Future DPL Sale Proceeds" means, at any time, all cash and cash equivalents (including pursuant to the Earn Out Arrangements and Escrow Arrangements) paid, released or otherwise transferred to the Company at any time on or after 28 May 2023 pursuant to the terms of the Telstra SPA (and including, for the purposes of Clause 18 (*Application of Proceeds*) any amounts received by the Security Agent in relation to the realisation or enforcement of all or any part of the Future DPL Sale Proceeds Security), less any amount permitted to be retained by the Company at that time in respect of any Additional Approved Cost.

"Future DPL Sale Proceeds Security" means the fixed charge security granted by the Company in favour of the Security Agent pursuant to a Victoria law fixed charge over the Company's right to receive the Future DPL Sale Proceeds.

"GLAS Advisors" means McDermott Will & Emery UK LLP.

"Group" means the Company and its Subsidiaries from time to time other than (a) prior to completion of the DIFL/DL Restructuring, the DL Group, and (b) following completion of the DIFL/DL Restructuring, the DHL Group.

"Holder" has the meaning given to such term in the Note Agreement.

"Holding Company" means, in relation to a person, any other person in respect of which it is a Subsidiary.

"Holding Period Trust Deed" means the holding period trust deed entered into on or around the date of this Agreement between, among others, the Company and the Holding Period Trustee.

"Holding Period Trustee" means GLAS Trustees Limited.

"Initial DPL Amount" means the initial amounts received by the Company in respect of the Future DPL Sale Proceeds; *provided that* any amounts of Future DPL Sale Proceeds received by the Company that exceed USD 149,999,99.99 in aggregate shall not constitute part of the Initial DPL Amount for the purposes of this Agreement.

"Information Agent" means Epiq Corporate Restructuring, LLC.

"Insolvency Event" means, in relation to any member of the Group or the Pledgor:

- (a) any resolution is passed or order made for the winding up, dissolution, administration or reorganisation of that member of the Group or the Pledgor, a moratorium is declared in relation to any indebtedness of that member of the Group or the Pledgor or an administrator is appointed to that member of the Group or the Pledgor;
- (b) any composition, compromise, assignment or arrangement is made with any of its creditors;
- (c) the appointment of any liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of that member of the Group or the Pledgor or any of their assets;
- (d) a resolution is proposed or passed, application is made or an order is applied for or granted, to authorise the entry into or implementation of any business rescue proceedings (or any similar proceedings) in respect of that entity; or
- (e) any analogous procedure or step is taken in any jurisdiction;

provided that the following shall not constitute or be deemed an Insolvency Event for the purposes of this Agreement: (i) any winding-up petition that is frivolous or vexatious and is discharged, stayed or dismissed within 30 days of commencement; (ii) the Winding-Up Petition; or (iii) an Insolvency Event with respect to Digicel Panama S.A.

"Instructing Group" means:

- (a) for so long as any New Senior Notes remain outstanding, Holders of New Note 1A (or if New Note 1A has been fully repaid, New Note 1B) and/or New Note 2A (or if New Note 2A has been fully repaid, New Note 2B), provided that such Holders constitute in excess of 50% of the aggregate principal amount outstanding of New Note 1A (or, if New Note 1A has been fully repaid, New Note 1B) or New Note 2A (or, if New Note 2A has been fully repaid, New Note 2B); and
- (b) following repayment of all amounts outstanding under the New Senior Notes, Holders of New Note 3A (or, if New Note 3A has been fully repaid, New Note 3B) and/or New Note 4A (or, if New Note 4A has been fully repaid, New Note 4B), provided that such Holders constitute in excess of 50% of the aggregate principal amount outstanding of New Note 3A (or, if New Note 3A has been fully repaid, New Note 3B) or New Note 4A (or, if New Note 4A has been fully repaid, New Note 4B).

"Interim Distribution" means the payments (a) made by the Company in an aggregate amount of USD 113,500,000 on 18 August 2023 to the DGHL Unsecured Noteholders, and (b) made by the Company in an aggregate amount of USD 76,500,000 to DIFL and DL (to be allocated among themselves in proportions to be agreed) on 20 June 2023 on account of the DGHL/DIFL Intercompany Liabilities and the DGHL/DL Intercompany Liabilities.

"Intercreditor Amendment" means any amendment or waiver which is subject to Clause 27 (*Consents, Amendments and Override*).

"Intra Group Lending" means the loans, credit or other financial arrangements made available by any Intra Group Lender to another member of the Group.

"Intra Group Lenders" means each member of the Group (other than the Company) which has made a loan available to, granted credit to or made any other financial arrangement having similar effect with another member of the Group and which becomes a Party as an Intra Group Lender in accordance with the terms of Clause 21 (*Changes to the Parties*).

"Intra-Group Liabilities" means the Liabilities owed by any member of the Group to any of the Intra Group Lenders (other than the Pledgor Liabilities, the DGHL/DIFL Intercompany Liabilities and the DGHL/DL Intercompany Liabilities).

"Liabilities" means all present and future liabilities and obligations at any time of any member of the Group to any Creditor under the Debt Documents or under any other Intra Group Lending, both actual and contingent and whether incurred solely or jointly or as principal or surety or in any other capacity together with any of the following matters relating to or arising in respect of those liabilities and obligations:

- (a) any refinancing, novation, deferral or extension;
- (b) any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other liability or obligation falling within this definition;

- (c) any claim for damages or restitution; and
- (d) any claim as a result of any recovery by any Debtor of a Payment on the grounds of preference or otherwise,

and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings.

"Liabilities Acquisition" means, in relation to a person and to any Liabilities, a transaction where that person:

- (a) purchases by way of assignment or transfer;
- (b) enters into any sub-participation in respect of; or
- (c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub-participation in respect of,

the rights in respect of those Liabilities.

"Liabilities Sale" means a Debt Disposal pursuant to paragraph (e) of Clause 14.1 (*Facilitation of Distressed Disposals and Appropriation*).

"Maturity Date" means the earlier of:

- (a) 31 December 2030; and
- (b) such date as may be determined by any liquidator appointed to the Company pursuant to a Solvent Liquidation, acting reasonably and in good faith, as being a date after which the final distribution of all of the assets of the Company has occurred (subject to any reservations for any costs and expenses incurred in connection with such Solvent Liquidation), following consultation with the Note Agent for a period of at least ten (10) Business Days.

"New Note 1" means New Note 1A and New Note 1B.

"New Note 1A" means the senior series of New Senior Notes to be issued by the Company under the Note Agreement as "New Note 1A".

"New Note 1B" means the junior series of New Senior Notes to be issued by the Company under the Note Agreement as "New Note 1B".

"New Note 2" means New Note 2A and New Note 2B.

"New Note 2A" means the senior series of New Senior Notes to be issued by the Company under the Note Agreement as "New Note 2A".

"New Note 2B" means the junior series of New Senior Notes to be issued by the Company under the Note Agreement as "New Note 2B".

"New Note 3" means New Note 3A and New Note 3B.

"New Note 3A" means the senior series of New Subordinated Notes to be issued by the Company under the Note Agreement as "New Note 3A".

"New Note 3B" means the junior series of New Subordinated Notes to be issued by the Company under the Note Agreement as "New Note 3B".

"New Note 4" means New Note 4A and New Note 4B.

"New Note 4A" means the senior series of New Subordinated Notes to be issued by the Company under the Note Agreement as "New Note 4A".

"New Note 4B" means the junior series of New Subordinated Notes to be issued by the Company under the Note Agreement as "New Note 4B".

"New Notes" means the eight series of limited recourse private placement notes issued by the Company pursuant to the Note Agreement, being collectively, New Note 1A, New Note 1B, New Note 2A, New Note 2B, New Note 3A, New Note 3B, New Note 4A and New Note 4B.

"New Senior Notes" means the limited recourse senior notes issued by the Company pursuant to the Note Agreement, being collectively, New Note 1A, New Note 1B, New Note 2A and New Note 2B.

"New Subordinated Notes" means the limited recourse subordinated notes issued by the Company pursuant to the Note Agreement, being collectively, New Note 3A, New Note 3B, New Note 4A and New Note 4B.

"New Notes Credit Participation" means, in relation to a Noteholder, the aggregate of:

- (a) the aggregate outstanding principal amount of the New Notes held by it, if any; and
- (b) to the extent not falling within paragraph (a) above, the aggregate outstanding principal amount of any Note Liabilities in respect of which it is the creditor, if any.

"New Notes Registrar" means Global Loan Agency Services Limited.

"Non-Cash Consideration" means consideration in a form other than cash.

"Non-Cash Recoveries" means:

- (a) any proceeds of a Distressed Disposal or a Debt Disposal; or
- (b) any amount distributed to the Security Agent pursuant to Clause 10.1 (*Turnover by the Creditors*),

which are, or is, in the form of Non-Cash Consideration.

"Non-Distressed Disposal" has the meaning given to such term in Clause 13 (*Non-Distressed Disposals*).

"Note Agreement" means the note agreement relating to the New Notes dated on or around the date hereof and entered into between, amongst others, the Company and the Note Agent.

"Noteholders" means the Holders of the New Notes.

"Note Liabilities" means the Liabilities owed by the members of the Group to the Noteholders.

"Note Purchase Transaction" means, in relation to any person, a transaction where such person:

- (a) purchases by way of assignment or transfer or otherwise acquires;
- (b) enters into any sub-participation in respect of; or
- (c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub-participation in respect of,

any interest in any Note Liabilities (including any amount outstanding under the New Notes).

"Original Debtor" means the Company.

"Other Liabilities" means, in relation to a member of the Group, any trading and other liabilities and obligations (not being Borrowing Liabilities) it may have to an Intra Group Lender, any Creditor or a Debtor.

"Party" means a party to this Agreement.

"Paying Agent" has the meaning given to such term in the Note Agreement.

"Payment" means, in respect of any Liabilities (or any other liabilities or obligations), a payment, prepayment, repayment, redemption, defeasance or discharge in whole or in part of those Liabilities (or other liabilities or obligations).

"PCG Ad Hoc Group" means the ad hoc group of DGHL Subordinated Noteholders and DGHL Unsecured Noteholders as advised by the PCG Ad Hoc Group Advisers in connection with the Scheme.

"PCG Ad Hoc Group Advisers" means (a) Greenhill & Co, LLC, (b) Paul, Weiss, Rifkind, Wharton & Garrison LLP, (c) Akin Gump LLP and Akin Gump Strauss Hauer & Feld LLP, (d) Walkers (Bermuda) Limited, (e) and any barrister or other law firm retained on behalf of the PCG Ad Hoc Group from time to time, as advisers to the PCG Ad Hoc Group.

"Permitted Intra Group Payments" means the Payments permitted by Clause 7.2 (*Permitted Payments: Intra Group Liabilities*).

"Pledgor Liabilities" means all Liabilities owed by any member of the Group to the Pledgor.

"Primary Finance Documents" means (a) the Note Agreement, (b) the Agency Agreement, (c) the Holding Period Trust Deed, (d) the Security Documents, (e) the Settlement Agreement, (f) this Agreement and (g) any fee letters designated as a Primary Finance Document.

"Professional Fees" means, collectively, the reasonable and documented fees, costs and expenses incurred in connection with the Restructuring, together with applicable taxes thereon (if any) of the following agreed professionals: (a) the PCG Ad Hoc Group Advisers, (b) the DGHL Ad Hoc Group Advisers, (c) the Digicel Advisers and (d) the GLAS Advisers.

"Property" of a member of the Group, of a Debtor or of the Pledgor means:

- (a) any asset of that member of the Group, or of that Debtor;
- (b) in the case of the Pledgor, the shares of the Company

- (c) any Subsidiary (other than DL and its Subsidiaries as of the date of this Agreement) of that member of the Group, of that Debtor or of the Pledgor; and
- (d) any asset of any such Subsidiary.

"Receiver" means a receiver or receiver and manager or administrative receiver or analogous appointment of the whole or any part of the Security Property.

"Relevant Liabilities" means:

- (a) in the case of a Creditor:
 - (i) the Liabilities owed to Creditors ranking (in accordance with the terms of this Agreement) *pari passu* with or in priority to that Creditor (as the case may be); and
 - (ii) all present and future liabilities and obligations, actual and contingent, of the Debtors to the Security Agent; and
- (b) in the case of a Debtor, the Liabilities owed to the Creditors together with all present and future liabilities and obligations, actual and contingent, of the Debtors to the Security Agent.

"Reserve Reduction Amount" means the amount by which the aggregate Cash Distributions and the DIFL/DL Cash Distribution are reduced prior to distribution to (a) the holders of New Senior Notes (who shall be deemed to have funded the Telstra Reserve in place of the DGHL Unsecured Noteholders), (b) the holders of the New Subordinated Notes (who shall be deemed to have funded the Telstra Reserve in place of the DGHL Subordinated Noteholders), and (c) DIFL and DL, in order to generate the Telstra Reserve in accordance with the Scheme.

"Restructuring" means a restructuring of the financial indebtedness of the Company, implemented pursuant to the Scheme, the Settlement Agreement and this Agreement.

"Scheme" means the scheme of arrangement under section 99 of the Companies Act 1981 of Bermuda, as amended, sanctioned in respect of the Company on or around the date of this Agreement.

"Scheme Effective Date" means the date upon which all of the conditions to the effectiveness of the Scheme have been satisfied and the Scheme becomes effective on its terms.

"Secured Creditors" means the Note Agent, the Noteholders, DIFL and DL.

"Secured Liabilities" means the Liabilities owed to the Secured Creditors under the Primary Finance Documents and any and all amounts owed to the Security Agent under the Debt Documents.

"Secured Obligations" means all the Liabilities (excluding any Intra Group Liabilities and Pledgor Liabilities) and all other present and future liabilities and obligations at any time due, owing or incurred by any member of the Group and by each Debtor to any Secured Party under the Debt Documents (excluding any document evidencing the Intra Group Liabilities and/or Pledgor Liabilities), both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

"Secured Parties" means the Security Agent, any Receiver or Delegate, each of the Agents and each of the Secured Creditors from time to time but, in the case of each Secured Creditor,

only if it is a Party or has acceded to this Agreement, in the appropriate capacity, pursuant to Clause 21.10 (*Creditor Accession Undertaking*).

"Security" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property), in each case, in the nature of security.

"Security Agent's Spot Rate of Exchange" means, in respect of the conversion of one currency (the **"First Currency"**) into another currency (the **"Second Currency"**):

- (a) the Security Agent's spot rate of exchange; or
- (b) (if the Security Agent does not have an available spot rate of exchange) any other publicly available spot rate of exchange selected by the Security Agent (acting reasonably),

for the purchase of the Second Currency with the First Currency in the London foreign exchange market at or about 11:00 a.m. (London time) on a particular day, which shall, in either case, be notified by the Security Agent in accordance with paragraph (e) of Clause 19.3 (*Duties of the Security Agent*).

"Security Documents" means:

- (a) each of the Transaction Security Documents;
- (b) any other document entered into at any time by any of the Debtors 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 Secured Obligations; 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 Property" means:

- (a) the Transaction Security expressed to be granted in favour of the Security Agent as trustee for the Secured Parties, all of the assets which from time to time are, or are expressed to be, subject to the Transaction Security and all proceeds of that Transaction Security;
- (b) all obligations expressed to be undertaken by a Debtor to pay amounts in respect of the Liabilities to the Security Agent as trustee for the Secured Parties and secured by the Transaction Security together with all representations and warranties expressed to be given by a Debtor in favour of the Security Agent as trustee for the Secured Parties;
- (c) the Security Agent's interest in any trust fund created pursuant to Clause 10 (*Turnover of Receipts*);
- (d) any other amounts or property, whether rights, entitlements, choses in action or otherwise, actual or contingent, which the Security Agent is required by the terms of the Debt Documents to hold as trustee on trust for the Secured Parties.

"Settlement Agreement" means that certain settlement agreement entered into between the Company, DIFL and DL dated on or around the date of this Agreement which operates to compromise all pre Scheme Effective Date Liabilities of the Company to DL and DIFL.

"Solvent Liquidation" means a voluntary liquidation of the Company under the Companies Act 1981 of Bermuda, as amended.

"Subsidiary" means, with respect to any Person, any company, corporation, partnership, limited liability company, association, joint venture or other business entity of which more than 50% of the total voting power of shares, stock or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other subsidiaries of such Person or a combination thereof; provided that in determining the percentage of ownership interests of any Person controlled by another Person, no ownership interests in the nature of a "qualifying share" of the former Person shall be deemed to be issued and outstanding.

"Super Instructing Group" means:

- (a) for so long as the New Senior Notes remain outstanding, Holders of New Note 1A (or if New Note 1A has been fully repaid, New Note 1B) and/or New Note 2A (or if New Note 2A has been fully repaid, New Note 2B) , provided that such Holders constitute in excess of 75% of the aggregate principal amount outstanding of New Note 1A (or, if New Note 1A has been fully repaid, New Note 1B) or New Note 2A (or, if New Note 2A has been fully repaid, New Note 2B); and
- (b) following repayment of all amounts outstanding under the New Senior Notes, Holders of New Note 3A (or if New Note 3A has been fully repaid, New Note 3B) and/or New Note 4A (or if New Note 4A has been fully repaid, New Note 4B), provided that such Holders constitute in excess of 75% of the aggregate principal amount outstanding of New Note 3A (or, if New Note 3A has been fully repaid, New Note 3B) or New Note 4A (or, if New Note 4A has been fully repaid, New Note 4B).

"Supporting Shareholder Debt Purchase Transaction" means, in relation to any person, a transaction where such person:

- (a) purchases by way of assignment or transfer or otherwise acquires;
- (b) enters into any sub-participation in respect of; or
- (c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub-participation in respect of,

any interest in any Supporting Shareholder Liabilities.

"Supporting Shareholder Liabilities" means any Liabilities owed by any member of the Group to the Supporting Shareholder in accordance with Clauses 6 (*Supporting Shareholder Liabilities*) and 18.1 (*Order of application*) of this Agreement.

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"Telstra Escrow Top-Up" means the obligation of the Company under the Telstra SPA to increase the amount deposited in respect of the Telstra General Escrow in the event that a change of control of DL occurs.

"Telstra General Escrow" means an escrow required under the original form Telstra SPA to generally cover claims arising thereunder.

"Telstra General Escrow Amount" means the amount deposited from time to time in respect of the Telstra General Escrow, which, as at 28 May 2023, amounted to approximately USD 30,000,000.

"TPMH" means Telstra PM Holdings PTY Ltd, an Australian private company with company number 648132941, whose postal address is at 242-284 Exhibition Street, Melbourne VIC 3000, Australia.

"Telstra Reserve" means a reserve in an amount of USD 70,000,000 to be reserved by the Company for the purpose of funding the Telstra Escrow Top-Up.

"Telstra Reserve Release" means the release of funds from time to time from the (i) Telstra General Escrow (in accordance with the Telstra SPA) to the Telstra Reserve Secured Account and/or (ii) Telstra Reserve Secured Account, in each case pursuant to Clause 17.3 (*Telstra Reserve*).

"Telstra SPA" means the original form share purchase agreement dated 24 October 2021 by and among BidCo (S) Pte. Ltd, Telstra Corporation Limited and the Company relating to the purchase and sale of Digicel Pacific Limited.

"Transaction Security" means the Security created or evidenced or expressed to be created or evidenced under or pursuant to the Security Documents.

"Transaction Security Documents" means the "Collateral Documents" under and as defined in the Note Agreement.

"Winding-Up Petition" means the winding-up petition against DGHL filed before the Supreme Court of Bermuda, Commercial Court, Companies (Winding Up) 2023: No. 77 on 10 March 2023.

"Work Fees" means those payments the Company is obligated to make to the members of the Ad Hoc Groups pursuant to that certain work fee letter between the Company and the members of the Ad Hoc Groups dated as of 29 May 2023.

"Validation Order" means the validation order entered by the Bermuda Court on 16 June 2023 validating, among other things, the Interim Distributions.

"VAT" means:

- (a) any value added tax imposed by the Value Added Tax Act 1994;
- (b) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (c) any other tax of a similar nature, whether imposed in the United Kingdom or in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraphs (a) or (b) above, or imposed elsewhere.

"Voting Stock" means any class or classes of Capital Stock pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect at least a majority of the board of directors, managers or trustees (or Persons performing similar functions) of any Person (irrespective of whether or not, at the time, stock or shares of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

1.2 Construction

- (a) Unless a contrary indication appears, a reference in this Agreement to:
- (i) any **"Company"**, **"Creditor"**, **"Debtor"**, **"Intra Group Lender"**, **"Pledgor"**, **"Party"**, **"Secured Creditor"**, **"Noteholder"**, **"Note Agent"**, **"Cash Manager"** or **"Security Agent"** shall be construed to be a reference to it in its capacity as such and not in any other capacity;
 - (ii) any **"Creditor"**, **"Debtor"**, **"Party"**, **"Note Agent"**, **"Cash Manager"** or the **"Security Agent"**, **"DIFL"**, **"DHL"**, **"DL"** or any other person (other than the Supporting Shareholder) shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Debt Documents and, in the case of the Note Agent or the Security Agent, any person for the time being appointed as Note Agent or Security Agent or Security Agents in accordance with this Agreement;
 - (iii) an **"amount"** includes an amount of cash and an amount of Non-Cash Consideration;
 - (iv) **"assets"** includes present and future properties, revenues and rights of every description;
 - (v) a **"Debt Document"** or any other agreement or instrument is (other than a reference to a **"Debt Document"** or any other agreement or instrument in **"original form"**) a reference to that Debt Document, or other agreement (other than the Telstra SPA) or instrument, as amended, novated, supplemented, extended or restated as permitted by this Agreement;
 - (vi) a **"distribution"** of or out of the assets of a member of the Group, includes a distribution of cash and a distribution of Non-Cash Consideration;
 - (vii) **"enforcing"** (or any derivation) the Transaction Security includes the appointment of an administrator (or any analogous officer in any jurisdiction) of a Debtor by the Security Agent;
 - (viii) a **"group of Creditors"** includes all the Creditors and a **"group of Secured Creditors"** includes all the Secured Creditors;
 - (ix) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
 - (x) the **"original form"** of a **"Debt Document"** or any other agreement or instrument is a reference to that Debt Document, agreement or instrument as originally entered into;

- (xi) a "**person**" or "**Person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
 - (xii) "**proceeds**" of a Distressed Disposal or of a Debt Disposal includes proceeds in cash and in Non-Cash Consideration;
 - (xiii) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation; and
 - (xiv) a provision of law is a reference to that provision as amended or re-enacted from time to time.
- (b) Section, Clause and Schedule headings are for ease of reference only.
 - (c) A Default (other than an Event of Default) is "**continuing**" if it has not been remedied or waived and an Event of Default is "**continuing**" if it has not been waived.
 - (d) All references in this Agreement to instructions being granted to the Security Agent by the Instructing Group shall be deemed to be references to instructions being granted to the Security Agent by the Note Agent, acting on behalf of and in accordance with, instructions granted by the Instructing Group.
 - (e) For the purposes this Agreement, all New Notes held by the Holding Period Trustee in accordance with the Holding Period Trust Deed shall be disregarded in calculating any consent or instruction thresholds.

1.3 **Third party rights**

- (a) Unless expressly provided to the contrary in this Agreement, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or to enjoy the benefit of any term of this Agreement.
- (b) Notwithstanding any term of this Agreement, the consent of any person who is not a Party is not required to rescind or vary this Agreement at any time.
- (c) Any Receiver, Delegate or any other person described in paragraph (b) of Clause 19.10 (*Exclusion of liability*) may, subject to this Clause 1.3 and the Third Parties Act, rely on any Clause of this Agreement which expressly confers rights on it.

SECTION 2
RANKING AND SECURED CREDITORS AND SUPPORTING SHAREHOLDER
LIABILITIES

2. RANKING AND PRIORITY

2.1 Secured Creditor Liabilities and Supporting Shareholder Liabilities

Subject to the Clause 18 (*Application of Proceeds*), each of the Parties agrees that the Secured Liabilities and the Supporting Shareholder Liabilities owed by the Debtors to the Secured Creditors and the Supporting Shareholder shall rank *pari passu* and without any preference between them in right and priority of payment.

2.2 Transaction Security

Subject to the Clause 18 (*Application of Proceeds*), each of the Parties agrees that the Transaction Security shall rank and secure each of (a) the Note Liabilities, (b) the DGHL/DIFL Intercompany Liabilities, and (c) the DGHL/DL Intercompany Liabilities, in each case *pari passu* and without any preference between them.

2.3 Intra Group and Pledgor Liabilities

- (a) Each of the Parties agrees that the Intra Group Liabilities and/or Pledgor Liabilities are postponed and subordinated to the Liabilities owed by the Debtors to the Secured Creditors and the Supporting Shareholder.
- (b) This Agreement does not purport to rank any of the Intra Group Liabilities or the Pledgor Liabilities as between themselves.

3. THE NOTE AGENT AND NOTE LIABILITIES

3.1 Restriction on Payment: Note Liabilities

The Debtors shall not, and shall procure that no other member of the Group will, make any Payments of the Note Liabilities at any time other than as permitted and set out under Clause 18.1 (*Order of application*).

3.2 Payment obligations and capitalisation of interest continue

No Debtor shall be released from the liability to make any Payment (including of default interest, which shall continue to accrue) under the Note Agreement by the operation of Clause 3.1 (*Restriction on Payment: Note Liabilities*) even if its obligation to make that Payment is restricted at any time by the terms of that Clause.

3.3 Note Purchase Transactions

The Debtors shall not, and shall procure that no other member of the Group will, enter into any Note Purchase Transaction or beneficially own all or any part of the share capital of a company that is a Noteholder or a party to a Note Purchase Transaction.

3.4 Amendments and Waivers: The Note Agent (for and on behalf of the Noteholders)

The Note Agent (for and on behalf of the Noteholders) may amend or waive the terms of the Note Agreement in accordance with its terms (and subject to any consent required thereunder)

at any time; provided that any amendment to or waiver of the terms of the Note Agreement that affects the economic rights of DIFL, DL and/or the Supporting Shareholder under any Primary Finance Document shall not be made without the prior written consent of DIFL, DL and/or the Supporting Shareholder (as applicable).

3.5 Security: The Note Agent

At any time prior to the Final Discharge Date, the Note Agent (for and on behalf of the Noteholders) may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss from (or over the assets of or over the shares in) any member of the Group in respect of the Note Liabilities other than:

- (a) the Transaction Security; and
- (b) any guarantee, indemnity or other assurance against loss contained in:
 - (i) the original form of the Note Agreement;
 - (ii) this Agreement; and
 - (iii) any Common Assurance,

unless the prior written consent of the other Secured Creditors has been obtained.

3.6 Permitted Enforcement: The Note Agent

The Note Agent (for and on behalf of the Noteholders) may instruct the Security Agent to take Enforcement Action in respect of any of the Note Liabilities if instructed to do so by the Instructing Group in accordance with Clause 12 (*Enforcement of Transaction Security*). For the avoidance of doubt, any acceleration of the Note Liabilities shall not constitute Enforcement Action and shall be instructed pursuant to the terms of the Note Agreement.

4. DGHL/DIFL INTERCOMPANY LIABILITIES

4.1 Restriction on Payment: DGHL/DIFL Intercompany Liabilities

- (a) The Debtors shall not, and shall procure that no other member of the Group will, make any Payments of the DGHL/DIFL Intercompany Liabilities at any time other than as permitted and set out under this Agreement.
- (b) Any Payment made in respect of the DGHL/DIFL Intercompany Liabilities as permitted and set out under this Agreement shall be applied in partial repayment of the DGHL/DIFL Intercompany Liabilities and shall reduce the DGHL/DIFL Intercompany Liabilities on a dollar-for-dollar basis.

4.2 Payment obligations

No Debtor shall be released from the liability to make any Payment under the Settlement Agreement by the operation of Clause 4.1 (*Restriction on Payment: DGHL/DIFL Intercompany*

Liabilities) even if its obligation to make that Payment is restricted at any time by the terms of that Clause .

4.3 DGHL/DIFL Intercompany Debt Purchase Transactions

- (a) Following completion of the DIFL/DL Restructuring, the Debtors shall not, and shall procure that no other member of the Group will, beneficially own all or any part of the share capital of any member of the DHL Group.
- (b) The Debtors shall not, and shall procure that no other member of the Group will (i) transfer any of their rights or obligations in respect of the DGHL/DIFL Intercompany Liabilities or (ii) enter into any DGHL/DIFL Intercompany Debt Purchase Transaction, other than receipt of any restructuring consideration issued to the Company in its capacity as a DL Noteholder pursuant to the DIFL/DL Restructuring.
- (c) DIFL shall not transfer any of its rights or obligations with respect to the DGHL/DIFL Intercompany Liabilities to any person (including pursuant to any DGHL/DIFL Intercompany Debt Purchase Transaction); unless (i) such transfer is entered into pursuant to the DIFL/DL Restructuring, (ii) such transferee is a member of the DHL Group, and (iii) such transferee accedes to this Agreement and the Settlement Agreement and agrees to be bound in the same way as DIFL was originally bound by the terms of the Settlement Agreement and this Agreement (including without limitation in respect of the DGHL/DIFL Intercompany Liabilities) in accordance with the terms of Clause 21 (*Changes to the Parties*).

4.4 Amendments and Waivers: DIFL

Prior to the Final Discharge Date, DIFL may not amend or waive the terms of the Settlement Agreement without the prior written consent of the Super Instructing Group.

4.5 Security: DIFL

At any time prior to the Final Discharge Date and subject to Clause 18 (*Application of Proceeds*) and other provisions hereunder that require application of Payments in accordance with Clauses 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*), DIFL may not receive any Security, guarantee, indemnity or other assurance against loss from (or over the assets of or over the shares in) any member of the Group in respect of the DGHL/DIFL Intercompany Liabilities other than:

- (a) the Transaction Security;
- (b) any guarantee, indemnity or other assurance against loss contained in:
 - (i) the original form of the Settlement Agreement;
 - (ii) this Agreement; or
 - (iii) any Common Assurance,

unless the prior written consent of the other Secured Creditors has been obtained.

4.6 Restriction on Enforcement: DIFL

- (a) Subject to Clauses 4.6(b) and 4.6(c) below, DIFL shall not be entitled to take any Enforcement Action or Acceleration Action at any time in respect of any of the DGHL/DIFL Intercompany Liabilities.
- (b) After the occurrence of an Insolvency Event (other than the Solvent Liquidation or an Insolvency Event under limbs (b) or (d) of that definition or limb (e) of that definition to the extent that it relates to limbs (b) or (d)) in relation to the Company, DIFL may (unless otherwise directed by the Security Agent or unless the Security Agent has taken, or has given notice that it intends to take, action on behalf of DIFL in accordance with Clause 9.4 (*Filing of claims*)), exercise any right it may otherwise have against the Company to:
 - (i) accelerate any of the DGHL/DIFL Intercompany Liabilities or declare them prematurely due and payable or payable on demand;
 - (ii) exercise any right of set-off or take or receive any Payment in respect of any DGHL/DIFL Intercompany Liabilities; or
 - (iii) claim and prove in any insolvency process of the Company for the DGHL/DIFL Intercompany Liabilities owing to it.
- (c) Notwithstanding the foregoing, any acceleration of the Note Liabilities in accordance with the terms of the Note Agreement shall result in an immediate and automatic acceleration of the DGHL/DIFL Intercompany Liabilities, without notice, declaration or other action by any Party. If any acceleration of the Note Liabilities is subsequently waived in accordance with terms of the Note Agreement, any acceleration of the DGHL/DIFL Intercompany Liabilities that resulted from such acceleration of Notes Liabilities shall also be immediately and automatically waived (on equivalent terms), without notice, declaration or other action by any Party.
- (d) DIFL may take Enforcement Action under limb (a)(v) of that definition or Acceleration Action in respect of the DGHL/DIFL Intercompany Liabilities if DIFL does not receive any amount due to it pursuant to Clauses 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) of this Agreement.

5. DGHL/DL INTERCOMPANY LIABILITIES

5.1 Restriction on Payment: DGHL/DL Intercompany Liabilities

- (a) The Debtors shall not, and shall procure that no other member of the Group will, make any Payments of the DGHL/DL Intercompany Liabilities at any time other than as permitted and set out under this Agreement.
- (b) Any Payment made in respect of the DGHL/DL Intercompany Liabilities as permitted and set out under this Agreement shall be applied in partial repayment of the DGHL/DL Intercompany Liabilities and shall reduce the DGHL/DL Intercompany Liabilities on a dollar-for-dollar basis.

5.2 Payment obligations

No Debtor shall be released from the liability to make any Payment under the Settlement Agreement by the operation of Clause 5.1 (*Restriction on Payment: DGHL/DL Intercompany Liabilities*) even if its obligation to make that Payment is restricted at any time by the terms of that Clause.

5.3 DGHL/DL Intercompany Debt Purchase Transactions

- (a) Following completion of the DIFL/DL Restructuring, the Debtors shall not, and shall procure that no other member of the Group will, beneficially own all or any part of the share capital of any member of the DHL Group.
- (b) The Debtors shall not, and shall procure that no other member of the Group will, (i) transfer any of their rights or obligations in respect of the DGHL/DL Intercompany Liabilities, or (ii) enter into any DGHL/DL Intercompany Debt Purchase Transaction, other than receipt of any restructuring consideration issued to the Company in its capacity as a DL Noteholder pursuant to the DIFL/DL Restructuring .
- (c) DL shall not transfer any of its rights or obligations with respect to the DGHL/DL Intercompany Liabilities to any person (including pursuant to any DGHL/DL Intercompany Debt Purchase Transaction); unless (i) such transfer is entered into pursuant to the DIFL/DL Restructuring, (ii) such transferee is a member of the DHL Group, and (iii) such transferee accedes to this Agreement and the Settlement Agreement and agrees to be bound in the same way as DL was originally bound by the terms of the Settlement Agreement and this Agreement (including without limitation in respect of the DGHL/DL Intercompany Liabilities) in accordance with the terms of Clause 21 (*Changes to the Parties*).

5.4 Amendments and Waivers: DL

Prior to the Final Discharge Date, DL may not amend or waive the terms of the Settlement Agreement without the prior written consent of the Super Instructing Group.

5.5 Security: DL

At any time prior to the Final Discharge Date and subject to Clause 18 (*Application of Proceeds*) and other provisions hereunder that require application of Payments in accordance with Clauses 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*), DL may not receive any Security, guarantee, indemnity or other assurance against loss from (or over the assets of or over the shares in) any member of the Group in respect of the DGHL/DL Intercompany Liabilities other than:

- (a) the Transaction Security;
- (b) any guarantee, indemnity or other assurance against loss contained in:
 - (i) the Settlement Agreement;
 - (ii) this Agreement; or
 - (iii) any Common Assurance,

unless the prior written consent of the other Secured Creditors has been obtained.

5.6 Restriction on Enforcement: DL

- (a) Subject to Clauses 5.6(b) and 5.6(c) below, DL shall not be entitled to take any Enforcement Action or Acceleration Action at any time in respect of any of the DGHL/DL Intercompany Liabilities.
- (b) After the occurrence of an Insolvency Event (other than the Solvent Liquidation or an Insolvency Event under limbs (b) or (d) of that definition or limb (e) of that definition to the extent that it relates to limbs (b) or (d)) in relation to the Company, DL may (unless otherwise directed by the Security Agent or unless the Security Agent has taken, or has given notice that it intends to take, action on behalf of DL in accordance with Clause 9.4 (*Filing of claims*)), exercise any right it may otherwise have against the Company to:
 - (i) accelerate any of the DGHL/DL Intercompany Liabilities or declare them prematurely due and payable or payable on demand;
 - (ii) exercise any right of set-off or take or receive any Payment in respect of any DGHL/DL Intercompany Liabilities; or
 - (iii) claim and prove in any insolvency process of the Company for the DGHL/DL Intercompany Liabilities owing to it.
- (c) Notwithstanding the foregoing, any acceleration of the Note Liabilities in accordance with the terms of the Note Agreement shall result in an immediate and automatic acceleration of the DGHL/DL Intercompany Liabilities, without notice, declaration or other action by any Party, unless such acceleration of the Note Liabilities is waived in accordance with terms of the Note Agreement. If any acceleration of the Note Liabilities is subsequently waived in accordance with terms of the Note Agreement, any acceleration of the DGHL/DL Intercompany Liabilities that resulted from such acceleration of Notes Liabilities shall also be immediately and automatically waived (on equivalent terms), without notice, declaration or other action by any Party.
- (d) DL may take Enforcement Action under limb (a)(v) of that definition or Acceleration Action in respect of the DGHL/DL Intercompany Liabilities if DL does not receive any amount due to it pursuant to Clauses 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) of this Agreement.

5.7 DL/DHL Trade Payables¹

- (a) Prior to the earlier of (i) completion of the DIFL/DL Restructuring (provided that DHL is a party to this Agreement at that time), and (ii) the Final Discharge Date, DL shall not (and DL shall procure that no other member of the DL Group or the DHL Group shall) directly or indirectly, create or otherwise cause or suffer to exist or become effective any encumbrance or restriction on the ability of any member of the DL Group or the DHL Group to repay, in the ordinary course, liabilities that are accounted for as trade payables owing by those entities to the Company and its Subsidiaries (other than the DL Group and the DHL Group) that are in existence on the date of this Agreement.

¹ **NTD:** Inclusion of TDSA loan in covenant remains under discussion.

- (b) Prior to the Final Discharge Date, DHL (from the time it becomes a party to this Agreement following completion of the DIFL/DL Restructuring) shall not (and DHL shall procure that no other member of the DHL Group shall) directly or indirectly, create or otherwise cause or suffer to exist or become effective any encumbrance or restriction on the ability of any member of the DHL Group to repay, in the ordinary course, liabilities that are accounted for as trade payables owing by those entities to the Company and its Subsidiaries (other than the DHL Group) that are in existence on the date of this Agreement.

6. SUPPORTING SHAREHOLDER LIABILITIES

6.1 Restriction on Payment: Supporting Shareholder Liabilities

The Debtors shall not, and shall procure that no other member of the Group will, make any Payments of the Supporting Shareholder Liabilities at any time other than as permitted and set out under this Agreement.

6.2 Payment obligations continue

No Debtor shall be released from the liability to make any Payment under this Agreement by the operation of Clause 6.1 (*Restriction on Payment: Supporting Shareholder Liabilities*) even if its obligation to make that Payment is restricted at any time by the terms of that Clause.

6.3 Required Payments: Supporting Shareholder Liabilities

The Company shall make Payments to the Supporting Shareholder of the Supporting Shareholder Liabilities at the times and in the amounts expressly contemplated under Clause 18.1 (*Order of application*).

6.4 Supporting Shareholder Debt Purchases

The Debtors shall not, and shall procure that no other members of the Group will, enter into any Supporting Shareholder Debt Purchase Transaction or beneficially own all or any part of the share capital of a party to a Supporting Shareholder Debt Purchase Transaction.

6.5 Security: Supporting Shareholder

Subject to Clause 18 (*Application of Proceeds*) and other provisions hereunder that require application of Payments in accordance with Clauses 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*), the Supporting Shareholder may not, at any time, receive any Security, guarantee, indemnity or other assurance against loss from (or over the assets of or over the shares in) the Pledgor or any member of the Group in respect of the Supporting Shareholder Liabilities.

6.6 Restriction on Enforcement: Supporting Shareholder

- (a) Subject to Clauses 6.6 (b) and (c) below, the Supporting Shareholder shall not be entitled to take any Enforcement Action or Acceleration Action at any time in respect of any of the Supporting Shareholder Liabilities.
- (b) After the occurrence of an Insolvency Event (other than the Solvent Liquidation or an Insolvency Event under limbs (b) or (d) of that definition or limb (e) of that definition to the extent that it relates to limbs (b) or (d)) in relation to the Company, the Supporting Shareholder may, exercise any right it may otherwise have against the Company to:

- (i) exercise any right of set-off or take or receive any Payment in respect of any Supporting Shareholder Liabilities; or
 - (ii) claim and prove in any insolvency process of the Company for the Supporting Shareholder Liabilities owing to it.
- (c) The Supporting Shareholder may take Enforcement Action under limb (a)(v) of that definition in respect of the Supporting Shareholder Liabilities if the Supporting Shareholder does not receive any amount due to it pursuant to Clauses 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) of this Agreement.

6.7 **Supporting Shareholder: board covenant**

- (a) The Supporting Shareholder hereby covenants and agrees that, until 31 July 2026, he shall continue to be appointed to the board of directors of each of (a) TMPH, and (b) the Company; provided, however, that no breach of this undertaking shall occur if the Supporting Shareholder (i) is removed from the board of directors of TPMH involuntarily, unless such removal is due to the Supporting Shareholder's malfeasance or wilful misconduct, as determined by a final, non-appealable decision of a court of competent jurisdiction or (ii) with respect to the Supporting Shareholder's directorship with the Company, appoints his replacement in accordance with the terms of the Note Agreement and the Amended and Restated Bye-Laws (the "**Supporting Shareholder Board Covenant**").
- (b) Following any breach of the Supporting Shareholder Board Covenant contained in Clause 6.7(a) above, and subject to the proviso of this Clause 6.7(b), the Supporting Shareholder shall no longer have any right to claim, and shall not receive, any Payment from any Initial DPL Amount, Additional DPL Amount and/or Final DPL Amount in respect of the Supporting Shareholder Liabilities under Clauses 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) and the Supporting Shareholder's entitlement to receive any such Payment from any Initial DPL Amount, Additional DPL Amount and/or Final DPL Amount in respect of the Supporting Shareholder Liabilities under Clauses 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) shall be reallocated as amongst the applicable Secured Creditors on a pro rata basis (such that each such applicable Secured Creditor's recovery under each relevant limb of Clause 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) shall be determined by multiplying the aggregate amount that would otherwise have been paid to the Supporting Shareholder by "x", where "x" shall be equal to a fraction with a numerator equal to the amount that would otherwise have been paid to that applicable Secured Creditor and a denominator equal to the aggregate amount that would otherwise have been paid to all such applicable Secured Creditors); provided, however, that if the Supporting Shareholder is removed from the board of TMPH involuntarily due to the Supporting Shareholder's alleged malfeasance or wilful misconduct, then any Payment in respect of the Supporting Shareholder Liabilities that would otherwise be made from any Initial DPL Amount, Additional DPL Amount and/or Final DPL Amount in respect of the Supporting Shareholder Liabilities pursuant to Clauses 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) (the "**Supporting Shareholder Escrow Amount**") shall be paid by the Cash Manager into an escrow account to be established by the Company on behalf of the Supporting Shareholder ("**Supporting Shareholder Escrow**"), pending a final, non-appealable decision of a court of competent jurisdiction.

- (c) Promptly (and in any event within three (3) Business Days) following the issuance of any final, non-appealable decision of a court of competent jurisdiction that the Supporting Shareholder's involuntary removal from the board of TMPH was not due to the Supporting Shareholder's malfeasance or wilful misconduct, (i) the Supporting Shareholder Board Covenant shall not be deemed to have been breached, (ii) the Supporting Shareholder Escrow Amount shall be released from the Supporting Shareholder Escrow and paid by the Cash Manager to the Supporting Shareholder and (iii) the Supporting Shareholder shall continue to be entitled to Payment from any Initial DPL Amount, Additional DPL Amount and/or Final DPL Amount in respect of the Supporting Shareholder Liabilities under this Agreement.
- (d) Promptly (and in any event within three (3) Business Days) following any final, non-appealable decision of a court of competent jurisdiction that the Supporting Shareholder's involuntary removal from the board of TMPH was due to the Supporting Shareholder's malfeasance or wilful misconduct, the Supporting Shareholder Escrow Amount shall be released from the Supporting Shareholder Escrow and paid by the Cash Manager to the Secured Creditors in accordance with Clause 18.2(a)-(c) (*Order of application: Secured Creditors and Supporting Shareholder*) of this Agreement.

6.8 Supporting Shareholder: Payments

Any Payments to be made to the Supporting Shareholder pursuant to this Agreement shall be made by the Cash Manager.²

² The Agency Agreement will include all necessary provisions relating to the required instructions for such Payments, including by providing that where a provision of this Agreement envisages the Security Agent making a Payment to the Supporting Shareholder at any time, the Security Agent shall make such Payment to the Cash Manager and the Cash Manager shall promptly make such Payment to the Security Agent. As a more general comment, the cash management mechanics as currently reflected in this Agreement may be subject to change.

SECTION 3 OTHER CREDITORS

7. INTRA-GROUP LENDERS AND INTRA-GROUP LIABILITIES

7.1 Restriction on Payment: Intra-Group Liabilities

Prior to the Final Discharge Date, the Debtors shall not, and shall procure that no other member of the Group will, make any Payments of any Intra-Group Liabilities at any time. unless:

- (a) that Payment is permitted under Clause 7.2 (*Permitted Payments: Intra-Group Liabilities*); or
- (b) the taking or receipt of that Payment is permitted under paragraph (b) of Clause 7.7 (*Permitted Enforcement: Intra-Group Lenders*).

7.2 Permitted Payments: Intra-Group Liabilities

The Debtors may make Payments in respect of the Intra-Group Liabilities (whether of principal, interest or otherwise) from time to time when due provided that:

- (a) the Super Instructing Group has consented to that Payment being made;
- (b) that Payment was expressly contemplated by the Agreed Budget or was subsequently incurred as an Additional Approved Cost; or
- (c) that Payment is made to facilitate Payment of the Primary Liabilities in accordance with this Agreement.

7.3 Payment obligations continue

No Debtor shall be released from the liability to make any Payment (including of default interest, which shall continue to accrue) under any Debt Document by the operation of Clause 7.1 (*Restriction on Payment: Intra-Group Liabilities*) and 7.2 (*Permitted Payments: Intra-Group Liabilities*) even if its obligation to make that Payment is restricted at any time by the terms of any of those Clauses.

7.4 Acquisition of Intra-Group Liabilities

- (a) Subject to paragraph (b) below, the Debtors shall not, and shall procure that no other member of the Group will:
 - (i) enter into any Liabilities Acquisition; or
 - (ii) beneficially own all or any part of the share capital of a company that is party to a Liabilities Acquisition,in respect of any Intra-Group Liabilities at any time.
- (b) The restrictions in paragraph (a) above shall not apply if:
 - (i) the Super Instructing Group consents to that action; or
 - (ii) that action is taken to facilitate Payment of the Primary Liabilities.

7.5 Security: Intra-Group Lenders

Prior to the Final Discharge Date, the Intra-Group Lenders may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss in respect of the Intra-Group Liabilities.

7.6 Restriction on enforcement: Intra-Group Lenders

Subject to Clause 7.7 (*Permitted Enforcement: Intra-Group Lenders*), none of the Intra-Group Lenders shall be entitled to take any Enforcement Action or Acceleration Action in respect of any of the Intra-Group Liabilities at any time prior to the Final Discharge Date.

7.7 Permitted Enforcement: Intra-Group Lenders

After the occurrence of an Insolvency Event (other than an Insolvency Event under limbs (b) or (d) of that definition or limb (e) of that definition to the extent that it relates to limbs (b) or (d)) in relation to any member of the Group, each Intra-Group Lender may (unless otherwise directed by the Security Agent or unless the Security Agent has taken, or has given notice that it intends to take, action on behalf of that Intra-Group Lender in accordance with Clause 9.4 (*Filing of claims*)), exercise any right it may otherwise have against that member of the Group to:

- (a) accelerate any of that member of the Group's Intra-Group Liabilities or declare them prematurely due and payable or payable on demand;
- (b) exercise any right of set-off or take or receive any Payment in respect of any Intra-Group Liabilities of that member of the Group; or
- (c) claim and prove in any insolvency process of that member of the Group for the Intra-Group Liabilities owing to it.

7.8 Representations: Intra-Group Lenders

Each Intra-Group Lender which is not a Debtor represents and warrants to the Primary Creditors, the Supporting Shareholder and the Security Agent that:

- (a) it is a company or corporation, duly incorporated or formed and validly existing under the laws of its jurisdiction of incorporation or formation;
- (b) the obligations (if any) expressed to be assumed by it in this Agreement are, subject to any general principles of law limiting its obligations which are applicable to creditors generally, legal, valid, binding and enforceable obligations; and
- (c) if and as applicable, the entry into and performance by it of this Agreement does not and will not:
 - (i) conflict with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding upon it or any of its assets; or
 - (ii) constitute a default or termination event (however described) under any agreement or instrument binding on it or any of its assets.

8. PLEDGOR AND PLEDGOR LIABILITIES

8.1 Restriction on Payment: Pledgor Liabilities

Prior to the Final Discharge Date, neither the Company nor any other Debtor shall, and the Company shall procure that no other member of the Group will incur or, make any Payment of the Pledgor Liabilities at any time.

8.2 Payment obligations continue

Neither the Company nor any other Debtor shall be released from the liability to make any Payment (including of default interest, which shall continue to accrue) under any Debt Document by the operation of Clause 8.1 (*Restriction on Payment: Pledgor Liabilities*) even if its obligation to make that Payment is restricted at any time by the terms of that Clause.

8.3 No acquisition of Pledgor Liabilities

Prior to the Final Discharge Date, the Debtors shall not, and shall procure that no other member of the Group will:

- (a) enter into any Liabilities Acquisition; or
- (b) beneficially own all or any part of the share capital of a company that is party to a Liabilities Acquisition,

in respect of any of the Pledgor Liabilities, unless the prior written consent of the Super Instructing Group is obtained.

8.4 Amendments and Waivers: Pledgor Liabilities

Prior to the Final Discharge Date, the Pledgor may not amend or waive the terms of any agreement evidencing the terms of the Pledgor Liabilities unless:

- (a) the amendment or waiver is of a minor and administrative nature and is not prejudicial to the Secured Creditors or the Supporting Shareholder; or
- (b) the prior written consent of the Super Instructing Group is obtained.

8.5 Security: Pledgor Liabilities

Prior to the Final Discharge Date, the Pledgor may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss in respect of the Pledgor Liabilities.

8.6 Restriction on Enforcement: Pledgor

Subject to Clause 8.7 (*Permitted Enforcement: Pledgor*), the Pledgor shall not be entitled to take any Enforcement Action or Acceleration Action in respect of any of the Pledgor Liabilities at any time prior to the Final Discharge Date.

8.7 Permitted Enforcement: Pledgor

After the occurrence of an Insolvency Event in relation to any member of the Group (other than a Solvent Liquidation or an Insolvency Event under limbs (b) or (d) of that definition or limb

(e) of that definition to the extent that it relates to limbs (b) or (d)), the Pledgor may, exercise any right it may otherwise have against that member of the Group to:

- (a) accelerate any of that member of the Group's Pledgor Liabilities or declare them prematurely due and payable or payable on demand;
- (b) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Group in respect of any Pledgor Liabilities;
- (c) exercise any right of set-off or take or receive any Payment in respect of any Pledgor Liabilities of that member of the Group; or
- (d) claim and prove in any insolvency process of that member of the Group for the Pledgor Liabilities owing to it.

SECTION 4
INSOLVENCY, TURNOVER AND ENFORCEMENT

9. EFFECT OF INSOLVENCY EVENT

9.1 Distributions

- (a) After the occurrence of an Insolvency Event in relation to any member of the Group or the Pledgor, any Party entitled to receive a distribution out of the assets of that member of the Group or, in respect of the Pledgor, out of the shares in the Company, in respect of Liabilities owed to that Party shall, to the extent that it is able to do so, direct the person responsible for the distribution of the assets of that member of the Group or the Pledgor (in the case of the shares in the Company) to make that distribution to the Security Agent (or to such other person as the Security Agent shall direct) until the Liabilities owing to the Creditors have been paid in full.
- (b) The Security Agent shall apply distributions made to it under paragraph (a) above in accordance with Clause 18.1 (*Order of application*) and 18.2(d) (*Order of application: Secured Creditors and Supporting Shareholder*).

9.2 Set-Off

To the extent that any member of the Group's Liabilities are discharged by way of set-off (mandatory or otherwise) after the occurrence of an Insolvency Event in relation to that member of the Group, any Creditor which benefited from that set-off shall pay an amount equal to the amount of the Liabilities owed to it which are discharged by that set-off to the Security Agent for application in accordance with Clause 18 (*Application of Proceeds*).

9.3 Non-cash distributions

If the Security Agent or any other Creditor receives a distribution in the form of Non-Cash Consideration in respect of any of the Liabilities (other than any distribution of Non-Cash Recoveries), the Liabilities will not be reduced by that distribution until and except to the extent that the realisation proceeds are actually applied towards the Liabilities.

9.4 Filing of claims

- (a) After the occurrence of an Insolvency Event in relation to any member of the Group or the Pledgor, each of the Secured Creditors irrevocably authorises the Security Agent, on its behalf, to:
 - (i) take any Enforcement Action (in accordance with the terms of this Agreement) against that member of the Group or the Pledgor (as applicable);
 - (ii) demand, sue, prove and give receipt for any or all of that member of the Group's Liabilities;
 - (iii) collect and receive all distributions on, or on account of, any or all of that member of the Group's Liabilities; and
 - (iv) file claims, take proceedings and do all other things the Security Agent considers reasonably necessary to recover that member of the Group's Liabilities.

9.5 Further assurance – Insolvency Event

Each Creditor will:

- (a) do all things that the Security Agent requests in order to give effect to this Clause 9; and
- (b) if the Security Agent is not entitled to take any of the actions contemplated by this Clause 9 or if the Security Agent requests that a Creditor take that action, undertake that action itself in accordance with the instructions of the Security Agent or grant a power of attorney to the Security Agent (on such terms as the Security Agent may reasonably require) to enable the Security Agent to take such action.

9.6 Security Agent instructions

For the purposes of Clause 9.1 (*Distributions*), Clause 9.4 (*Filing of claims*) and Clause 9.5 (*Further assurance – Insolvency Event*) the Security Agent shall act:

- (a) on the instructions of the group of Holders entitled, at that time, to give instructions under Clause 12.1 (*Enforcement Instructions*) or Clause 12.2 (*Manner of enforcement*); or
- (b) in the absence of any such instructions, as the Security Agent sees fit.

10. TURNOVER OF RECEIPTS

10.1 Turnover by the Creditors

Subject to Clause 10.2 (*Permitted assurance and receipts*), if at any time prior to the Final Discharge Date, any Creditor receives or recovers:

- (a) any Payment or distribution of, or on account of or in relation to, any of the Liabilities which is neither:
 - (i) a Permitted Intra Group Payment; nor
 - (ii) made in accordance with Clause 18 (*Application of Proceeds*);
- (b) other than where Clause 9.2 (*Set-Off*) applies, any amount by way of set-off in respect of any of the Liabilities owed to it which does not give effect to a Permitted Intra Group Payment;
- (c) notwithstanding paragraphs (a) and (b) above, and other than where Clause 9.2 (*Set-Off*) applies, any amount:
 - (i) on account of, or in relation to, any of the Liabilities:
 - (A) after the occurrence of a Distress Event; or
 - (B) as a result of any other litigation or proceedings against a member of the Group (other than after the occurrence of an Insolvency Event and as permitted by the terms of this Agreement in respect of that member of the Group); or

- (ii) by way of set-off in respect of any of the Liabilities owed to it after the occurrence of a Distress Event,

other than, in each case, any amount received or recovered in accordance with Clause 18 (*Application of Proceeds*);

- (d) the proceeds of any enforcement of any Transaction Security except in accordance with Clause 18 (*Application of Proceeds*); or
- (e) other than where Clause 9.2 (*Set-Off*) applies, any distribution or Payment of, or on account of or in relation to, any of the Liabilities owed by any member of the Group which is not in accordance with Clause 18 (*Application of Proceeds*) and which is made as a result of, or after, the occurrence of an Insolvency Event in respect of that member of the Group,

that Creditor will:

- (i) in relation to receipts and recoveries not received or recovered by way of set-off:
 - (A) hold an amount of that receipt or recovery equal to the Relevant Liabilities (or if less, the amount received or recovered) on trust for the Security Agent and promptly pay or distribute that amount to the Security Agent for application in accordance with the terms of this Agreement; and
 - (B) promptly pay or distribute an amount equal to the amount (if any) by which the receipt or recovery exceeds the Relevant Liabilities to the Security Agent for application in accordance with the terms of this Agreement; and
- (ii) in relation to receipts and recoveries received or recovered by way of set-off, promptly pay an amount equal to that recovery to the Security Agent for application in accordance with the terms of this Agreement.

10.2 Permitted assurance and receipts

Nothing in this Agreement shall restrict the ability of any Secured Creditor to:

- (a) arrange with any person which is not a member of the Group any assurance against loss in respect of, or reduction of its credit exposure to, a Debtor (including assurance by way of credit based derivative or sub-participation); or
- (b) make any assignment or transfer permitted by Clause 21 (*Changes to the Parties*),

which:

- (i) is permitted by the Primary Finance Documents; and
- (ii) is not in breach of:
 - (A) Clause 3.3 (*Note Purchase Transactions*);
 - (B) Clause 4.3 (*DGHL/DIFL Intercompany Debt Purchase Transactions*);or

(C) Clause 5.3 (*DGHL/DL Intercompany Debt Purchase Transactions*),

and that Secured Creditor shall not be obliged to account to any other Party for any sum received by it as a result of that action.

10.3 Amounts received by Debtors

If any of the Debtors receives or recovers any amount which, under the terms of any of the Debt Documents, should have been paid to the Security Agent, that Debtor will:

- (a) hold an amount of that receipt or recovery equal to the Relevant Liabilities (or if less, the amount received or recovered) on trust for the Security Agent and promptly pay that amount to the Security Agent for application in accordance with the terms of this Agreement; and
- (b) promptly pay an amount equal to the amount (if any) by which the receipt or recovery exceeds the Relevant Liabilities to the Security Agent for application in accordance with the terms of this Agreement.

10.4 Saving provision

If, for any reason, any of the trusts expressed to be created in this Clause 10 should fail or be unenforceable, the affected Creditor or Debtor will promptly pay or distribute an amount equal to that receipt or recovery to the Security Agent to be held on trust by the Security Agent for application in accordance with the terms of this Agreement.

10.5 Turnover of Non-Cash Consideration

For the purposes of this Clause 10, if any Creditor receives or recovers any amount or distribution in the form of Non-Cash Consideration which is subject to Clause 10.1 (*Turnover by the Creditors*) the cash value of that Non-Cash Consideration shall be determined in accordance with Clause 15.2 (*Cash value of Non-Cash Recoveries*).

11. REDISTRIBUTION

11.1 Recovering Creditor's rights

- (a) Any amount paid or distributed by a Creditor (a "**Recovering Creditor**") to the Security Agent under Clause 9 (*Effect of Insolvency Event*) or Clause 10 (*Turnover of Receipts*) shall be treated as having been paid or distributed by the relevant Debtor and shall be applied by the Security Agent in accordance with Clause 18 (*Application of Proceeds*).
- (b) On an application by the Security Agent pursuant to Clause 18 (*Application of Proceeds*) of a Payment or distribution received by a Recovering Creditor from a Debtor, as between the relevant Debtor and the Recovering Creditor an amount equal to the amount received or recovered by the Recovering Creditor and paid or distributed to the Security Agent by the Recovering Creditor (the "**Shared Amount**") will be treated as not having been paid or distributed by that Debtor.

11.2 Reversal of redistribution

- (a) If any part of the Shared Amount received or recovered by a Recovering Creditor becomes repayable or returnable to a Debtor and is repaid or returned by that Recovering Creditor to that Debtor, then:
 - (i) each Party that received any part of that Shared Amount pursuant to an application by the Security Agent of that Shared Amount under Clause 11.1 (*Recovering Creditor's rights*) (a "**Sharing Party**") shall, upon request of the Security Agent, pay or distribute to the Security Agent for the account of that Recovering Creditor an amount equal to the appropriate part of its share of the Shared Amount (together with an amount as is necessary to reimburse that Recovering Creditor for its proportion of any interest on the Shared Amount which that Recovering Creditor is required to pay) (the "**Redistributed Amount**"); and
 - (ii) as between the relevant Debtor and each relevant Sharing Party, an amount equal to the relevant Redistributed Amount will be treated as not having been paid or distributed by that Debtor.
- (b) The Security Agent shall not be obliged to pay or distribute any Redistributed Amount to a Recovering Creditor under paragraph (a)(i) above until it has been able to establish to its satisfaction that it has actually received that Redistributed Amount from the relevant Sharing Party.

11.3 Deferral of subrogation

None of the Creditors, Debtors or the Pledgor will exercise any rights which it may have by reason of the performance by it of its obligations under the Debt Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights under the Debt Documents of any Creditor which ranks ahead of it in accordance with the priorities set out in Clause 2 (*Ranking and Priority*) until such time as all of the Liabilities owing to each prior ranking Creditor (or, in the case of any Debtor or the Pledgor, owing to each Creditor) have been irrevocably discharged in full.

12. ENFORCEMENT OF TRANSACTION SECURITY

12.1 Enforcement Instructions

- (a) The Security Agent may refrain from enforcing the Transaction Security unless instructed otherwise by the Instructing Group at any time while an Event of Default is continuing, provided that if the Security Agent receives enforcement instructions from an Instructing Group it shall:
 - (i) promptly notify all Holders (other than Holders comprising the relevant Instructing Group) of such enforcement instructions (including reasonable detail of the enforcement actions proposed to be taken as a result of such instructions) (an "**Enforcement Instructions Notice**"); and
 - (ii) not take the relevant enforcement actions prior to the date falling five (5) Business Days after the date of such Enforcement Instructions Notice, unless delaying the relevant enforcement actions would have a material adverse effect

on the ability to enforce the Transaction Security or the expected proceeds of enforcement.

- (b) Subject to the Transaction Security having become enforceable in accordance with its terms, the Instructing Group may give or refrain from giving instructions to the Security Agent to enforce or refrain from enforcing the Transaction Security as they see fit.
- (c) If the Security Agent receives conflicting enforcement instructions from the Instructing Group, then:
 - (i) if the conflict is in relation to whether the Transaction Security should be enforced, then the Security Agent shall act in accordance with the enforcement instructions that instruct enforcement of the Transaction Security; and
 - (ii) if the conflict is in relation to how the Transaction Security should be enforced, then the Security Agent shall act in accordance with the enforcement instructions received from whichever Instructing Group holds a greater aggregate amount of the applicable New Notes that are at that time permitted to be counted when determining that Instructing Group at that time.
- (d) The Security Agent is entitled to rely on and comply with instructions given in accordance with this Clause 12.1.

12.2 Manner of enforcement

If the Transaction Security is being enforced pursuant to Clause 12.1 (*Enforcement Instructions*), the Security Agent shall enforce the Transaction Security in such manner (including, without limitation, the selection of any administrator (or any analogous officer in any jurisdiction) of any Debtor to be appointed by the Security Agent) as the Instructing Group shall instruct or, in the absence of any such instructions, as the Security Agent considers in its discretion to be appropriate.

12.3 Exercise of voting rights

- (a) Each Creditor will cast its vote in any proposal put to the vote by or under the supervision of any judicial or supervisory authority in respect of any insolvency, pre-insolvency or rehabilitation or similar proceedings relating to any member of the Group as instructed by the Security Agent.
- (b) The Security Agent shall give instructions for the purposes of paragraph (a) above in accordance with any instructions given to it by the Instructing Group.

12.4 Waiver of rights

To the extent permitted under applicable law and subject to Clause 12.1 (*Enforcement Instructions*), Clause 12.2 (*Manner of enforcement*), Clause 14.4 (*Fair value*) and Clause 18 (*Application of Proceeds*), each of the Secured Parties and the Debtors waives all rights it may otherwise have to require that the Transaction Security be enforced in any particular order or manner or at any particular time or that any amount received or recovered from any person, or by virtue of the enforcement of any of the Transaction Security or of any other security interest, which is capable of being applied in or towards discharge of any of the Secured Obligations is so applied.

12.5 Duties owed

Each of the Secured Parties and the Debtors acknowledges that, in the event that the Security Agent enforces or is instructed to enforce the Transaction Security prior to the Final Discharge Date, the duties of the Security Agent and of any Receiver or Delegate owed to the Secured Creditors in respect of the method, type and timing of that enforcement or of the exploitation, management or realisation of any of that Transaction Security shall, subject to Clause 14.4 (*Fair value*), be no different to or greater than the duty that is owed by the Security Agent, Receiver or Delegate to the Debtors under general law.

12.6 Enforcement through Security Agent only

The Secured Parties shall not have any independent power to enforce, or have recourse to, any of the Transaction Security or to exercise any right, power, authority or discretion arising under the Security Documents except through the Security Agent.

SECTION 5
NON-DISTRESSED DISPOSALS, DISTRESSED DISPOSALS AND CLAIMS

13. NON-DISTRESSED DISPOSALS

13.1 Definitions

In this Clause 13:

- (a) **"Disposal Proceeds"** means the proceeds of a Non-Distressed Disposal; and
- (b) **"Non-Distressed Disposal"** means a disposal of:
 - (i) an asset of a member of the Group; or
 - (ii) an asset which is subject to the Transaction Security,
to a person or persons outside the Group where:
 - (A) that disposal is permitted under the Note Agreement; and
 - (B) that disposal is not a Distressed Disposal.

13.2 Facilitation of Non-Distressed Disposals

- (a) Subject to Clause 13.2(c) below, if a disposal of an asset is a Non-Distressed Disposal, the Security Agent is irrevocably authorised (at the cost of the Company and without any consent, sanction, authority or further confirmation from any Creditor, other Secured Party or Debtor) but subject to paragraph (b) below:
 - (i) to release the Transaction Security or any other claim (relating to a Debt Document) over that asset;
 - (ii) where that asset consists of shares in the capital of a member of the Group, to release the Transaction Security or any other claim (relating to a Debt Document) over that member of the Group's Property; and
 - (iii) to execute and deliver or enter into any release of the Transaction Security or any claim described in paragraphs (i) and (ii) above and issue any certificates of non-crystallisation of any floating charge or any consent to dealing that may, in the discretion of the Security Agent, be considered necessary or desirable.
- (b) Each release of Transaction Security or any claim described in paragraph (a) above shall become effective only on the making of the relevant Non-Distressed Disposal.
- (c) When making any request for a release pursuant to Clause 13.2(a) above, the Company shall confirm in writing to the Security Agent that the relevant disposal or other action is not prohibited by the terms of any Debt Document, as at the date of completion of such release or, or at the option of the Company, on the date that the definitive agreement for such disposal or similar transaction is entered into and the Security Agent shall be entitled to rely on that confirmation for all purposes under the Debt Documents.

13.3 Disposal Proceeds

If any Disposal Proceeds are required to be applied in mandatory prepayment of the Secured Liabilities and/or the Supporting Shareholder Liabilities (as applicable) then those Disposal Proceeds shall be applied in mandatory prepayment of the Secured Liabilities and/or the Supporting Shareholder Liabilities (as applicable) in accordance with Clause 18 (*Application of Proceeds*) and the consent of any other Party shall not be required for that application.

14. DISTRESSED DISPOSALS AND APPROPRIATION

14.1 Facilitation of Distressed Disposals and Appropriation

Subject to Clause 14.1(g), Clause 14.4 (*Fair value*), 14.5 (*Fair value – safe harbours*) and Clause 14.6 (*Restriction on enforcement by Secured Creditors*), if a Distressed Disposal or an Appropriation is being effected the Security Agent is irrevocably authorised (at the cost of the Company and without any consent, sanction, authority or further confirmation from any Creditor, other Secured Party or Debtor):

- (a) *release of Transaction Security/non-crystallisation certificates*: to release the Transaction Security or any other claim over the asset subject to the Distressed Disposal or Appropriation and execute and deliver or enter into any release of that Transaction Security or claim and issue any letters of non-crystallisation of any floating charge or any consent to dealing that may, in the discretion of the Security Agent, be considered necessary or desirable;
- (b) *release of liabilities and Transaction Security on a share sale/Appropriation (Debtor)*: if the asset subject to the Distressed Disposal or Appropriation consists of shares in the capital of a Debtor, to release:
 - (i) that Debtor and any Subsidiary of that Debtor from all or any part of:
 - (A) its Borrowing Liabilities; and
 - (B) its Other Liabilities;
 - (ii) any Transaction Security granted by that Debtor or any Subsidiary of that Debtor over any of its assets; and
 - (iii) any other claim of an Intra Group Lender or another Debtor over that Debtor's assets or over the assets of any Subsidiary of that Debtor,on behalf of the relevant Creditors and Debtors;
- (c) *release of liabilities and Transaction Security on a share sale/Appropriation (Holding Company)*: if the asset subject to the Distressed Disposal or Appropriation consists of shares in the capital of any Holding Company of a Debtor, to release:
 - (i) that Holding Company and any Subsidiary of that Holding Company from all or any part of:
 - (A) its Borrowing Liabilities; and
 - (B) its Other Liabilities;

(ii) any Transaction Security granted by any Subsidiary of that Holding Company over any of its assets; and

(iii) any other claim of an Intra Group Lender or another Debtor over the assets of any Subsidiary of that Holding Company,

on behalf of the relevant Creditors and Debtors;

(d) *facilitative disposal of liabilities on a share sale/Appropriation*: if the asset subject to the Distressed Disposal or Appropriation consists of shares in the capital of a Debtor or the Holding Company of a Debtor and the Security Agent decides to dispose of all or any part of:

(i) the Liabilities; or

(ii) the Debtors' Intra-Group Receivables,

owed by that Debtor or Holding Company or any Subsidiary of that Debtor or Holding Company on the basis that any transferee of those Liabilities or Debtors' Intra-Group Receivables (the "**Transferee**") will not be treated as a Secured Creditor or a Secured Party for the purposes of this Agreement), to execute and deliver or enter into any agreement to dispose of all or part of those Liabilities or Debtors' Intra-Group Receivables on behalf of the relevant Creditors and Debtors **provided that** notwithstanding any other provision of any Debt Document the Transferee shall not be treated as a Secured Creditor or a Secured Party for the purposes of this Agreement;

(e) *sale of liabilities on a share sale/Appropriation*: if the asset subject to the Distressed Disposal or Appropriation consists of shares in the capital of a Debtor or the Holding Company of a Debtor and the Security Agent decides to dispose of all or any part of:

(i) the Liabilities; or

(ii) the Debtors' Intra-Group Receivables,

owed by that Debtor or Holding Company or any Subsidiary of that Debtor or Holding Company on the basis that any transferee of those Liabilities or Debtors' Intra-Group Receivables will be treated as a Secured Creditor or a Secured Party for the purposes of this Agreement, to execute and deliver or enter into any agreement to dispose of:

(A) all (and not part only) of the Liabilities owed to the Secured Creditors; and

(B) all or part of any other Liabilities and the Debtors' Intra-Group Receivables,

on behalf of, in each case, the relevant Creditors and Debtors;

(f) *transfer of obligations in respect of liabilities on a share sale/Appropriation*: if the asset subject to the Distressed Disposal or Appropriation consists of shares in the capital of a Debtor or the Holding Company of a Debtor (the "**Disposed Entity**") and the Security Agent decides to transfer to another Debtor (the "**Receiving Entity**") all or any part of the Disposed Entity's obligations or any obligations of any Subsidiary of that Disposed Entity in respect of:

(i) the Intra Group Liabilities; or

- (ii) the Debtors' Intra-Group Receivables,

to execute and deliver or enter into any agreement to:

- (i) agree to the transfer of all or part of the obligations in respect of those Intra Group Liabilities or Debtors' Intra-Group Receivables on behalf of the relevant Intra Group Lenders and Debtors to which those obligations are owed and on behalf of the Debtors which owe those obligations; and
 - (ii) to accept the transfer of all or part of the obligations in respect of those Intra Group Liabilities or Debtors' Intra-Group Receivables on behalf of the Receiving Entity or Receiving Entities to which the obligations in respect of those Intra Group Lenders and Debtors' Intra-Group Receivables are to be transferred.
- (g) Without prejudice to the foregoing, in the context of any Distressed Disposal of the share capital in the Company, the release of any Borrowing Liabilities, Other Liabilities and any Transaction Security granted by the Company over its assets shall not be effected pursuant to this Clause 14 without the prior written consent of Holders representing at least 75 % of the outstanding principal amount of each series of New Notes.

14.2 Form of consideration for Distressed Disposals and Debt Disposals

Subject to Clause 14.6 (*Restriction on enforcement by Secured Creditors*) and Clause 15.5 (*Security Agent protection*), a Distressed Disposal or a Debt Disposal may be made in whole or in part for consideration in the form of cash or, if not for cash, for Non-Cash Consideration which is acceptable to the Security Agent.

14.3 Proceeds of Distressed Disposals and Debt Disposals

The net proceeds of each Distressed Disposal and each Debt Disposal shall be paid, or distributed, to the Security Agent for application in accordance with Clause 18 (*Application of Proceeds*) and, to the extent that:

- (a) any Liabilities Sale has occurred; or
- (b) any Appropriation has occurred,

as if that Liabilities Sale, or any reduction in the Secured Obligations resulting from that Appropriation, had not occurred.

14.4 Fair value

In the case of:

- (a) a Distressed Disposal; or
- (b) a Liabilities Sale,

effected by, or at the request of, the Security Agent, the Security Agent shall take reasonable care to obtain a fair market value having regard to the prevailing market conditions (though the Security Agent shall have no obligation to postpone (or request the postponement of) any Distressed Disposal or Liabilities Sale in order to achieve a higher value).

14.5 Fair value – safe harbours

- (a) The Security Agent may seek to satisfy the requirement in Clause 14.4 (*Fair value*) in any manner.
- (b) Without prejudice to the generality of paragraph (a) above, the requirement in Clause 14.4 (*Fair value*) shall be satisfied (and as between the Creditors and the Debtors shall be conclusively presumed to be satisfied) and the Security Agent will be taken to have discharged all its obligations in this respect under this Agreement, the other Debt Documents and generally at law if:
 - (i) that Distressed Disposal or Liabilities Sale is made pursuant to any process or proceedings approved or supervised by or on behalf of any court of law;
 - (ii) that Distressed Disposal or Liabilities Sale is made by, at the direction of or under the control of, a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer (or any analogous officer in any jurisdiction) appointed in respect of a member of the Group or the assets of a member of the Group;
 - (iii) that Distressed Disposal or Liabilities Sale is made pursuant to a Competitive Sales Process; or
 - (iv) a Financial Adviser appointed by the Security Agent pursuant to Clause 14.7 (*Appointment of Financial Adviser*) has delivered a Fairness Opinion to the Security Agent in respect of that Distressed Disposal or Liabilities Sale.
- (c) For the avoidance of doubt, Clauses 14.4 (*Fair value*) and 14.5 (*Fair value- safe harbours*) above shall be for the sole benefit of the Noteholders.

14.6 Restriction on enforcement by Secured Creditors

If, prior to the Final Discharge Date, a Distressed Disposal or a Liabilities Sale is being effected at a time when the Instructing Group is entitled to give, and has given, instructions under Clause 12.2 (*Manner of enforcement*) on which the Security Agent is acting, no Distressed Disposal or Debt Disposal may be made for Non-Cash Consideration unless the prior consent of the Instructing Group is obtained.

14.7 Appointment of Financial Adviser

- (a) Without prejudice to Clause 19.7 (*Rights and discretions*), the Security Agent may engage, or approve the engagement of, (in each case on such terms as it may consider appropriate (including, without limitation, restrictions on that Financial Adviser's liability and the extent to which any advice, valuation or opinion may be relied on or disclosed)), pay for and rely on the services of a Financial Adviser to provide advice, a valuation or an opinion in connection with:
 - (i) a Distressed Disposal or a Debt Disposal;
 - (ii) the application or distribution of any proceeds of a Distressed Disposal or a Debt Disposal; or
 - (iii) any amount of Non-Cash Consideration which is subject to Clause 10.1 (*Turnover by the Creditors*).

- (b) For the purposes of paragraph (a) above, the Security Agent shall act:
 - (i) on the instructions of the Instructing Group if the Financial Adviser is providing a valuation for the purposes of Clause 15.2 (*Cash value of Non-Cash Recoveries*); or
 - (ii) otherwise in accordance with Clause 14.8 (*Security Agent's actions*).

14.8 Security Agent's actions

For the purposes of Clause 14.1 (*Facilitation of Distressed Disposals and Appropriation*), Clause 14.2 (*Form of consideration for Distressed Disposals and Debt Disposals*) and Clause 14.4 (*Fair Value*) and Clause 14.5 (*Fair value - safe harbours*) the Security Agent shall act:

- (a) in the case of an Appropriation or if the relevant Distressed Disposal is being effected by way of enforcement of the Transaction Security, in accordance with Clause 12.2 (*Manner of enforcement*); and
- (b) in any other case:
 - (i) on the instructions of the Instructing Group; or
 - (ii) in the absence of any such instructions, as the Security Agent sees fit.

15. NON-CASH RECOVERIES

15.1 Security Agent and Non-Cash Recoveries

To the extent that the Security Agent receives or recovers any Non-Cash Recoveries, it shall (acting on the instructions of the Instructing Group):

- (a) distribute those Non-Cash Recoveries pursuant to Clause 18 (*Application of Proceeds*);
- (b) hold, manage, exploit, collect, realise and dispose of those Non-Cash Recoveries; and
- (c) hold, manage, exploit, collect, realise and distribute any resulting Cash Proceeds.

15.2 Cash value of Non-Cash Recoveries

- (a) The cash value of any Non-Cash Recoveries shall be determined by reference to a valuation obtained by the Security Agent from a Financial Adviser appointed by the Security Agent pursuant to Clause 14.7 (*Appointment of Financial Adviser*) taking into account any notional conversion made pursuant to Clause 18.4 (*Currency conversion*).
- (b) If any Non-Cash Recoveries are distributed pursuant to Clause 18 (*Application of Proceeds*), the extent to which such distribution is treated as discharging the Liabilities shall be determined by reference to the cash value of those Non-Cash Recoveries determined pursuant to paragraph (a) above.

15.3 The Note Agent and Non-Cash Recoveries

- (a) Subject to paragraph (b) below and to Clause 15.4 (*Alternative to Non-Cash Consideration*), if, pursuant to Clause 18.1 (*Order of application*), the Note Agent receives Non-Cash Recoveries for application towards the discharge of any Liabilities,

the Note Agent shall apply those Non-Cash Recoveries in accordance with the Note Agreement as if they were Cash Proceeds.

- (b) The Note Agent may:
 - (i) use any reasonably suitable method of distribution, as it may determine in its discretion, to distribute those Non-Cash Recoveries in the order of priority that would apply under the Note Agreement if those Non-Cash Recoveries were Cash Proceeds;
 - (ii) hold any Non-Cash Recoveries through another person; and
 - (iii) hold any amount of Non-Cash Recoveries for so long as the Note Agent shall think fit for later application pursuant to paragraph (a) above.

15.4 Alternative to Non-Cash Consideration

- (a) If any Non-Cash Recoveries are to be distributed pursuant to Clause 18 (*Application of Proceeds*), the Security Agent shall (prior to that distribution and taking into account the Liabilities then outstanding and the cash value of those Non-Cash Recoveries) notify the Secured Creditors and the Supporting Shareholder entitled to receive those Non-Cash Recoveries pursuant to that distribution (the "**Entitled Creditors**").
- (b) If:
 - (i) it would be unlawful for an Entitled Creditor to receive such Non-Cash Recoveries (or it would otherwise conflict with that Entitled Creditor's constitutional documents for it to do so); and
 - (ii) that Entitled Creditor promptly so notifies the Security Agent and supplies such supporting evidence as the Security Agent may reasonably require,that Secured Creditor or the Supporting Shareholder shall be a "**Cash Only Creditor**" and the Non-Cash Recoveries to which it is entitled shall be "**Retained Non-Cash**".
- (c) To the extent that, in relation to any distribution of Non-Cash Recoveries, there is a Cash Only Creditor, the Security Agent shall not distribute any Retained Non-Cash to that Cash Only Creditor but shall otherwise treat the Non-Cash Recoveries in accordance with this Agreement.
- (d) Subject to Clause 15.5 (*Security Agent protection*), the Security Agent shall hold any Retained Non-Cash and shall, acting on the instructions of the Cash Only Creditor entitled to it, manage, exploit, collect, realise and dispose of that Retained Non-Cash for cash consideration and shall distribute any Cash Proceeds of that Retained Non-Cash to that Cash Only Creditor in accordance with Clause 18 (*Application of Proceeds*).
- (e) On any such distribution of Cash Proceeds which are attributable to a disposal of any Retained Non-Cash, the extent to which such distribution is treated as discharging the Liabilities due to the relevant Cash Only Creditor shall be determined by reference to:
 - (i) the valuation which determined the extent to which the distribution of the Non-Cash Recoveries to the other Entitled Creditors discharged the Liabilities due to those Entitled Creditors; and

- (ii) the Retained Non-Cash to which those Cash Proceeds are attributable.
- (f) Each Secured Creditor and/or the Supporting Shareholder (as applicable) shall, following a request by the Security Agent (acting in accordance with Clause 14.8 (*Security Agent's actions*)), notify the Security Agent of the extent to which paragraph (b)(i) above would apply to it in relation to any distribution or proposed distribution of Non-Cash Recoveries.

15.5 Security Agent protection

- (a) No Distressed Disposal or Debt Disposal may be made in whole or part for Non-Cash Consideration if the Security Agent has reasonable grounds for believing that its receiving, distributing, holding, managing, exploiting, collecting, realising or disposing of that Non-Cash Consideration would have an adverse effect on it.
- (b) If Non-Cash Consideration is distributed to the Security Agent pursuant to Clause 10.1 (*Turnover by the Creditors*) the Security Agent may, at any time after notifying the Creditors entitled to that Non-Cash Consideration and notwithstanding any instruction from a Creditor or group of Creditors pursuant to the terms of any Debt Document, immediately realise and dispose of that Non-Cash Consideration for cash consideration (and distribute any Cash Proceeds of that Non-Cash Consideration to the relevant Creditors in accordance with Clause 18 (*Application of Proceeds*)) if the Security Agent has reasonable grounds for believing that holding, managing, exploiting or collecting that Non-Cash Consideration would have an adverse effect on it.
- (c) If the Security Agent holds Retained Non-Cash for a Cash Only Creditor (each as defined in Clause 15.4 (*Alternative to Non-Cash Consideration*)) the Security Agent may at any time, after notifying that Cash Only Creditor and notwithstanding any instruction from a Creditor or group of Creditors pursuant to the terms of any Debt Document, immediately realise and dispose of that Retained Non-Cash for cash consideration (and distribute any Cash Proceeds of that Retained Non-Cash to that Cash Only Creditor in accordance with Clause 18 (*Application of Proceeds*)) if the Security Agent has reasonable grounds for believing that holding, managing, exploiting or collecting that Retained Non-Cash would have an adverse effect on it.

16. FURTHER ASSURANCE – DISPOSALS AND RELEASES

Each Creditor and Debtor will:

- (a) do all things that the Security Agent requests in order to give effect to Clause 13 (*Non-Distressed Disposals*) and Clause 14 (*Distressed Disposals and Appropriation*) (which shall include, without limitation, the execution of any assignments, transfers, releases or other documents that the Security Agent may consider to be necessary to give effect to the releases or disposals contemplated by those Clauses); and
- (b) if the Security Agent is not entitled to take any of the actions contemplated by those Clauses or if the Security Agent requests that any Creditor or Debtor take any such action, take that action itself in accordance with the instructions of the Security Agent,

provided that the proceeds of those disposals are applied in accordance with Clause 13 (*Non-Distressed Disposals*) or Clause 14 (*Distressed Disposals and Appropriation*) as the case may be.

SECTION 6 PROCEEDS

17. PAYMENT OF PROCEEDS INTO SECURED ACCOUNTS

17.1 Future DPL Sale Proceeds

- (a) Any Future DPL Sale Proceeds received by or on behalf of the Company from time to time, shall immediately, and in any event within two (2) Business Days of receipt, be paid into, and remain held in, a bank account held in the name of the Company and secured in favour of the Security Agent (the “**Proceeds Account**”).
- (b) The Company shall ensure that the Security Agent shall have sole signing authority in respect of the Proceeds Account³.
- (c) Amounts standing to the credit of the Proceeds Account from time to time shall be applied at the times, in the amounts, and in the manner and order of application of proceeds set out under Clauses 17.4(a) (*Mandatory Redemption: Future DPL Sale Proceeds and Additional Assets Disposal Proceeds*), 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) below.

17.2 Additional Assets Disposal Proceeds

- (a) Any Additional Assets Disposal Proceeds and any Additional Assets Other Receipts received by or on behalf of any member of the Group at any time shall immediately, and in any event within two (2) Business Days of receipt, be paid into, and remain held in, a separate bank account (i.e. separate to the Proceeds Account) held in the name of the Company and secured in favour of the Security Agent (the “**Additional Assets Proceeds Account**”).
- (b) The Company shall ensure that the Security Agent shall have sole signing authority in respect of the Additional Assets Proceeds Account⁴.
- (c) Amounts standing to the credit of the Additional Assets Proceeds Account from time to time shall be applied at the times, in the amounts, and in the manner and order of application of proceeds set out under Clauses 17.4(b) (*Mandatory Redemption: Future DPL Sale Proceeds and Additional Assets Disposal Proceeds*), 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) below.

17.3 Telstra Reserve⁵

- (a) On the Scheme Effective Date, the Company shall ensure that (i) the Telstra Reserve is fully funded, and (ii) any amounts relating to the Telstra Reserve which are not paid

³ Should this not be possible in practice for any reason, alternative arrangements will be put in place to ensure that no amounts may be withdrawn from this account without the prior written consent of the Security Agent (acting on instruction from the Instructing Group).

⁴ Should this not be possible in practice for any reason, alternative arrangements will be put in place to ensure that no amounts may be withdrawn from this account without the prior written consent of the Security Agent (acting on instruction from the Instructing Group).

⁵ The release and application of amounts set forth in this Clause 17.3 are subject to change to address currency conversion issues.

into the Telstra General Escrow are retained by the Company in a separate bank account secured in favour of the Security Agent and in respect of which the Security Agent shall have sole signing authority (the “**Telstra Reserve Secured Account**”)⁶.

- (b) The Company shall procure that all amounts released from the Telstra General Escrow from time to time are paid directly into the Telstra Reserve Secured Account within two (2) Business Days of any such Telstra Reserve Release.
- (c) Subject to Clause 17.3(d) below, on each date upon which the Company does not have a present or future obligation (including contingent obligation) to increase the amount of the Telstra General Escrow by, all amounts standing to the credit of the Telstra Reserve Secured Account, any amounts standing to the credit of the Telstra Reserve Secured Account on that date in excess of any present or future obligation (including contingent obligation) to increase the amount of the Telstra General Escrow shall be distributed by the Cash Manager and applied as follows:
 - (i) to the holders of the New Senior Notes (who shall be deemed to have funded the Telstra Reserve in place of the DGHL Unsecured Noteholders in an aggregate amount equal to the amount the DGHL Unsecured Noteholders were deemed to have funded the Telstra Reserve), an amount which is the product of (x) 163.5/293.2 and (y) the amount which is to be applied at the relevant time (which amount is to be allocated among such holders of the New Senior Notes on a pro rata basis);
 - (ii) to the holders of the New Subordinated Notes (who shall be deemed to have funded the Telstra Reserve in place of the DGHL Subordinated Noteholders in an aggregate amount equal to the amount the DGHL Subordinated Noteholders were deemed to have funded the Telstra Reserve), an amount which is the product of (x) 19.5/293.2 and (y) the amount which is to be applied at the relevant time (which amount is to be allocated among such holders of the New Subordinated Notes on a pro rata basis); and
 - (iii) to DIFL and DL (in relation to their respective deemed funding of the Telstra Reserve), an amount which is the product of (x) 110.2/293.2 and (y) the amount which is to be applied at the relevant time (which amount is to be allocated to DIFL and DL on a pro rata basis by reference to the original principal amounts outstanding under the Settlement Agreement).
- (d) Within two (2) Business Days of the first Telstra Reserve Release, the Company shall procure that an amount equal to the Telstra General Escrow Amount is paid directly from the Telstra Reserve Secured Account into the Proceeds Account, which amount shall, immediately upon the deposit thereof into the Proceeds Account, be deemed to be Future DPL Sale Proceeds for all purposes of this Agreement and the other Debt Documents.
- (e) The aggregate amount to be applied pursuant to Clause 17.3(c) above (expressly excluding any amount applied pursuant to Clause 17.3(d) above) shall not exceed the Reserve Reduction Amount.

⁶ Should this not be possible in practice for any reason, alternative arrangements will be put in place to ensure that no amounts may be withdrawn from this account without the prior written consent of the Security Agent (acting on instruction from the Instructing Group).

17.4 **Mandatory Redemption – Future DPL Sale Proceeds and Additional Assets Disposal Proceeds**

- (a) The Company shall ensure that all Future DPL Sale Proceeds payable to the Holders of the Notes shall, within ten (10) Business Days of receipt thereof by the Company, be applied in mandatory partial redemption of each series of the Notes, at a price equal to 100% of the outstanding principal amount, in accordance with the order of application of proceeds set out under clauses 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) of this Agreement until such time as all Future DPL Sale Proceeds required to be paid to the Holders of the Notes have been applied in partial redemption of the Notes.
- (b) If, at any time, the aggregate amount of proceeds received from Additional Assets Disposal Proceeds and any Additional Assets Other Receipts, which have not been previously applied in accordance with the application of proceeds set out under Clause 18.1 (*Order of application*) of this Agreement (such unapplied proceeds being the "**Additional Assets Proceeds Distributable Amount**") exceeds USD 1,000,000 (the "**Additional Assets Proceeds Threshold**"), then the Company shall ensure that an amount equal to the Additional Assets Proceeds Distributable Amount at that time shall, within five (5) days' thereof, be applied in mandatory partial redemption of each series of the Notes, at a price equal to 100% of the outstanding principal amount in accordance with the order of application of proceeds set out under Clauses 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors*) of this Agreement.

17.5 **Reimbursement of Cash Allocation Shortfall**

- (a) Subject to 17.5(b) below, on the date upon which the Company receives proceeds in connection with any disposal of Additional Assets which result in amounts being available to be deducted pursuant to limb (d) of the definitions of Additional Assets Disposal Proceeds and/or Additional Assets Other Receipts, the Company shall promptly (and in any event within two (2) Business Days' thereof) pay to the Cash Manager an amount equal to the lower of (a) the then outstanding Cash Allocation Shortfall Outstanding Amount and (b) the maximum amount available to be applied in accordance with limb (d) of the definitions of Additional Assets Disposal Proceeds and/or Additional Assets Other Receipts pursuant to that disposal, which amount shall promptly (and in any event within two (2) Business Days' thereof) be distributed by the Cash Manager as follows:
 - (i) to the holders of the New Senior Notes, an amount which is the product of (x) 163.5/293.2 and (y) the amount which is to be applied at the relevant time (which amounts are to be allocated among such Holders on a pro rata basis);
 - (ii) to the holders of the New Subordinated Notes, an amount which is the product of (x) 19.5/293.2 and (y) the amount which is to be applied at the relevant time (which amounts are to be allocated among such Holders on a pro rata basis); and
 - (iii) to DIFL and DL, a number, an amount which is the product of (x) 110.2/293.2 and (y) the amount which is to be applied at the relevant time (to be allocated on a *pro rata* basis by reference to the original principal amounts outstanding under the Settlement Agreement).
- (b) The aggregate amount to be applied pursuant to Clause 17.5(a) above shall not exceed the Reserve Reduction Amount.

18. APPLICATION OF PROCEEDS

18.1 Order of application

Subject to Clause 18.3 (*Prospective liabilities*), all amounts from time to time received or recovered by the Security Agent or otherwise administered by the Cash Manager pursuant to the terms of any Debt Document including in connection with (i) the realisation or enforcement of all or any part of the Transaction Security, (ii) all amounts received or recovered pursuant to Clause 17.1 (*Future DPL Sale Proceeds*); and/or (iii) all amounts received or recovered pursuant to Clause 17.2 (*Additional Assets Disposal Proceeds*) (together, for the purposes of this Clause 18, the "**DGHL Realisations**") shall be held by the Security Agent on trust to apply them or for the Cash Manager to administer, as applicable, to the extent permitted by applicable law (and subject to the provisions of Clause 17 (*Payment of proceeds into secured accounts*) and this Clause 18), in the following order of priority:

- (a) in discharging any and all sums owing to the (i) Security Agent, any Receiver or any Delegate; (ii) the Note Agent, and (iii) each of the Agents;
- (b) in discharging all costs and expenses incurred by any Secured Creditor in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of this Agreement or any action taken at the request of the Security Agent under Clause 9.5 (*Further assurance – Insolvency Event*);
- (c) in payment or distribution to the Secured Creditors and/or the Supporting Shareholder (as applicable) for application towards the discharge of the Secured Liabilities and/or the Supporting Shareholder Liabilities (as applicable) in accordance with Clause 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) below;
- (d) if none of the Debtors is under any further actual or contingent liability under any Primary Finance Document, in payment or distribution to any person to whom the Security Agent is obliged to pay or distribute in priority to any Debtor; and
- (e) the balance, if any, in payment or distribution to the relevant Debtor.

provided, however, that all DGHL Realisations which do not relate to the realisation or enforcement of all or any part of the Transaction Security shall be applied in accordance with this Clause 18 (*Application of Proceeds*) by the Cash Manager in accordance with the terms of the Agency Agreement and not the Security Agent and references to the Security Agent in this Clause 18 (*Application of Proceeds*) and Clause 17 (*Payment of Proceeds into Secured Accounts*) shall, where appropriate, be deemed to be references to the Cash Manager.

18.2 Order of application: Secured Creditors and Supporting Shareholder

- (a) Subject to Clause 6.7 (*Supporting Shareholder: board covenant*), the Initial DPL Amount shall be allocated to the Secured Creditors and the Supporting Shareholder for application towards the discharge of the Secured Liabilities and the Supporting Shareholder Liabilities on the following basis:
 - (1) the product of (x) 50.4% and (y) the original principal amount of New Note 1 divided by the aggregate original principal amount of New Note 1 and New Note 2, shall be paid *first*, to the Holders of New Note 1A (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to

the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis (until such time as all amounts owing in respect of New Note 1A have been repaid in full) and *second*, to the Holders of New Note 1B (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis;

- (2) the product of (x) 53.2% and (y) the original principal amount of New Note 2 divided by the aggregate original principal amount of New Note 1 and New Note 2, shall be paid *first*, to the Holders of New Note 2A (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis (until such time as all amounts owing in respect of New Note 2A have been repaid in full), and *second*, to the Holders of New Note 2B (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis;
- (3) 39.6% of the Initial DPL Amount shall be paid to DIFL and DL collectively (to be allocated on a *pro rata* basis by reference to the original principal amounts outstanding under the Settlement Agreement); and
- (4) the sum of:
 - a. the product of (x) 10.0%, (y) the original principal amount of New Note 1 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 56.0%;
 - b. the product of (x) 5.0%, (y) the original principal amount of New Note 2 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 56.0%; and
 - c. 4.4%,

shall be paid to the Supporting Shareholder;

- (b) Subject to Clause 6.7 (*Supporting Shareholder: board covenant*), the Additional DPL Amount shall be allocated to the Secured Creditors and the Supporting Shareholder for application towards the discharge of the Secured Liabilities and the Supporting Shareholder Liabilities on the following basis:

- (1) the product of (x) 50.4% and (y) the original principal amount of New Note 1, divided by the aggregate original principal amount of New Note 1 and New Note 2, shall be paid *first*, to the Holders of New Note 1A (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis (until such time as all amounts owing in respect of New Note 1A have been repaid in full), and *second*, to the Holders of New Note 1B (or the Notes Agent on their behalf (or

such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis;

- (2) the product of (x) 44.8% and (y) the original principal amount of New Note 2 divided by the aggregate original principal amount of New Note 1 and New Note 2, shall be paid *first*, to the Holders of New Note 2A (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis (until such time as all amounts owing in respect of New Note 2A have been repaid in full), and *second*, to the Holders of New Note 2B (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis;
- (3) 39.6% of the Additional DPL Amount shall be paid to DIFL and DL collectively (to be allocated on a *pro rata* basis by reference to the original principal amounts outstanding under Settlement Agreement); and
- (4) the sum of:
 - a. the product of (x) 10.0%, (y) the original principal amount of New Note 1 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 56.0%;
 - b. the product of (x) 20.0%, (y) the original principal amount of New Note 2 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 56.0%; and
 - c. 4.4%,

shall be paid to the Supporting Shareholder;

- (c) Subject to Clause 6.7(b) (*Supporting Shareholder: board covenant*), the Final DPL Amount shall be allocated to the Secured Creditors and the Supporting Shareholder for application towards the discharge of the Secured Liabilities and the Supporting Shareholder Liabilities on the following basis:

- (1) the product of (x) 73.125% and (y) the original principal amount of New Note 1, divided by the aggregate original principal amount of New Note 1 and New Note 2, shall be paid *first*, to the Holders of New Note 1A (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis (until such time as all amounts owing in respect of New Note 1A have been repaid in full), and *second*, to the Holders of New Note 1B (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis;

- (2) the product of (x) 65.0% and (y) the original principal amount of New Note 2 divided by the aggregate original principal amount of New Note 1 and New Note 2, shall be paid *first*, to the Holders of New Note 2A (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis (until such time as all amounts owing in respect of New Note 2A have been repaid in full), and *second*, to the Holders of New Note 2B (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis;
- (3) the product of (x) 16.875% and (y) the original principal amount of New Note 3 divided by the aggregate original principal amount of New Note 3 and New Note 4, shall be paid *first*, to the Holders of New Note 3A (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis (until such time as all amounts owing in respect of New Note 3A have been repaid in full), and *second*, to the Holders of New Note 3B (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis;
- (4) the product of (x) 15.0% and (y) the original principal amount of New Note 4 divided by the aggregate original principal amount of New Note 3 and New Note 4, shall be paid *first*, to the Holders of New Note 4A (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis (until such time as all amounts owing in respect of New Note 4A have been repaid in full), and *second*, to the Holders of New Note 4B (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis; and
- (5) the sum of:
 - a. the product of (x) 10.0%, (y) the original principal amount of New Note 1 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 81.25%;
 - b. the product of (x) 20.0%, (y) the original principal amount of New Note 2 divided by the aggregate original principal amount of New Note 1 and New Note 2, and (z) 81.25%;
 - c. the product of (x) 10.0%, (y) the original principal amount of New Note 3 divided by the aggregate original principal amount of New Note 3 and New Note 4, and (z) 18.75%; and

- d. the product of (x) 20.0%, (y) the original principal amount of New Note 4 divided by the aggregate original principal amount of New Note 3 and New Note 4, and (z) 18.75%;

shall be paid to the Supporting Shareholder.

- (d) Each amount received or recovered by the Security Agent pursuant to Clause 17.2 (*Additional Assets Disposal Proceeds*) which is required to be applied at any time in accordance with Clause 18.1(c) shall be applied in accordance with this Clause 18.2(d) towards the discharge of the Secured Liabilities on the following basis:

- (1) to the extent the aggregate amount of Future DPL Sale Proceeds, the Additional Assets Disposal Proceeds and the Additional Assets Other Receipts is less than or equal to USD 190,000,000:

- a. 44.0% of the Additional Assets Disposal Proceeds and the Additional Assets Other Receipts to be applied at the relevant time shall be paid to DIFL and DL collectively (to be allocated on a *pro rata* basis by reference to the original principal amounts outstanding under the Settlement Agreement); and

- b. 56.0% of the Additional Assets Disposal Proceeds and the Additional Assets Other Receipts to be applied at the relevant time shall be paid, *first*, to the Holders of New Note 1A and New Note 2A (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis by reference to the original principal amounts (until such time as all amounts owing in respect of New Note 1A and New Note 2A have been repaid in full), and *second*, to the Holders of New Note 1B and New Note 2B (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis by reference to the original principal amounts; and

- (2) to the extent the aggregate amount of Future DPL Sale Proceeds and Additional Assets Disposal Proceeds and the Additional Assets Other Receipts is more than USD 190,000,000:

- a. 81.25% of the Additional Assets Disposal Proceeds and the Additional Assets Other Receipts to be applied at the relevant time shall be paid to first, to the Holders of New Note 1A and New Note 2A (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a *pro rata* basis by reference to the original principal amounts (until such time as all amounts owing in respect of New Note 1A and New Note 2A have been repaid in full), and second, to the Holders of New Note 1B and New Note 2B (or the Notes Agent on their behalf (or such other entity directed, designated

or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a pro rata basis by reference to the original principal amounts; and

- b. 18.75% of the Additional Assets Disposal Proceeds and the Additional Assets Other Receipts to be applied at the relevant time shall be paid first, to the Holders of New Note 3A and New Note 4A (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a pro rata basis by reference to the original principal amounts (until such time as all amounts owing in respect of New Note 3A and New Note 4A have been repaid in full), and second, to the Holders of New Note 3B and New Note 4B (or the Notes Agent on their behalf (or such other entity directed, designated or appointed by the Company and reasonably acceptable to the Note Agent for this purpose)), which amounts are to be allocated among such Holders on a pro rata basis by reference to the original principal amounts.

18.3 Prospective liabilities

Following a Distress Event the Security Agent shall:

- (a) hold any amount of the DGHL Realisations which is in the form of cash, and any cash which is generated by holding, managing, exploiting, collecting, realising or disposing of any Non-Cash Consideration, in one or more interest bearing suspense or impersonal accounts in the name of the Security Agent with such financial institution (including itself) as the Security Agent shall think fit (the interest being credited to the relevant account); and
- (b) hold, manage, exploit, collect and realise any amount of the DGHL Realisations which is in the form of Non-Cash Consideration,

in each case for so long as the Security Agent shall think fit for later application under Clause 18.1 (*Order of application*) in respect of:

- (i) any sum owing to any Security Agent, any Receiver or any Delegate; and
- (ii) any part of the Liabilities,

that the Security Agent reasonably considers, in each case, might become due or owing at any time in the future.

18.4 Currency conversion

- (a) For the purpose of, or pending the discharge of, any of the Secured Obligations the Security Agent may:
 - (i) convert any moneys received or recovered by the Security Agent (including, without limitation, any Cash Proceeds) from one currency to another, at the Security Agent's Spot Rate of Exchange; and

- (ii) notionally convert the valuation provided in any Fairness Opinion or valuation from one currency to another, at the Security Agent's Spot Rate of Exchange.
- (b) The obligations of any Debtor to pay in the due currency shall only be satisfied:
 - (i) in the case of paragraph (a)(i) above, to the extent of the amount of the due currency purchased after deducting the reasonable costs of conversion; and
 - (ii) in the case of paragraph (a)(ii) above, to the extent of the amount of the due currency which results from the notional conversion referred to in that paragraph.

18.5 Permitted Deductions and Authorisations

- (a) The Security Agent shall be entitled, (a) to set aside by way of reserve amounts required to meet and (b) to make and pay, any deductions and withholdings (on account of Taxes or otherwise) which it is or may be required by any law or regulation to make from any distribution or payment made by it under this Agreement, and to pay all Taxes which may be assessed against it in respect of any of the Security Property or other proceeds received by it for distribution in accordance with the terms of this Agreement, or as a consequence of performing its duties or exercising its rights, powers and authorities, or by virtue of its capacity as Security Agent under any of the Debt Documents or otherwise (other than in connection with its remuneration for performing its duties under this Agreement).
- (b) Each of the Secured Creditors and the Supporting Shareholder confirms and acknowledges that the Security Agent and the Cash Manager shall be irrevocably authorised to make payments towards the discharge of the Secured Liabilities and the Supporting Shareholder Liabilities in accordance with Clauses 18.1 (*Order of application*) and 18. 2 (*Order of application: Secured Creditors and Supporting Shareholder*) of this Agreement.
- (c) Each of the Secured Creditors further confirms and acknowledges that any security interests granted in respect of any funds used by the Security Agent and/or the Cash Manager (as applicable) to make any payment towards the discharge of the Secured Liabilities and the Supporting Shareholder Liabilities in accordance with Clauses 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) of this Agreement shall be deemed to be automatically released (and the the Security Agent shall be irrevocably authorised to release any such security in connection with such payments as may be required), without any further action or consent being required from any party.

18.6 Good Discharge

- (a) Any distribution or payment to be made in respect of the Secured Obligations by the Security Agent:
 - (i) may be made to the Note Agent on behalf of the Noteholders; and
 - (ii) shall be made directly to the other Secured Creditors.

- (b) Any distribution or payment made as described in paragraph (a) above shall be a good discharge, to the extent of that payment or distribution, by the Security Agent:
 - (i) in the case of a payment made in cash, to the extent of that payment; and
 - (ii) in the case of a distribution of Non-Cash Recoveries, as determined by Clause 15.2 (*Cash value of Non-Cash Recoveries*).
- (c) The Security Agent is under no obligation to make the payments to the Secured Creditors under paragraph (a) above in the same currency as that in which the Liabilities owing to the relevant Secured Creditor are denominated pursuant to the relevant Debt Document.

18.7 Calculation of Amounts

For the purpose of calculating any person's share of any amount payable to or by it, the Security Agent shall be entitled to:

- (a) notionally convert the Liabilities owed to any person into a common base currency (decided in its discretion by the Security Agent), that notional conversion to be made at the spot rate at which the Security Agent is able to purchase the notional base currency with the actual currency of the Liabilities owed to that person at the time at which that calculation is to be made; and
- (b) assume that all amounts received or recovered as a result of the enforcement or realisation of the Security Property are applied in discharge of the Liabilities in accordance with the terms of the Debt Documents under which those Liabilities have arisen.

18.8 Limited Recourse

(a) Limited Recourse: Note Liabilities

Subject to Clause 18.8(b) below, the Note Agent (for itself and on behalf of the Noteholders) agrees with the Company that, notwithstanding any other provision of the Note Agreement, the New Notes and any other applicable Debt Documents, all obligations of the Company under the Note Agreement and the New Notes (including the Note Liabilities) are limited in recourse as set out below:

- (i) the Note Agent (on behalf of the Noteholders) will receive distributions only in respect of an amount equal to the amounts payable to the Note Agent (on behalf of the Noteholders) under and in accordance with this Clause 18 and Clauses 17.3 (*Telstra Reserve*) and Clause 17.4 (*Mandatory Redemption: Future DPL Sale Proceeds and Additional Assets Disposal Proceeds*) and 17.5 (*Reimbursement of Cash Allocation Shortfall*) (with all applicable amounts to be paid to Noteholders in accordance with the terms of the Note Agreement); and
- (ii) the Note Agent (and the Noteholders):
 - (A) shall have no further claim against the Company in respect of any other unpaid amounts under the Note Agreement and the New Notes (including the Note Liabilities) and such other unpaid amounts shall be automatically released, extinguished and discharged in full on the

Maturity Date without any further action by any party or any other person; and

- (B) will not be entitled to take any further steps against the Company to recover any further sums due under the Note Agreement and the New Notes (including the Note Liabilities) and the right to receive any such sums shall be automatically released, extinguished and discharged in full on the Maturity Date without any further action by any party or any other person,
- (b) The Security Agent, the Note Agent and each of the Agents shall continue to have the ability to claim against the Company in respect of any of their unpaid fees costs and expenses in accordance with the Debt Documents or in respect of any indemnity under the Debt Documents.

(c) **Limited Recourse: DGHL/DIFL Intercompany Liabilities**

DIFL agrees with the Company that, notwithstanding any other provision of the Settlement Agreement and any other applicable Debt Documents, all obligations of the Company under the Settlement Agreement (including the DGHL/DIFL Intercompany Liabilities) are limited in recourse as set out below:

- (i) DIFL will receive distributions only in respect of an amount equal to the amounts payable to DIFL under and in accordance with this Clause 18, Clause 17.3 (*Telstra Reserve*), and 17.5 (*Reimbursement of Cash Allocation Shortfall*); and
- (ii) DIFL:
 - (A) shall have no further claim against the Company in respect of any other unpaid amounts under the Settlement Agreement (including the DGHL/DIFL Intercompany Liabilities) and such other unpaid amounts shall be automatically released and discharged in full on the DGHL/DIFL Intercompany Liability Discharge Date without any further action by any party or any other person; and
 - (B) will not be entitled to take any further steps against the Company to recover any further sums due under the Settlement Agreement (including the DGHL/DIFL Intercompany Liabilities) and the right to receive any such sums shall be automatically released and extinguished in full on the DGHL/DIFL Intercompany Liability Discharge Date without any further action by any party or any other person.

(d) **Limited Recourse: DGHL/DL Intercompany Liabilities**

DL agrees with the Company that, notwithstanding any other provision of the Settlement Agreement and any other applicable Debt Documents, all obligations of the Company under the Settlement Agreement (including the DGHL/DL Intercompany Liabilities) are limited in recourse as set out below:

- (i) DL will receive distributions only in respect of an amount equal to the amounts payable to DL under and in accordance with this Clause 18, Clause 17.3

(*Telstra Reserve*) and Clause 17.5 (*Reimbursement of Cash Allocation Shortfall*); and

(ii) DL:

- (A) shall have no further claim against the Company in respect of any other unpaid amounts under the Settlement Agreement (including the DGHL/DL Intercompany Liabilities) and such other unpaid amounts shall be automatically released and discharged in full on the DGHL/DL Intercompany Liability Discharge Date without any further action by any party or any other person; and
- (B) will not be entitled to take any further steps against the Company to recover any further sums due under the Settlement Agreement (including the DGHL/DL Intercompany Liabilities) and the right to receive any such sums shall be automatically released and extinguished in full on the DGHL/DL Intercompany Liability Discharge Date without any further action by any party or any other person.

(e) **Limited Recourse: Supporting Shareholder Liabilities**

The Supporting Shareholder agrees with the Company that, notwithstanding any other provision of the Debt Documents, all obligations of the Company in respect of the Supporting Shareholder Liabilities are limited in recourse as set out below:

- (i) the Supporting Shareholder will receive distributions only in respect of an amount equal to the amounts payable to the Supporting Shareholder under and in accordance with this Clause 18; and
- (ii) the Supporting Shareholder:
 - (A) shall have no further claim against the Company in respect of any other unpaid amounts under the Debt Documents (including the Supporting Shareholder Liabilities) and such other unpaid amounts shall be automatically released and discharged in full on the Maturity Date without any further action by any party or any other person; and
 - (B) will not be entitled to take any further steps against the Company to recover any further sums due to on account of the Supporting Shareholder Liabilities and the right to receive any such sums shall be automatically released and extinguished in full on the Maturity Date without any further action by any party or any other person.

(f) **Solvent Liquidation: Remaining Amounts**

- (i) On the date that falls 10 Business Days prior to any Solvent Liquidation, any unused funds relating to the Expense Reserve, less any fees, costs and expenses required to be incurred by the Company in connection with the Solvent Liquidation (the “**Solvent Liquidation Reserve**”), shall at that date be deemed to be Additional Assets Disposal Proceeds and shall accordingly be applied at the times, in the amounts, and in the manner and order of application of proceeds set out under Clauses 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*).

- (ii) Any amounts in the Solvent Liquidation Reserve that are not ultimately used for such purpose shall, after the final distribution made pursuant to the Solvent Liquidation and the completion of the Solvent Liquidation, be promptly paid to charity.

SECTION 7
THE PARTIES

19. THE SECURITY AGENT

19.1 Security Agent as trustee

- (a) The Security Agent declares that it holds the Security Property on trust for the Secured Parties on the terms contained in this Agreement.
- (b) Each of the Secured Creditors authorises the Security Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Security Agent under or in connection with the Debt Documents together with any other incidental rights, powers, authorities and discretions.

19.2 Instructions

- (a) The Security Agent shall:
 - (i) subject to paragraphs (d) and (e) below, exercise or refrain from exercising any right, power, authority or discretion vested in it as Security Agent in accordance with any instructions given to it by the Instructing Group; and
 - (ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with paragraph (i) above (or, if this Agreement stipulates the matter is a decision for any other Creditor or group of Creditors, in accordance with instructions given to it by that Creditor or group of Creditors).
- (b) The Security Agent shall be entitled to request instructions, or clarification of any instruction, from the Instructing Group (or, if this Agreement stipulates the matter is a decision for any other Creditor or group of Creditors, from that Creditor or group of Creditors) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Security Agent may refrain from acting unless and until it receives those instructions or that clarification.
- (c) Save in the case of decisions stipulated to be a matter for any other Creditor or group of Creditors under this Agreement and unless a contrary intention appears in this Agreement, any instructions given to the Security Agent by the Instructing Group shall override any conflicting instructions given by any other Parties and will be binding on all Secured Parties.
- (d) Paragraph (a) above shall not apply:
 - (i) where a contrary indication appears in this Agreement;
 - (ii) where this Agreement requires the Security Agent to act in a specified manner or to take a specified action;
 - (iii) in respect of any provision which protects the Security Agent's own position in its personal capacity as opposed to its role of Security Agent for the Secured Parties including, without limitation, Clauses 19.5 (*No duty to account*) to Clause 19.10 (*Exclusion of liability*), Clause 19.12 (*Confidentiality*) to Clause

19.19 (*Custodians and nominees*) and Clause 19.22 (*Acceptance of title*) to Clause 19.25 (*Disapplication of Trustee Acts*); or

(iv) in respect of the exercise of the Security Agent's discretion to exercise a right, power or authority under any of:

(A) Clause 13 (*Non-Distressed Disposals*);

(B) Clause 18.1 (*Order of application*);

(C) Clause 18.3 (*Prospective liabilities*); and

(D) Clause 18.5 (*Permitted Deductions and Authorisations*).

(e) If giving effect to instructions given by the Instructing Group or, if this Agreement stipulates the matter is a decision for any other Creditor or group of Creditors, in accordance with instructions given to it by that Creditor or group of Creditors would (in the Security Agent's opinion) have an effect equivalent to an Intercreditor Amendment, the Security Agent shall not act in accordance with those instructions unless consent to it so acting is obtained from each Party (other than the Security Agent) whose consent would have been required in respect of that Intercreditor Amendment.

(f) In exercising any discretion to exercise a right, power or authority under the Debt Documents where either:

(i) it has not received any instructions as to the exercise of that discretion; or

(ii) the exercise of that discretion is subject to paragraph (d)(iv) above,

the Security Agent shall:

(A) other than where paragraph (B) below applies, do so having regard to the interests of all the Secured Parties; or

(B) if (in its opinion) there is a Creditor Conflict in relation to the matter in respect of which the discretion is to be exercised, do so having regard only to the interests of the Note Agent and the Noteholders.

(g) The Security Agent may refrain from acting in accordance with any instructions of any Creditor or group of Creditors until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Debt Documents and which may include payment in advance) for any cost, loss or liability (together with any applicable VAT) which it may incur in complying with those instructions.

(h) Without prejudice to the provisions of Clause 12 (*Enforcement of Transaction Security*) and the remainder of this Clause 19.2, in the absence of instructions, the Security Agent may act (or refrain from acting) as it considers in its discretion to be appropriate.

19.3 Duties of the Security Agent

(a) The Security Agent's duties under the Debt Documents are solely mechanical and administrative in nature.

- (b) The Security Agent shall promptly:
 - (i) forward to each Secured Creditor a copy of any document received by the Security Agent from any Debtor under any Debt Document; and
 - (ii) forward to a Party the original or a copy of any document which is delivered to the Security Agent for that Party by any other Party.
- (c) Except where a Debt Document specifically provides otherwise, the Security Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.
- (d) Without prejudice to Clause 24.3 (*Notification of prescribed events*), if the Security Agent receives notice from a Party referring to any Debt Document, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the Secured Creditors.
- (e) To the extent that a Party (other than the Security Agent) is required to calculate a Common Currency Amount, the Security Agent shall upon a request by that Party, promptly notify that Party of the relevant Security Agent's Spot Rate of Exchange.
- (f) The Security Agent shall have only those duties, obligations and responsibilities expressly specified in the Debt Documents to which it is expressed to be a party (and no others shall be implied).

19.4 No fiduciary duties to Debtors

Nothing in this Agreement constitutes the Security Agent as an agent, trustee or fiduciary of any Debtor.

19.5 No duty to account

The Security Agent shall not be bound to account to any other Secured Party for any sum or the profit element of any sum received by it for its own account.

19.6 Business with the Group

The Security Agent may accept deposits from, lend money to and generally engage in any kind of banking or other business with any member of the Group.

19.7 Rights and discretions

- (a) The Security Agent may:
 - (i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;
 - (ii) assume that:
 - (A) any instructions received by it from the Instructing Group, any Creditors or any group of Creditors are duly given in accordance with the terms of the Debt Documents;

- (B) unless it has received notice of revocation, that those instructions have not been revoked; and
 - (C) if it receives any instructions to act in relation to the Transaction Security, that all applicable conditions under the Debt Documents for so acting have been satisfied; and
- (iii) rely on a certificate from any person:
 - (A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or
 - (B) to the effect that such person approves of any particular dealing, transaction, step, action or thing,

as sufficient evidence that that is the case and, in the case of paragraph (A) above, may assume the truth and accuracy of that certificate.
- (b) The Security Agent may assume (unless it has received notice to the contrary in its capacity as security trustee for the Secured Parties) that:
 - (i) no Default has occurred;
 - (ii) any right, power, authority or discretion vested in any Party or any group of Creditors has not been exercised; and
 - (iii) any notice made by the Company is made on behalf of and with the consent and knowledge of all the Debtors.
- (c) The Security Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.
- (d) Without prejudice to the generality of paragraph (c) above or paragraph (e) below, the Security Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Security Agent (and so separate from any lawyers instructed by any Secured Creditor) if the Security Agent in its reasonable opinion deems this to be desirable.
- (e) The Security Agent may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Security Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.
- (f) The Security Agent, any Receiver and any Delegate may act in relation to the Debt Documents and the Security Property through its officers, employees and agents and shall not:
 - (i) be liable for any error of judgment made by any such person; or
 - (ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part of any such person,

unless such error or such loss was directly caused by the Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct.

- (g) Unless this Agreement expressly specifies otherwise, the Security Agent may disclose to any other Party any information it reasonably believes it has received as security trustee under this Agreement.
- (h) Notwithstanding any other provision of any Debt Document to the contrary, the Security Agent is not obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.
- (i) Notwithstanding any provision of any Debt Document to the contrary, the Security Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

19.8 Responsibility for documentation

None of the Security Agent, any Receiver nor any Delegate is responsible or liable for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Security Agent, a Debtor or any other person in or in connection with any Debt Document or the transactions contemplated in the Debt Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Debt Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property; or
- (c) any determination as to whether any information provided or to be provided to any Secured Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

19.9 No duty to monitor

The Security Agent shall not be bound to enquire:

- (a) whether or not any Default has occurred;
- (b) as to the performance, default or any breach by any Party of its obligations under any Debt Document; or
- (c) whether any other event specified in any Debt Document has occurred.

19.10 Exclusion of liability

- (a) Without limiting paragraph (b) below (and without prejudice to any other provision of any Debt Document excluding or limiting the liability of the Security Agent, any

Receiver or Delegate), none of the Security Agent, any Receiver nor any Delegate will be liable for:

- (i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Debt Document or the Security Property unless directly caused by its gross negligence or wilful misconduct;
- (ii) exercising or not exercising any right, power, authority or discretion given to it by, or in connection with, any Debt Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Debt Document or the Security Property;
- (iii) any shortfall which arises on the enforcement or realisation of the Security Property; or
- (iv) without prejudice to the generality of paragraphs (i) to (iii) above, any damages, costs, losses, any diminution in value or any liability whatsoever arising as a result of:
 - (A) any act, event or circumstance not reasonably within its control; or
 - (B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets; breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

- (b) No Party (other than the Security Agent, that Receiver or that Delegate (as applicable)) may take any proceedings against any officer, employee or agent of the Security Agent, a Receiver or a Delegate in respect of any claim it might have against the Security Agent, a Receiver or a Delegate or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Debt Document or any Security Property and any officer, employee or agent of the Security Agent, a Receiver or a Delegate may rely on this paragraph (b) subject to Clause 1.3 (*Third party rights*) and the provisions of the Third Parties Act.
- (c) Nothing in this Agreement shall oblige the Security Agent to carry out:
 - (i) any "know your customer" or other checks in relation to any person; or
 - (ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Secured Creditor,

on behalf of any Secured Creditor and each Secured Creditor confirms to the Security Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Security Agent.

- (d) Without prejudice to any provision of any Debt Document excluding or limiting the liability of the Security Agent, any Receiver or Delegate, any liability of the Security Agent, any Receiver or Delegate arising under or in connection with any Debt Document or the Security Property shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Security Agent, Receiver or Delegate (as the case may be) or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Security Agent, Receiver or Delegate (as the case may be) at any time which increase the amount of that loss. In no event shall the Security Agent, any Receiver or Delegate be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Security Agent, Receiver or Delegate (as the case may be) has been advised of the possibility of such loss or damages.

19.11 Resignation of the Security Agent

- (a) The Security Agent may resign and appoint one of its Affiliates as successor by giving notice to the Secured Creditors and the Company.
- (b) Alternatively the Security Agent may resign by giving 30 days' notice to the Secured Creditors and the Company, in which case the Instructing Group may appoint a successor Security Agent.
- (c) If the Instructing Group has not appointed a successor Security Agent in accordance with paragraph (b) above within 20 days after notice of resignation was given, the retiring Security Agent (after consultation with the Secured Creditors) may appoint a successor Security Agent.
- (d) The retiring Security Agent shall, make available to the successor Security Agent such documents and records and provide such assistance as the successor Security Agent may reasonably request for the purposes of performing its functions as Security Agent under the Debt Documents. The Company shall, within three Business Days of demand, reimburse the retiring Security Agent for the amount of all costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.
- (e) The Security Agent's resignation notice shall only take effect upon:
 - (i) the appointment of a successor; and
 - (ii) the transfer of all the Security Property to that successor.
- (f) Upon the appointment of a successor, the retiring Security Agent shall be discharged from any further obligation in respect of the Debt Documents (other than its obligations under paragraph (b) of Clause 19.23 (*Winding up of trust*) and paragraph (d) above) but shall remain entitled to the benefit of this Clause 19 and Clause 23.1 (*Indemnity to the Security Agent*) (and any Security Agent fees for the account of the retiring Security Agent shall cease to accrue from (and shall be payable on) that date). Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if that successor had been an original Party.

- (g) The Instructing Group may, by notice to the Security Agent, require it to resign in accordance with paragraph (b) above. In this event, the Security Agent shall resign in accordance with paragraph (b) above.

19.12 Confidentiality

- (a) In acting as trustee for the Secured Parties, the Security Agent shall be regarded as acting through its trustee division which shall be treated as a separate entity from any other of its divisions or departments.
- (b) If information is received by another division or department of the Security Agent, it may be treated as confidential to that division or department and the Security Agent shall not be deemed to have notice of it.
- (c) Notwithstanding any other provision of any Debt Document to the contrary, the Security Agent is not obliged to disclose to any other person (i) any confidential information or (ii) any other information if the disclosure would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty.

19.13 Information from the Creditors

Each Creditor shall supply the Security Agent with any information that the Security Agent may reasonably specify as being necessary or desirable to enable the Security Agent to perform its functions as Security Agent.

19.14 Credit appraisal by the Secured Parties

Without affecting the responsibility of any Debtor for information supplied by it or on its behalf in connection with any Debt Document, each Secured Party confirms to the Security Agent that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Debt Document including but not limited to:

- (a) the financial condition, status and nature of each member of the Group;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Debt Document, the Security Property and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property;
- (c) whether that Secured Party has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Debt Document, the Security Property, the transactions contemplated by the Debt Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property;
- (d) the adequacy, accuracy or completeness of any information provided by the Security Agent, any Party or by any other person under or in connection with any Debt Document, the transactions contemplated by any Debt Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document; and

- (e) the right or title of any person in or to, or the value or sufficiency of any part of the Security Property, the priority of any of the Transaction Security or the existence of any Security affecting the Security Property.

19.15 Security Agent's management time and additional remuneration

- (a) Any amount payable to the Security Agent under Clause 22 (*Costs and Expenses*) or Clause 23.1 (*Indemnity to the Security Agent*) shall include the cost of utilising the Security Agent's management time or other resources and will be calculated on the basis of such reasonable daily or hourly rates as the Security Agent may notify to the Company and the Secured Creditors, and is in addition to any other fee paid or payable to the Security Agent.
- (b) Without prejudice to paragraph (a) above, in the event of:
 - (i) a Default; or
 - (ii) the Security Agent being requested by the Instructing Group to undertake duties which the Security Agent and the Company agree to be of an exceptional nature or outside the scope of the normal duties of the Security Agent under the Debt Documents; or
 - (iii) the Security Agent and the Company agreeing that it is otherwise appropriate in the circumstances,

the Company shall pay to the Security Agent any additional remuneration (together with any applicable VAT) that may be agreed between them or determined pursuant to paragraph (c) below.

- (c) If the Security Agent and the Company fail to agree upon the nature of the duties or upon the additional remuneration referred to in paragraph (b) above or whether additional remuneration is appropriate in the circumstances, any dispute shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Security Agent and approved by the Company or, failing approval, nominated (on the application of the Security Agent) by the President for the time being of the Law Society of England and Wales (the costs of the nomination and of the investment bank being payable by the Company) and the determination of any investment bank shall be final and binding upon the Parties.

19.16 Reliance and engagement letters

The Security Agent may obtain and rely on any certificate or report from any Debtor's auditor and may enter into any reliance letter or engagement letter relating to that certificate or report on such terms as it may consider appropriate (including, without limitation, restrictions on the auditor's liability and the extent to which that certificate or report may be relied on or disclosed).

19.17 No responsibility to perfect Transaction Security

The Security Agent shall not be liable for any failure to:

- (a) require the deposit with it of any deed or document certifying, representing or constituting the title of any Debtor to any of the Security Property;

- (b) obtain any licence, consent or other authority for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any Debt Document or the Transaction Security;
- (c) register, file or record or otherwise protect any of the Transaction Security (or the priority of any of the Transaction Security) under any law or regulation or to give notice to any person of the execution of any Debt Document or of the Transaction Security;
- (d) take, or to require any Debtor to take, any step to perfect its title to any of the Security Property or to render the Transaction Security effective or to secure the creation of any ancillary Security under any law or regulation; or
- (e) require any further assurance in relation to any Security Document.

19.18 Insurance by Security Agent

- (a) The Security Agent shall not be obliged:
 - (i) to insure any of the Security Property;
 - (ii) to require any other person to maintain any insurance; or
 - (iii) to verify any obligation to arrange or maintain insurance contained in any Debt Document,

and the Security Agent shall not be liable for any damages, costs or losses to any person as a result of the lack of, or inadequacy of, any such insurance.

- (b) Where the Security Agent is named on any insurance policy as an insured party, it shall not be liable for any damages, costs or losses to any person as a result of its failure to notify the insurers of any material fact relating to the risk assumed by such insurers or any other information of any kind, unless the Instructing Group requests it to do so in writing and the Security Agent fails to do so within fourteen days after receipt of that request.

19.19 Custodians and nominees

The Security Agent may appoint and pay any person to act as a custodian or nominee on any terms in relation to any asset of the trust as the Security Agent may determine, including for the purpose of depositing with a custodian this Agreement or any document relating to the trust created under this Agreement and the Security Agent shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it under this Agreement or be bound to supervise the proceedings or acts of any person.

19.20 Delegation by the Security Agent

- (a) Each of the Security Agent, any Receiver and any Delegate may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any right, power, authority or discretion vested in it in its capacity as such.
- (b) That delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Agent, that Receiver or

that Delegate (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.

- (c) No Security Agent, Receiver or Delegate shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

19.21 Additional Security Agents

- (a) The Security Agent may at any time appoint (and subsequently remove) any person to act as a separate trustee or as a co-trustee jointly with it:
 - (i) if it considers that appointment to be in the interests of the Secured Parties;
 - (ii) for the purposes of conforming to any legal requirement, restriction or condition which the Security Agent deems to be relevant; or
 - (iii) for obtaining or enforcing any judgment in any jurisdiction,and the Security Agent shall give prior notice to the Company and the Secured Creditors of that appointment.
- (b) Any person so appointed shall have the rights, powers, authorities and discretions (not exceeding those given to the Security Agent under or in connection with the Debt Documents) and the duties, obligations and responsibilities that are given or imposed by the instrument of appointment.
- (c) The remuneration that the Security Agent may pay to that person, and any costs and expenses (together with any applicable VAT) incurred by that person in performing its functions pursuant to that appointment shall, for the purposes of this Agreement, be treated as costs and expenses incurred by the Security Agent.

19.22 Acceptance of title

The Security Agent shall be entitled to accept without enquiry, and shall not be obliged to investigate, any right and title that any Debtor may have to any of the Security Property and shall not be liable for, or bound to require any Debtor to remedy, any defect in its right or title.

19.23 Winding up of trust

If the Security Agent, with the approval of each Secured Creditor (other than the Supporting Shareholder), determines that:

- (a) all of the Secured Obligations and all other obligations secured by the Security Documents have been fully and finally discharged; and
- (b) no Secured Party is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Debtor pursuant to the Debt Documents,

then:

- (i) the trusts set out in this Agreement shall be wound up and the Security Agent shall release, without recourse or warranty, all of the Transaction Security and the rights of the Security Agent under each of the Security Documents; and

- (ii) any Security Agent which has resigned pursuant to Clause 19.11 (*Resignation of the Security Agent*) shall release, without recourse or warranty, all of its rights under each Security Document.

19.24 Powers supplemental to Trustee Acts

The rights, powers, authorities and discretions given to the Security Agent under or in connection with the Debt Documents shall be supplemental to the Trustee Act 1925 and the Trustee Act 2000 and in addition to any which may be vested in the Security Agent by law or regulation or otherwise.

19.25 Disapplication of Trustee Acts

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Security Agent in relation to the trusts constituted by this Agreement. Where there are any inconsistencies between the Trustee Act 1925 or the Trustee Act 2000 and the provisions of this Agreement, the provisions of this Agreement shall, to the extent permitted by law and regulation, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this Agreement shall constitute a restriction or exclusion for the purposes of that Act.

19.26 Intra Group Lenders and Debtors: Power of Attorney

Each Intra Group Lender and Debtor by way of security for its obligations under this Agreement irrevocably appoints the Security Agent to be its attorney to do anything which that Intra Group Lender or Debtor has authorised the Security Agent or any other Party to do under this Agreement or is itself required to do under this Agreement but has failed to do (and the Security Agent may delegate that power on such terms as it sees fit).

20. NOTE AGENT PROTECTIONS

20.1 Limitation of Note Agent Liability

It is expressly understood and agreed by the Parties that this Agreement is executed and delivered by the Note Agent not individually or personally but solely in its capacity as a Note Agent in the exercise of the powers and authority conferred and vested in it under the Note Agreement. It is further understood by the Parties that in no case shall the Note Agent be (i) responsible or accountable in damages or otherwise to any other Party for any loss, damage or claim incurred by reason of any act or omission performed or omitted by it in good faith in accordance with this Agreement and in a manner that the Note Agent believed to be within the scope of the authority conferred on the Note Agent by this Agreement and the Note Agreement or by law, or (ii) personally liable for or on account of any of the statements, representations, warranties, covenants or obligations stated to be those of any other Party, all such liability, if any, being expressly waived by the Parties and any person claiming by, through or under such Party, provided however, that the Note Agent shall be personally liable under this Agreement for its own gross negligence or wilful misconduct. It is also acknowledged that the Note Agent shall not have any responsibility for the actions of any individual Noteholder.

20.2 Note Agent not fiduciary for other Creditors

The Note Agent shall not be deemed to owe any fiduciary duty to any of the Creditors (other than the Noteholders), the Pledgor, the Company or any member of the Group and shall not be liable to any Creditor (other than the Noteholders), the Pledgor, the Company or any member of the Group if the Note Agent shall in good faith mistakenly pay over or distribute to the Noteholders or to any other person cash, property or securities to which any Creditor (other than the Noteholders) shall be entitled by virtue of this Agreement or otherwise. With respect

to the Creditors (other than the Noteholders), the Note Agent undertakes to perform or to observe only such of its covenants or obligations as are specifically set forth in the relevant Debt Documents (including this Agreement) and no implied covenants or obligations with respect to Creditors (other than the Noteholders) shall be read into this Agreement against the Note Agent.

20.3 Reliance on certificates

The Note Agent may rely without enquiry on any notice, consent or certificate of the Security Agent, as to the matters certified therein.

20.4 Note Agent

In acting under and in accordance with this Agreement, the Note Agent shall act in accordance with the Note Agreement and shall seek any necessary instruction from the Noteholders, to the extent provided for, and in accordance with, the Note Agreement, and where it so acts on the instructions of the Noteholders, a Note Agent shall not incur any liability to any person for so acting other than in accordance with the Note Agreement. Furthermore, prior to taking any action under this Agreement or the relevant Debt Documents as the case may be, the Note Agent may reasonably request and rely upon an opinion of counsel or opinion of another qualified expert, at the Company's expense, as applicable; **provided, however, that** any such opinions shall be at the expense of the Noteholders, if such actions are on the instructions of the Noteholders.

20.5 Turnover obligations

Notwithstanding any provision in this Agreement to the contrary, the Note Agent shall only have an obligation to turn over or repay amounts received or recovered under this Agreement by it (i) if it had actual knowledge that the receipt or recovery is an amount received in breach of a provision of this Agreement (a "**Turnover Receipt**") and (ii) to the extent that, prior to receiving that knowledge, it has not distributed the amount of the Turnover Receipt to the Noteholders in accordance with the provisions of the Note Agreement. For the purpose of this Clause 20.5, (i) "actual knowledge" of the Note Agent shall be construed to mean the Note Agent shall not be charged with knowledge (actual or otherwise) of the existence of facts that would impose an obligation on it to make any payment or prohibit it from making any payment unless a responsible officer of such Note Agent has received, not less than two Business Days' prior to the date of such payment, a written notice that such payments are required or prohibited by this Agreement; and (ii) "responsible officer" when used in relation to the Note Agent means any person who is an officer within the corporate trust and agency department of the Note Agent, including any director, associate director, vice president, assistance vice president, senior associate, assistant treasurer, trust officer, or any other officer of the Note Agent who customarily performs functions similar to those performed by such officers, or to whom any corporate trust matter is referred because of such individual's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Agreement.

20.6 Creditors and the Note Agent

In acting pursuant to this Agreement and the Note Agreement, the Note Agent is not required to have any regard to the interests of the Creditors (other than the Noteholders).

20.7 Note Agent; reliance and information

- (a) The Note Agent may rely and shall be fully protected in acting or refraining from acting upon any notice or other document reasonably believed by it to be genuine and correct and to have been signed by, or with the authority of, the proper person.
- (b) Without affecting the responsibility of any Debtor for information supplied by it or on its behalf in connection with any Debt Document, each Secured Creditor (other than the Note Agent) confirms that it has not relied exclusively on any information provided to it by the Note Agent in connection with any Debt Document. The Note Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another party.
- (c) The Note Agent is entitled to assume that:
 - (i) any payment or other distribution made in respect of the Liabilities, respectively, has been made in accordance with the provisions of this Agreement;
 - (ii) any Security granted in respect of the relevant Liabilities is in accordance with this Agreement;
 - (iii) no Default has occurred; and
 - (iv) the Final Discharge Date has not occurred,

unless it has actual notice to the contrary. The Note Agent is not obliged to monitor or enquire whether any such default has occurred.

20.8 No action

The Note Agent shall not have any obligation to take any action under this Agreement unless it is indemnified or secured to its satisfaction (whether by way of payment in advance or otherwise) by the Debtors or the Noteholders, as applicable, in accordance with the terms of the Note Agreement. The Note Agent is not required to indemnify any other person, whether or not a Party in respect of the transactions contemplated by this Agreement.

20.9 Departmentalisation

In acting as Note Agent, the Note Agent shall be treated as acting through its agency division which shall be treated as a separate entity from its other divisions and departments. Any information received or acquired by the Note Agent which is received or acquired by some other division or department or otherwise than in its capacity as Note Agent may be treated as confidential by the Note Agent and will not be treated as information possessed by the Note Agent in its capacity as such.

20.10 Other parties not affected

This Clause 20 is intended to afford protection to the Note Agent only and no provision of this Clause 20 shall alter or change the rights and obligations as between the other parties in respect of each other.

20.11 Security Agent and the Note Agent

- (a) The Note Agent is not responsible for the appointment or for monitoring the performance of the Security Agent.
- (b) The Note Agent shall be under no obligation to instruct or direct the Security Agent to take any Enforcement Action unless it shall have been instructed to do so by the Instructing Group in accordance with Clause 12 (*Enforcement of Transaction Security*) and indemnified and/or secured to its satisfaction.

20.12 Provision of information

The Note Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party. The Note Agent is not responsible for:

- (a) providing any Creditor with any credit or other information concerning the risks arising under or in connection with the Debt Documents (including any information relating to the financial condition or affairs of any Debtor or their related entities or the nature or extent of recourse against any party or its assets) whether coming into its possession before, on or after the date of this Agreement; or
- (b) obtaining any certificate or other document from any Creditor.

20.13 Disclosure of information

Each Debtor irrevocably authorises the Note Agent to disclose to any other Debtor any information that is received by the Note Agent in its capacity as Note Agent.

20.14 Illegality

The Note Agent may refrain from doing anything (including disclosing any information) which might, in its opinion, constitute a breach of any law or regulation and may do anything which, in its opinion, is necessary or desirable to comply with any law or regulation.

20.15 Resignation of Note Agent

The Note Agent may resign or be removed in accordance with the terms of the Note Agreement, provided that a replacement of the Note Agent agrees with the Parties to become the replacement trustee under this Agreement by the execution of a Creditor Accession Undertaking.

20.16 Agents

The Note Agent may act through its attorneys and agents and shall not be responsible for the misconduct or negligence of any attorney or agent appointed with reasonable care by it hereunder.

20.17 No Requirement for Bond or Security

The Note Agent shall not be required to give any bond or surety with respect to the performance of its duties or the exercise of its powers under this Agreement.

20.18 Note Agent Protections

The Note Agent shall have the benefit of all rights and protections afforded to it pursuant to the provisions of the Note Agreement.

20.19 Provisions Survive Termination

The provisions of this Clause 20 shall survive any termination or discharge of this Agreement.

21. CHANGES TO THE PARTIES

21.1 Assignments and transfers

No Party may:

- (a) assign any of its rights; or
- (b) transfer any of its rights and obligations,

in respect of any Debt Documents or the Liabilities except as permitted by this Clause 21.

21.2 No change of Pledgor

The Pledgor may not:

- (a) assign any of its rights; or
- (b) transfer any of its rights and obligations,

in respect of the Pledgor Liabilities until after the Final Discharge Date other than as envisaged by Clause 8.3 (*No acquisition of Pledgor Liabilities*).

21.3 No change of DL

DL may not:

- (a) assign any of its rights; or
- (b) transfer any of its rights and obligations,

in respect of the DGHL/DL Intercompany Liabilities, provided that notwithstanding anything to the contrary herein, DL may (x) assign any of its rights, or (y) transfer any of its rights and obligations on respect of the DGHL/DL Intercompany Liabilities in accordance with Clause 5.3 (*DGHL/DL Intercompany Debt Purchase Transactions*) of this Agreement.

21.4 No change of DIFL

DIFL may not:

- (a) assign any of its rights; or
- (b) transfer any of its rights and obligations,

in respect of the DGHL/DIFL Intercompany Liabilities, provided that notwithstanding anything to the contrary herein, DIFL may (x) assign any of its rights, or (y) transfer any of its

rights and obligations on respect of the DGHL/DL Intercompany Liabilities in accordance with Clause 4.3 (*DGHL/DIFL Intercompany Debt Purchase Transactions*) of this Agreement.

21.5 No change of Supporting Shareholder

The Supporting Shareholder may not:

- (a) assign any of its rights; or
 - (b) transfer any of its rights and obligations,
- in respect of the Supporting Shareholder Liabilities.

21.6 Change of Noteholder

Any Noteholder may assign, transfer or novate any of its rights and obligations to any person without the need for such person to execute and deliver to the Security Agent a Creditor Accession Undertaking.

21.7 Change of Note Agent

No person shall become the Note Agent unless at the same time, it accedes to this Agreement as the Note Agent pursuant to Clause 21.10 (*Creditor Accession Undertaking*).

21.8 Change of Intra-Group Lender

Subject to Clause 7.4 (*Acquisition of Intra-Group Liabilities*) and to the terms of the other Debt Documents, any Intra-Group Lender may:

- (a) assign any of its rights; or
- (b) transfer any of its rights and obligations,

in respect of the Intra-Group Liabilities to another member of the Group if that member of the Group has (if not already a Party as an Intra-Group Lender) acceded to this Agreement as an Intra-Group Lender, pursuant to Clause 21.10 (*Creditor Accession Undertaking*).

21.9 New Intra-Group Lender

If any Intra-Group Lender or any member of the Group (other than the Company) makes any loan to or grants any credit to or makes any other financial arrangement having similar effect with any Debtor, the Company will procure that the person giving that loan, granting that credit or making that other financial arrangement (if not already a Party as an Intra-Group Lender) accedes to this Agreement as an Intra-Group Lender, pursuant to Clause 21.10 (*Creditor Accession Undertaking*).

21.10 Creditor Accession Undertaking

With effect from the date of acceptance by the Security Agent of a Creditor Accession Undertaking duly executed and delivered to the Security Agent by the relevant acceding party or, if later, the date specified in that Creditor Accession Undertaking:

- (a) any Party ceasing entirely to be a Creditor shall be discharged from further obligations towards the other Parties under this Agreement and their respective rights against one

another shall be cancelled (except in each case for those rights which arose prior to that date); and

- (b) as from that date, the replacement or new Creditor shall assume the same obligations and become entitled to the same rights, as if it had been an original Party in the capacity specified in the Creditor Accession Undertaking.

21.11 **New Debtor**

- (a) If any member of the Group:
 - (i) incurs any Liabilities; or
 - (ii) gives any Security, guarantee, indemnity or other assurance against loss in respect of any of the Liabilities,

the Debtors will procure that the person incurring those Liabilities or giving that assurance accedes to this Agreement as a Debtor, in accordance with paragraph (b) below, no later than contemporaneously with the incurrence of those Liabilities or the giving of that assurance.

- (b) With effect from the date of acceptance by the Security Agent of a Debtor Accession Deed duly executed and delivered to the Security Agent by the new Debtor or, if later, the date specified in the Debtor Accession Deed, the new Debtor shall assume the same obligations and become entitled to the same rights as if it had been an original Party as a Debtor.

21.12 **Additional Parties**

- (a) Each of the Secured Parties appoints the Security Agent to receive on its behalf each Debtor Accession Deed and Creditor Accession Undertaking delivered to the Security Agent and the Security Agent shall, as soon as reasonably practicable after receipt by it, sign and accept the same if it appears on its face to have been completed, executed and, where applicable, delivered in the form contemplated by this Agreement or, where applicable, by the relevant Debt Document.

SECTION 8
ADDITIONAL PAYMENT OBLIGATIONS

22. COSTS AND EXPENSES

22.1 Transaction expenses

The Company shall, promptly on demand, pay the Security Agent the amount of all costs and expenses (including legal fees) (together with any applicable VAT) reasonably incurred by the Security Agent and by any Receiver or Delegate in connection with the negotiation, preparation, printing, execution and perfection of:

- (a) this Agreement and any other documents referred to in this Agreement and the Transaction Security that are required to be entered into on or before the date of this Agreement (but subject to the quantum of such costs and expenses not exceeding the applicable amount(s) contemplated by the Agreed Budget); and
- (b) any other Debt Documents (including any notices given in connection therewith) executed after the date of this Agreement.

22.2 Amendment costs

If a Debtor requests an amendment, waiver or consent, the Company shall, within three (3) Business Days of demand, reimburse the Security Agent for the amount of all costs and expenses (including legal fees) (together with any applicable VAT) reasonably incurred by the Security Agent (and by any Receiver or Delegate) in responding to, evaluating, negotiating or complying with that request or requirement.

22.3 Enforcement and preservation costs

The Company shall, within three (3) Business Days of demand, pay to the Security Agent the amount of all costs and expenses (including legal fees and together with any applicable VAT) incurred by it in connection with the enforcement of or the preservation of any rights under any Debt Document and the Transaction Security and any proceedings instituted by or against the Security Agent as a consequence of taking or holding the Transaction Security or enforcing these rights.

22.4 Stamp taxes

The Company shall pay and, within three (3) Business Days of demand, indemnify the Security Agent against any cost, loss or liability the Security Agent incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Debt Document, in each case to the extent imposed by a Relevant Taxing Jurisdiction, except for any such tax payment in connection with any transfer or deemed transfer of the New Notes by a Creditor.

For purposes of this Section 22.4, “Relevant Taxing Jurisdiction” shall mean (i) any jurisdiction in which the Company is incorporated, organized or otherwise considered to be a resident or maintaining a permanent establishment or doing business for tax purposes or (ii) any jurisdiction from or through which the Company makes any payment on the New Notes or by or within any department or political subdivision thereof or therein having the power to tax.

22.5 Interest on demand

If any Creditor or Debtor fails to pay any amount payable by it under this Agreement on its due date, interest shall accrue on the overdue amount (and be compounded with it) from the due

date up to the date of actual payment (both before and after judgment and to the extent interest at a default rate is not otherwise being paid on that sum) at the rate which is two (2) per cent. per annum over the rate at which the Security Agent would be able to obtain by placing on deposit with a leading bank an amount comparable to the unpaid amounts in the currencies of those amounts for any period(s) that the Security Agent may from time to time select provided that if any such rate is below zero, that rate will be deemed to be zero.

23. OTHER INDEMNITIES

23.1 Indemnity to the Security Agent

- (a) Each Debtor jointly and severally shall promptly indemnify the Security Agent and every Receiver and Delegate against any cost, loss or liability (together with any applicable VAT) incurred by any of them as a result of:
 - (i) any failure by the Pledgor to comply with its obligations under Clause 22 (*Costs and Expenses*);
 - (ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
 - (iii) the taking, holding, protection or enforcement of the Transaction Security;
 - (iv) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Security Agent, each Receiver and each Delegate by the Debt Documents or by law;
 - (v) any default by any Debtor in the performance of any of the obligations expressed to be assumed by it in the Debt Documents;
 - (vi) instructing lawyers, accountants, tax advisers, surveyors, a Financial Adviser or other professional advisers or experts as permitted under this Agreement; or
 - (vii) acting as Security Agent, Receiver or Delegate under the Debt Documents or which otherwise relates to any of the Security Property (otherwise, in each case, than by reason of the relevant Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct).
- (b) Each Debtor expressly acknowledges and agrees that the continuation of its indemnity obligations under this Clause 23.1 will not be prejudiced by any release or disposal under Clause 14 (*Distressed Disposals and Appropriation*) taking into account the operation of that Clause 14.
- (c) The Security Agent and every Receiver and Delegate may, in priority to any payment to the Secured Parties, indemnify itself out of the Security Property in respect of, and pay and retain, all sums necessary to give effect to the indemnity in this Clause 23.1 and shall have a lien on the Transaction Security and the proceeds of the enforcement of the Transaction Security for all moneys payable to it.

23.2 Company's indemnity to Secured Creditors

The Company shall promptly and as principal obligor indemnify each Secured Creditor against any cost, loss or liability (together with any applicable VAT), whether or not reasonably

foreseeable, incurred by any of them in relation to or arising out of the operation of Clause 14 (*Distressed Disposals and Appropriation*).

23.3 Continued Application

The provisions of this Clause 23 shall survive any termination or discharge of this Agreement.

SECTION 9 ADMINISTRATION

24. INFORMATION

24.1 Dealings with Security Agent and Note Agent

Each Noteholder shall deal with the Security Agent exclusively through the Note Agent and each of DIFL, DL and the Supporting Shareholder shall deal directly with the Security Agent (and shall not deal through the Note Agent or any facility agent).

24.2 Disclosure between Secured Creditors and Security Agent

Notwithstanding any agreement to the contrary, each of the Debtors consents, until the Final Discharge Date, to the disclosure by any Secured Creditor and the Security Agent to each other (whether or not through the Security Agent) of such information concerning the Debtors as any Secured Creditor or the Security Agent shall see fit.

24.3 Notification of prescribed events

- (a) If an Acceleration Event occurs, the Security Agent shall, upon receiving that notification, notify each other Party.
- (b) If the Security Agent enforces, or takes formal steps to enforce, any of the Transaction Security it shall notify each Party of that action.

25. NOTICES

25.1 Communications in writing

Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by fax or letter.

25.2 Security Agent's communications with Secured Creditors

The Security Agent shall be entitled to carry out all dealings:

- (a) with the Noteholders through the Note Agent and may give to the Note Agent, any notice, document or other communication required to be given by the Security Agent to the Note Agent or any Noteholder; and
- (b) with each Secured Creditor other than the Note Agent, directly with that Secured Creditor.

25.3 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Agreement is:

- (a) in the case of the Pledgor or the Company, that identified with its name below;
- (b) in the case of the Security Agent, that identified with its name below; and

- (c) in the case of each other Party, that notified in writing to the Security Agent on or prior to the date on which it becomes a Party,

or any substitute address, fax number or department or officer which that Party may notify to the Security Agent (or the Security Agent may notify to the other Parties, if a change is made by the Security Agent) by not less than five (5) Business Days' notice.

25.4 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective:

- (i) if by way of fax, when received in legible form; or
- (ii) if by way of letter, when it has been left at the relevant address or five (5) Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 25.3 (*Addresses*), if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the Security Agent's signature below (or any substitute department or officer as the Security Agent shall specify for this purpose).
- (c) Any communication or document made or delivered to the Company in accordance with this Clause 25.4 will be deemed to have been made or delivered to each of the Debtors.
- (d) Any communication or document which becomes effective, in accordance with paragraphs (a) to (c) above, after 5:00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

25.5 Notification of address and fax number

Promptly upon receipt of notification of an address and fax number or change of address or fax number pursuant to Clause 25.3 (*Addresses*) or changing its own address or fax number, the Security Agent shall notify the other Parties.

25.6 Electronic communication

- (a) Any communication or document to be made or delivered by one Party to another under or in connection with this Agreement may be made or delivered by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if those two Parties:

- (i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and
- (ii) notify each other of any change to their address or any other such information supplied by them by not less than five (5) Business Days' notice.

- (b) Any such electronic communication or delivery as specified in paragraph (a) above to be made between a Debtor or an Intra Group Lender and the Security Agent, the Supporting Shareholder or a Secured Creditor may only be made in that way to the extent that those two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication or delivery.
- (c) Any such electronic communication or document as specified in paragraph (a) above made or delivered by one Party to another will be effective only when actually received (or made available) in readable form and in the case of any electronic communication or document made or delivered by a Party to the Security Agent only if it is addressed in such a manner as the Security Agent shall specify for this purpose.
- (d) Any electronic communication or document which becomes effective, in accordance with paragraph (c) above, after 5:00 p.m. in the place in which the Party to whom the relevant communication or document is sent or made available has its address for the purpose of this Agreement shall be deemed only to become effective on the following day.
- (e) Any reference in this Agreement to a communication being sent or received or a document being delivered shall be construed to include that communication or document being made available in accordance with this Clause 25.6.

25.7 English language

- (a) Any notice given under or in connection with this Agreement must be in English.
- (b) All other documents provided under or in connection with this Agreement must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Security Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

26. PRESERVATION

26.1 Partial invalidity

If, at any time, any provision of a Debt Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of that provision under the law of any other jurisdiction will in any way be affected or impaired.

26.2 No impairment

If, at any time after its date, any provision of a Debt Document (including this Agreement) is not binding on or enforceable in accordance with its terms against a person expressed to be a party to that Debt Document, neither the binding nature nor the enforceability of that provision or any other provision of that Debt Document will be impaired as against the other party(ies) to that Debt Document.

26.3 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Party, any right or remedy under a Debt Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any Debt Document. No election to affirm any Debt Document on the part of a Secured Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Debt Document are cumulative and not exclusive of any rights or remedies provided by law.

26.4 Waiver of defences

The provisions of this Agreement or any Transaction Security will not be affected by an act, omission, matter or thing which, but for this Clause 26.4, would reduce, release or prejudice the subordination and priorities expressed to be created by this Agreement including (without limitation and whether or not known to any Party):

- (a) any time, waiver or consent granted to, or composition with, any Debtor or other person;
- (b) the release of any Debtor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Debtor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Debtor or other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Debt Document or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Debt Document or any other document or security;
- (g) any intermediate Payment of any of the Liabilities owing to the Secured Creditors or the Supporting Shareholder in whole or in part; or
- (h) any insolvency or similar proceedings.

26.5 Priorities not affected

Except as otherwise provided in this Agreement the priorities referred to in Clause 2 (*Ranking and Priority*) will:

- (a) not be affected by any reduction or increase in the principal amount secured by the Transaction Security in respect of the Liabilities owing to the Secured Creditors or by any intermediate reduction or increase in, amendment or variation to any of the Debt Documents, or by any variation or satisfaction of, any of the Liabilities or any other circumstances;

- (b) apply regardless of the order in which or dates upon which this Agreement and the other Debt Documents are executed or registered or notice of them is given to any person; and
- (c) secure the Liabilities owing to the Secured Creditors in the order specified, regardless of the date upon which any of the Liabilities arise or of any fluctuations in the amount of any of the Liabilities outstanding.

27. CONSENTS, AMENDMENTS AND OVERRIDE

27.1 Required consents

- (a) Subject to paragraphs (b), (c) and (d) below and to Clause 27.5 (*Disenfranchisement of Company Affiliates*), this Agreement may be amended or waived only with the prior written consent of the Company, the Note Agent (acting on the instructions of the Noteholders in accordance with the terms of the Note Agreement) and the Security Agent.
- (b) An amendment or waiver that (i) has the effect of changing or relates to the economic rights, or (ii) otherwise materially impacts the rights or obligations of DIFL, DL and/or the Supporting Shareholder under this Agreement shall not be made without the prior written consent of the relevant Party.
- (c) Clauses 6.3 (*Required Payments: Supporting Shareholder Liabilities*), 18.1 (*Order of application*), 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) of this Agreement may be amended or waived only with the prior written consent of the Super Instructing Group.
- (d) Clauses 17 (*Payment of Proceeds into Secured Accounts*), 18.1 (*Order of application*) and 18.2 (*Order of application: Secured Creditors and Supporting Shareholder*) of this Agreement may be amended or waived only with the prior written consent of Holders representing at least 75 % of the outstanding principal amount of each series of New Notes.

27.2 Amendments and Waivers: Security Documents

- (a) Subject to paragraph (b) below and to Clause 27.4 (*Exceptions*) and unless the provisions of any Debt Document expressly provide otherwise, the Security Agent may, if authorised by the Instructing Group, and if the Company consents, amend the terms of, waive any of the requirements of or grant consents under, any of the Security Documents which shall be binding on each Party.
- (b) Subject to paragraph (c) of Clause 27.4 (*Exceptions*), any amendment or waiver of, or consent under, any Security Document which has the effect of changing or which relates to:
 - (i) the nature or scope of the Security Property;
 - (ii) the manner in which the proceeds of enforcement of the Transaction Security are distributed; or
 - (iii) the release of any Transaction Security,

shall not be made without the prior consent of the Note Agent (for and on behalf of the Noteholders).

27.3 Effectiveness

- (a) Any amendment, waiver or consent given in accordance with this Clause 27 will be binding on all Parties and the Security Agent may effect, on behalf of any Secured Creditor, any amendment, waiver or consent permitted by this Clause 27.
- (b) Without prejudice to the generality of Clause 19.7 (*Rights and discretions*) the Security Agent may engage, pay for and rely on the services of lawyers in determining the consent level required for and effecting any amendment, waiver or consent under this Agreement.

27.4 Exceptions

- (a) Subject to paragraph (c) below, if the amendment, waiver or consent may impose new or additional obligations on or withdraw or reduce the rights of any Party other than:
 - (i) in the case of a Secured Creditor, in a way which affects or would affect Secured Creditors of that Party's class generally;
 - (ii) in the case of a Debtor, to the extent consented to by the Company under paragraph (a) of Clause 27.2 (*Amendments and Waivers: Security Documents*), or
 - (iii) in the case of the Supporting Shareholder, in a way which affects or would affect the Supporting Shareholder in a disproportionate way to any Secured Creditor.

the consent of that Party is required.

- (b) Subject to paragraph (c) below, an amendment, waiver or consent which relates to the rights or obligations of the Note Agent or the Security Agent (including, without limitation, any ability of the Security Agent to act in its discretion under this Agreement) may not be effected without the consent of the Note Agent or the Security Agent (as applicable).
- (c) Neither paragraph (a) nor (b) above, nor paragraph (b) of Clause 27.2 (*Amendments and Waivers: Security Documents*) shall apply:
 - (i) to any release of Transaction Security, claim or Liabilities; or
 - (ii) to any consent,

which, in each case, the Security Agent gives in accordance with Clause 13 (*Non-Distressed Disposals*) or Clause 14 (*Distressed Disposals and Appropriation*).

27.5 Disenfranchisement of Company Affiliates

- (a) For so long as a Company Affiliate (i) beneficially owns any New Notes or (ii) has entered into a sub-participation agreement relating to any New Notes or other agreement or arrangement having a substantially similar economic effect and such agreement or arrangement has not been terminated, in ascertaining:

- (i) the Instructing Group; or
- (ii) whether any relevant percentage (including, for the avoidance of doubt, unanimity) of New Notes, or the agreement of any specified group of Noteholders or Secured Creditors,

has been obtained to approve any request for a Consent or to carry any other vote or approve any action under this Agreement,

that Company Affiliate (or the person with whom any such party has entered into that sub-participation, other agreement or arrangement (a "**Counterparty**")) shall be deemed not to be a Noteholder and its New Notes shall be deemed to have an aggregate principal amount of zero.

- (b) Each Company Affiliate that is a Noteholder agrees that:
 - (i) in relation to any meeting or conference call to which all the Noteholders, all the Secured Creditors, or any combination of those groups of Secured Creditors are invited to attend or participate, it shall not attend or participate in the same if so requested by the Security Agent or, unless the Security Agent otherwise agrees, be entitled to receive the agenda or any minutes of the same; and
 - (ii) it shall not, unless the Security Agent otherwise agrees, be entitled to receive any report or other document prepared at the behest of, or on the instructions of, the Security Agent or one or more of the Secured Creditors and/or the Noteholders.
- (c) Each Company Affiliate will notify the Security Agent (who shall promptly notify each Secured Creditor) upon it, or immediately upon it becoming aware that any of its related Company Affiliates and/or Affiliates (as applicable), entering into any Note Purchase Transaction or if any such Note Purchase Transaction has been terminated (howsoever described).

27.6 Deemed consent

If, at any time prior to the Final Discharge Date, the Secured Creditors give a Consent in respect of the Primary Finance Documents then, if that action was permitted by the terms of this Agreement, the Intra Group Lenders, the Supporting Shareholder and the Pledgor will (or will be deemed to):

- (i) give a corresponding Consent in equivalent terms in relation to each of the Debt Documents to which they are a party; and
- (ii) do anything (including executing any document) that the Instructing Group may reasonably require to give effect to this Clause 27.6.

27.7 Excluded consents

Clause 27.6 (*Deemed consent*) does not apply to any Consent which has the effect of:

- (a) increasing or decreasing the Liabilities;
- (b) changing the basis upon which any Permitted Intra Group Payments are calculated (including the timing, currency or amount of such Payments);

- (c) changing the terms of this Agreement or of any Security Document.

27.8 No liability

None of the Secured Creditors will be liable to any other Creditor, or Debtor for any Consent given or deemed to be given under this Clause 27.

27.9 Agreement to override

- (a) Unless expressly stated otherwise in this Agreement, this Agreement overrides anything in the Debt Documents to the contrary.
- (b) Whenever in this Agreement, the Note Agent provides Consents or instructions (howsoever described), it shall do so in accordance with the terms of its respective Debt Documents (including this Agreement).

28. COUNTERPARTS

This Agreement 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 Agreement.

SECTION 10
GOVERNING LAW AND ENFORCEMENT

29. GOVERNING LAW

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

30. ENFORCEMENT

30.1 Jurisdiction

- (a) The courts of England have exclusive jurisdiction to decide any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or the consequences of its nullity or any non-contractual obligations arising out of or in connection with this Agreement) (a "**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to decide Disputes and accordingly no Party will argue to the contrary.

30.2 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law:
 - (i) each Debtor (unless incorporated in England and Wales):
 - (A) irrevocably appoints [●]⁷ as its agent for service of process in relation to any proceedings before the English courts in connection with this Agreement; and
 - (B) agrees that failure by a process agent to notify the relevant Debtor of the process will not invalidate the proceedings concerned;
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Company (in the case of an agent for service of process for a Debtor) must immediately (and in any event within seven (7) days of such event taking place) appoint another agent on terms acceptable to the Security Agent. Failing this, the Security Agent or any Secured Creditor (as the case may be) may appoint another agent for this purpose.

This Agreement has been entered into on the date stated at the beginning of this Agreement and executed as a deed by the Debtors and is intended to be and is delivered by them as a deed on the date specified above.

⁷ Company to confirm who will be appointed.

SCHEDULE 1
FORM OF DEBTOR ACCESSION DEED

THIS AGREEMENT is made on [] and made between:

- (1) [Insert Full Name of New Debtor] (the "**Acceding Debtor**"); and
- (2) [Insert Full Name of Current Security Agent] (the "**Security Agent**"), for itself and each of the other parties to the intercreditor agreement referred to below.

This agreement is made on [date] by the Acceding Debtor in relation to an intercreditor agreement (the "**Intercreditor Agreement**") dated [] between, amongst others, [] as parent, [] as company, [] as security agent, the other Creditors and the other Debtors (each as defined in the Intercreditor Agreement).

The Acceding Debtor intends to [incur Liabilities under the following documents]/[give a guarantee, indemnity or other assurance against loss in respect of Liabilities under the following documents]:

[Insert details (date, parties and description) of relevant documents]

the "**Relevant Documents**".

IT IS AGREED as follows:

1. Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Agreement, bear the same meaning when used in this Agreement.
2. The Acceding Debtor and the Security Agent agree that the Security Agent shall hold:
 - (a) [any Security in respect of Liabilities created or expressed to be created pursuant to the Relevant Documents;
 - (b) all proceeds of that Security; and]*
 - (c) all obligations expressed to be undertaken by the Acceding Debtor to pay amounts in respect of the Liabilities to the Security Agent as trustee for the Secured Parties (in the Relevant Documents or otherwise) and secured by the Transaction Security together with all representations and warranties expressed to be given by the Acceding Debtor (in the Relevant Documents or otherwise) in favour of the Security Agent as trustee for the Secured Parties,on trust for the Secured Parties on the terms and conditions contained in the Intercreditor Agreement.
3. The Acceding Debtor confirms that it intends to be party to the Intercreditor Agreement as a Debtor, undertakes to perform all the obligations expressed to be assumed by a Debtor under the Intercreditor Agreement and agrees that it shall be bound by all the provisions of the Intercreditor Agreement as if it had been an original party to the Intercreditor Agreement.

* Include to the extent that the Security created in the Relevant Documents is expressed to be granted to the Security Agent as trustee for the Secured Parties.

** Include this paragraph in the relevant Debtor Accession Deed if the Acceding Debtor is also to accede as an Intra Group Lender to the Intercreditor Agreement

4. In consideration of the Acceding Debtor being accepted as an Intra Group Lender for the purposes of the Intercreditor Agreement, the Acceding Debtor also confirms that it intends to be party to the Intercreditor Agreement as an Intra Group Lender, and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by an Intra Group Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement as if it had been an original party to the Intercreditor Agreement.**

[4]/[5] This Agreement and any non-contractual obligations arising out of or in connection with it /are governed by, English law.

THIS AGREEMENT has been signed on behalf of the Security Agent and executed as a deed by the Acceding Debtor and is delivered on the date stated above.

The Acceding Debtor

[EXECUTED AS A DEED

By: *[Full Name of Acceding Debtor]*

)

)

Director

Director/Secretary

OR

[EXECUTED AS A DEED

By: *[Full name of Acceding Debtor]*

Signature of Director

Name of Director

in the presence of

Signature of witness

Name of witness

Address of witness

Occupation of witness]

Address for notices:

Address:

Fax:

The Security Agent

[Full Name of Current Security Agent]

By:

Date:

SCHEDULE 2
FORM OF CREDITOR ACCESSION UNDERTAKING

To: *[Insert full name of current Security Agent]* for itself and each of the other parties to the Intercreditor Agreement referred to below.

From: *[Acceding Creditor]*

THIS UNDERTAKING is made on *[date]* by *[insert full name of new Secured Creditor/ Intra Group Lender]* (the "**Acceding [Secured Creditor/Intra Group Lender/DIFL/DL]**") in relation to the intercreditor agreement (the "**Intercreditor Agreement**") dated *[]* between, among others, *[INSERT NAME OF COMPANY]* as company, *[INSERT NAME OF SECURITY AGENT]* as security agent, *[INSERT NAME OF NOTE AGENT]*, DIFL, DL and Denis O'Brien. Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Undertaking, bear the same meanings when used in this Undertaking.

In consideration of the Acceding *[Secured Creditor/Intra Group Lender/DIFL/DL]* being accepted as a *[Secured Creditor/Intra Group Lender/DIFL/DL]* *[and as Note Agent]* for the purposes of the Intercreditor Agreement, the Acceding *[Secured Creditor/Intra Group Lender/DIFL/DL]* confirms that, as from *[date]*, it intends to be party to the Intercreditor Agreement as a *[Secured Creditor/Intra Group Lender/DIFL/DL]* *[and as Note Agent]* and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a *[Secured Creditor/Intra Group Lender/DIFL/DL]* *[and the Note Agent]* and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.

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

THIS UNDERTAKING has been entered into on the date stated above *[and is executed as a deed by the Acceding Creditor, if it is acceding as an Intra Group Lender and is delivered on the date stated above]*.

Acceding *[Creditor]*

[EXECUTED as a DEED]
[insert full name of Acceding Creditor]

By:

Address:

Fax:

Accepted by the Security Agent

for and on behalf of

[Insert full name of current Security Agent]

Date:

SIGNATURES

The Pledgor

Digicel Investments Limited

EXECUTED AS A DEED

By: **Digicel Investments Limited**

_____	Signature of Authorised Signatory
_____	Name of Authorised Signatory

in the presence of

_____	Signature of witness
_____	Name of witness
_____	Address of witness

_____	Occupation of witness

The Company

EXECUTED AS A DEED

By: **Digicel Group Holdings Limited**

Signature of Authorised Signatory

Name of Authorised Signatory

in the presence of

Signature of witness

Name of witness

Address of witness

Occupation of witness

The Security Agent

[INSERT NAME OF SECURITY AGENT]

By:

Address:

Fax:

Attention:

[The Cash Manager

[INSERT NAME OF CASH MANAGER]

By:

Address:

Fax:

Attention:]

The Secured Creditors

[NAME OF NOTE AGENT]

By:

Address:

Fax:

Attention:

DIGICEL INTERNATIONAL FINANCE LIMITED

By:

Address:

Fax:

Attention:

DIGICEL LIMITED

By:

Address:

Fax:

Attention:

DENIS O'BRIEN

By:

Address:

Fax:

Attention:

APPENDIX 6
SETTLEMENT AGREEMENT

SETTLEMENT AGREEMENT

between

Digicel Group Holdings Limited

AND

Digicel Limited

AND

Digicel International Finance Limited

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THIS AGREEMENT is dated [*] 2023

BETWEEN:

- (1) Digicel Group Holdings Limited, a company incorporated in Bermuda under the Companies Act as an exempted company with limited liability, with its registered office located at Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda (“**DGHL**”);
- (2) Digicel Limited, a company incorporated in Bermuda under the Companies Act as an exempted company with limited liability, with its registered office located at Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda (“**DL**”); and
- (3) Digicel International Finance Limited, incorporated in St. Lucia as an international business company on 7 December 2004, and continued into Bermuda as an exempted company under the Companies Act on 11 July 2023 with registration number 202302649 and with its registered office at Clarendon House, 2 Church Street, Hamilton, Bermuda (“**DIFL**”).

WHEREAS:

- (A) DGHL, DL and DIFL, together with the certain DGHL Noteholders, the Supporting Shareholder and their respective advisors have in good faith and at arm’s length negotiated and agreed upon the material terms of the Restructuring.
- (B) The Restructuring will be consummated pursuant to (a) the Scheme of Arrangement and (b) certain out of court consensual agreements, including this Agreement, in relation to certain other financial indebtedness of DGHL.
- (C) As part of the Restructuring, DGHL, DIFL and DL have agreed, with effect from the Release Date, to permit and effectuate the release of the Intercompany Claims outstanding as at the Release Date in and subject to the terms of this Agreement.
- (D) As at 31 March 2023, the Intercompany Claims owed by DGHL to DL and DIFL totalled approximately:
 - a. US\$106 million to DL; and
 - b. US\$463 million to DIFL

THE PARTIES AGREE as follows:

1. INTERPRETATION

- 1.1. Defined terms used in this Agreement are set out in Schedule 1 to this Agreement.
- 1.2. In this Agreement unless the context otherwise requires:
 - (a) references to the singular shall include the plural and vice versa;
 - (b) references to a statute or statutory provision include references to the same as subsequently modified, amended or re-enacted from time to time;

- (c) references to a document shall include that document as amended or amended and restated from time to time, as applicable;
- (d) references to persons shall include companies, partnerships, associations and bodies of persons, whether incorporated or unincorporated;
- (e) references to a "Party" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under this Agreement; and
- (f) all references to "dollars" or "\$" refer to US dollars, which is the currency used for the purposes of this Agreement.

2. EFFECTIVENESS OF THIS AGREEMENT

- 2.1. The Parties hereby agree that this Agreement shall be fully and effectively binding on them on the Scheme Effective Date.

3. PAYMENT

- 3.1. On the Scheme Effective Date and immediately prior to the steps set out at Clauses 4 and 5 below:

- (a) DGHL shall pay to DIFL and DL the DIFL/DL Cash Distribution; and
- (b) DGHL, DIFL and DL (among others) shall enter into the Intercreditor Agreement.

- 3.2. Following the Scheme Effective Date:

- (a) DGHL shall reimburse DIFL and DL (or any permitted transferee of DIFL and/or DL in accordance with the Intercreditor Agreement) on account of any Cash Distribution Holdbacks pursuant to the Intercreditor Agreement; and
- (b) DIFL and DL (or any permitted transferee of DIFL and/or DL in accordance with the Intercreditor Agreement) shall receive (i) any DIFL/DL Future DPL Sale Proceeds Distribution and (ii) any DIFL/DL Additional Assets Proceeds Distribution pursuant to the Intercreditor Agreement.

(the DIFL/DL Cash Distribution, the DIFL/DL Future DPL Sale Proceeds Distribution and the DIFL/DL Additional Assets Proceeds Distribution, together the "**Settlement Consideration**").

- 3.3 The Settlement Consideration shall be applied in partial repayment of the Intercompany Claims and shall reduce the Intercompany Claims on a dollar-for-dollar basis.
- 3.4 Save for any receivables or claims due or that may accrue pursuant to and in accordance with the DGHL/DIFL Services Agreement, on or after the Scheme Effective Date the parties shall not enter into any loan or credit facilities or accrue any receivables or claims, in each case with DGHL as one party and either DL or DIFL as the counterparty.

4. RELEASE

- 4.1. Upon the earlier to occur of (i) the date on which DIFL and DL (or their permitted successors, assigns or transferees in accordance with clause 8 (*Assignment and transfer*) and the Intercreditor Agreement) have no entitlement to further distributions under the terms of the Intercreditor Agreement and (ii) the Maturity Date (the date of such occurrence being the “**Release Date**”), DIFL and DL (or their permitted successors, assigns or transferees in accordance with the Intercreditor Agreement) shall irremovably release and discharge DGHL from the Intercompany Claims (as such Intercompany Claims may be reduced pursuant to Clause 3.3 of this Agreement) and any and all other Claims (“**Released Claims**”).
- 4.2. Clause 4.1 shall not apply to the Excluded Claims.

5. AGREEMENT NOT TO SUE

- 5.1. On and from the Release Date, each Party agrees not to sue, commence, voluntarily aid in any way, prosecute or cause to be commenced or prosecuted against the other Party any action, suit, arbitration or other proceeding concerning the Released Claims, in the jurisdiction provided for in Clause 13 of this Agreement or any other.
- 5.2. Clause 5.1 shall not apply to, and the Released Claims shall not include, the Excluded Claims.

6. COSTS

- 6.1. Each Party shall bear its own costs in connection with the negotiation, preparation and implementation of this Agreement and all matters ancillary thereto.

7. WARRANTIES AND AUTHORITY

- 7.1. Each Party warrants and represents that it has not sold, transferred, charged, assigned or otherwise disposed of, or reduced the value of, its interest in the Released Claims.
- 7.2. Each Party warrants and represents to the other with respect to itself that it has the full right, power and authority to execute, deliver and perform this Agreement.

8. ASSIGNMENT AND TRANSFER

- 8.1. DL and/or DIFL may transfer or assign their rights under this Agreement only in accordance with the terms of the Intercreditor Agreement.
- 8.2. In the event that DL and/or DIFL transfers or assigns their rights under this Agreement, then any transferee or assignee, as a condition to such transfer or assignment, must also accede to this Agreement and agree to be bound by the terms of this Agreement in the same way as DL or DIFL are originally bound to the terms of this Agreement by delivering an Accession Undertaking to DGHL.
- 8.3. From such time as the conditions set out in Clauses 8.1 and 8.2 are satisfied:
- (i) DL and/or DIFL (as applicable) shall be discharged from further obligations towards the other Parties under this Agreement and their respective rights against the other Parties

under this Agreement shall be cancelled (except in each case for those rights which arose prior to that date); and

- (ii) the transferee or assignee shall assume the same obligations and become entitled to the same rights as DL and/or DIFL (as applicable) under this Agreement, as if it had been an original Party in the relevant capacity, as specified in the Accession Undertaking.

- 8.4. Any purported assignment or transfer by DL and/or DIFL of their rights under this Agreement other than in accordance with this Clause 8 (*Assignment and transfer*) and the relevant provisions of the Intercreditor Agreement shall be void.

9. NO ADMISSION

- 9.1. This Agreement is entered into in connection with the compromise of disputed matters and in the light of other considerations. It is not, and shall not be represented or construed by the Parties as, an admission of liability or wrongdoing on the part of either Party to this Agreement or any other person or Entity.

10. SEVERABILITY

- 10.1. If any provision or part-provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.

11. MISCELLANEOUS

- 11.1. Each Party acknowledges that it has not entered into this Agreement in reliance wholly or partly on any representation or warranty made by or on behalf of the other Party (whether orally or in writing) other than as expressly set out in this Agreement.
- 11.2. Each Party agrees that it shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Agreement or the Intercreditor Agreement. However, nothing in this Agreement purports to exclude liability for any fraudulent statement of fact.
- 11.3. The Parties shall deliver or cause to be delivered such instruments and other documents at such times and places as are reasonably necessary or desirable, and shall take any other action reasonably requested by the other Party for the purpose of putting this Agreement into effect.

12. GOVERNING LAW

- 12.1. The terms and conditions of this Agreement and the rights of the Parties hereunder shall be governed by and construed in all respects in accordance with the laws of Bermuda.

13. JURISDICTION

- 13.1. Each party irrevocably agrees that the courts of Bermuda shall have exclusive jurisdiction to settle any dispute, claim, suit, action, arbitration or proceedings (including non-contractual disputes or claims) arising out of or in connection with this Agreement or its subject matter or formation.

14. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 2016

- 14.1. The New Noteholders, the Security Agent and/or the New Notes Agent may enforce Clause 4 (*Release*) of this Agreement, subject to and in accordance with this Clause and the Contracts (Rights of Third Parties) Act 2016.
- 14.2. Except as expressly provided in Clause 14.1, a person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Act 2016 to enforce any term of this Agreement.

15. NOTICES

- 15.1. Any notice required to be given hereunder shall be in writing in the English language and shall be served by sending the same by prepaid recorded post, email or by delivering the same by hand to the address of the Party or Parties in question as set out below (or such other address as such Party or Parties shall notify the other Parties of in accordance with this clause). Any notice sent by post as provided in this clause shall be deemed to have been served five (5) Business Days after despatch and any notice sent by email as provided in this clause shall be deemed to have been served at the time of despatch and in proving the service of the same it will be sufficient to prove in the case of a letter that such letter was properly stamped, addressed and placed in the post; and in the case of an email that such email was duly dispatched to a current email address of the addressee.

Name:

Address:

Email:

Name:

Address:

Email:

16. COUNTERPARTS

- 16.1. This Agreement may be executed in counterparts, each of which when so executed shall be deemed an original but all such counterparts shall constitute one and the same instrument.

17. VARIATION

- 17.1. No variation of this Agreement shall be effective unless it is in writing and signed by the Parties or their authorised representatives.

AGREED by the Parties through their authorised signatories on the date first written above:

Signed by [NAME] for and on behalf
of Digicel Group Holdings Limited

.....

[Director]

Signed by [NAME] for and on behalf
of Digicel Limited

.....

[Director]

Signed by [NAME] for and on behalf
of Digicel International Finance
Limited

.....

[Director]

SCHEDULE 1 – DEFINED TERMS

In this Agreement, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Accession Undertaking”	means a deed of undertaking substantially in the form set out in Schedule 2 (<i>Form of Accession Undertaking</i>)
“Additional Assets Proceeds”	means the Additional Assets Disposal Proceeds and the Additional Assets Other Receipts, as such terms are defined in the Intercreditor Agreement.
“Bankruptcy Code”	means title 11 of the United States Code, 11 U.S.C. § § 101-1532, as amended
“Bermuda Court”	means the Supreme Court of Bermuda.
“Cash Distribution Holdbacks”	means any holdbacks made from the DIFL/DL Cash Distribution on the Scheme Effective Date.
“Claims”	shall have the meaning set forth in section 101(5) of the Bankruptcy Code and all and any actions, causes of action, claims, counterclaims, suits, debts, sums of money, accounts, contracts, agreements, promises, damages, judgments, executions, demands, remedies or rights whatsoever or howsoever arising, whether present, future, prospective (including after the Scheme Effective Date) or contingent, known or unknown, 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 or any failure to perform any obligation or any omission, whether assertable directly or derivatively, whether arising at common law, contract, tort, in equity or by statute in or under the laws of New York or Bermuda, or under any other law or in any other jurisdiction howsoever arising, and “Claims” shall be construed accordingly.
“Companies Act”	means the Companies Act 1981 of Bermuda, as amended.
“DGHL”	shall have the meaning set forth in paragraph (1) of the preamble to this Agreement.
“DGHL-DIFL Intercompany Claims”	means any Claims owed by DGHL to DIFL as at the Scheme Effective Date (but immediately prior this Agreement becoming effective) and prior to any Settlement Consideration being paid to DIFL.

“DGHL-DIFL Services Agreement”	means the services agreement dated on or about the Scheme Effective Date between DGHL and DIFL, pursuant to which DIFL shall provide administrative and financial reporting services to DGHL.
“DGHL-DL Intercompany Claims”	means any Claims owed by DGHL to DL as at the Scheme Effective Date (but immediately prior this Agreement becoming effective) and prior to any Settlement Consideration being paid to DL.
“DGHL Noteholder”	means a person who has a beneficial interest in and who is the owner of the ultimate economic interest in (i) the existing 7.00% PIK perpetual convertible notes issued by DGHL and/or (ii) the existing 8.0% senior cash pay/PIK Notes due 2025 issued by DGHL.
“DIFL”	shall have the meaning set forth in paragraph (3) to the preamble to this Agreement.
“DIFL/DL Additional Assets Proceeds Distribution”	means any Additional Assets Proceeds that become due and payable by DGHL to either DIFL or DL in accordance with the terms of the Intercreditor Agreement.
“DIFL/DL Cash Distribution”	has the meaning given to that term in the Intercreditor Agreement.
“DIFL/DL Future DPL Sale Proceeds Distribution”	means any Future DPL Sale Proceeds that become due and payable by DGHL to either DIFL or DL in accordance with the terms of the Intercreditor Agreement.
“DL”	shall have the meaning set forth in paragraph (2) of the preamble to this Agreement.
“Entity”	shall have the meaning set forth in section 101 (15) of the Bankruptcy Code.
“Excluded Claims”	means (a) any Claim under or in connection with the Settlement Consideration; (b) any Claim in respect of rights created under this Agreement; and (c) any Claim arising under the DGHL-DIFL Services Agreement.
“Future DPL Sale Proceeds”	has the meaning given to that term in the Intercreditor Agreement.
“Intercompany Claims”	means the DGHL-DIFL Intercompany Claims and the DGHL-DL Intercompany Claims.

“Intercreditor Agreement”	means the intercreditor agreement entered into on the Scheme Effective Date between, among others, DGHL, the Security Agent, the New Notes Agent, DL, DIFL and the Supporting Shareholder.
“Maturity Date”	shall have the meaning set out in the Intercreditor Agreement.
“New Noteholder”	means a Holder under and as defined in the New Notes Agreement.
“New Notes”	means the limited recourse notes issued by DGHL on the Scheme Effective Date pursuant to the New Notes Agreement.
“New Notes Agent”	means GLAS Trustees Limited, as agent under the New Notes Agreement.
“New Notes Agreement”	means the note agreement dated on or around the Scheme Effective Date pursuant to which the New Notes are issued.
“Parties”	means the parties to this Agreement collectively; “Party” means any one of them.
“Release Date”	shall have the meaning set forth in Clause 4.1 of this Agreement.
“Released Claims”	shall have the meaning set forth in Clause 4.1 of this Agreement.
“Restructuring”	means a restructuring of the financial indebtedness of DGHL.
“Scheme Effective Date”	means the date and time on which all conditions precedent to the effectiveness of the Scheme of Arrangement have been satisfied or waived (to the extent capable of waiver).
“Scheme of Arrangement”	means a scheme of arrangement pursuant to section 99 of the Companies Act commenced in the Bermuda Court by DGHL to implement the Restructuring as it relates to the DGHL Scheme Creditors under and as defined in the Scheme of Arrangement.
“Security Agent”	means GLAS Trust Corporation Limited, as security agent under the Intercreditor Agreement.
“Settlement Consideration”	has the meaning given to it in Clause 3.2.
“Supporting Shareholder”	means Denis O’Brien.

SCHEDULE 2 – FORM OF ACCESSION UNDERTAKING

To: Digicel Group Holdings Limited

From: [Acceding Party]

THIS DEED is executed and delivered on [date] by [insert full name] (the "**Acceding Party**") in relation to the settlement agreement (the "**Settlement Agreement**") dated [] between Digicel Group Holdings Limited, Digicel Limited, and Digicel International Finance Limited, and the intercreditor agreement dated [] (the "**Intercreditor Agreement**") among others, [INSERT NAME OF COMPANY] as company, [INSERT NAME OF SECURITY AGENT] as security agent, [INSERT NAME OF NOTE AGENT], DIFL, DL and Denis O'Brien. Terms defined in the Settlement Agreement shall, unless otherwise defined in this Undertaking, bear the same meanings when used in this Undertaking.

In consideration of the Acceding Party being a Party for the purposes of the Settlement Agreement, the Acceding Party confirms that, as from [date], it intends to be party to the Settlement Agreement in place of [DIFL/DL] and undertakes to perform all the obligations expressed in the Settlement Agreement to be assumed by [DIFL/DL] and agrees that it shall be bound by all the provisions of the Settlement Agreement, as if it had been an original party to the Settlement Agreement.

Clauses 12 (*Governing Law*) and 13 (*Jurisdiction*) of the Settlement Agreement shall apply to this this Deed as if set out in full herein, *mutatis mutandis*.

THIS DEED has been entered into and delivered as a deed on the date stated above.

Acceding Party

[Execution blocks for a deed to be included]

APPENDIX 7
DEED OF RELEASE

Dated this 2023

B E T W E E N :

DIGICEL GROUP HOLDINGS LIMITED

and

THE SUPPORTING SHAREHOLDER (as defined herein)

and

DIGICEL INTERNATIONAL FINANCE LIMITED

and

DIGICEL LIMITED

and

THE DGHL SCHEME CREDITORS (as defined herein)

DEED OF RELEASE

Conyers Dill & Pearman Limited
Barristers & Attorneys
Hamilton, Bermuda

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THIS DEED is dated [●] 2023 and executed and delivered by:

- (1) **Digicel Group Holdings Limited** (formerly known as Digicel Group 0.5 Limited), incorporated under the laws of Bermuda, with its registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda, Registration Number 55491 (the “Scheme Company”);
- (2) **Denis O’Brien**, (the “Supporting Shareholder”);
- (3) **Digicel International Finance Limited**, incorporated under the laws of Bermuda, with its registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda, Registration Number 202302649 (“DIFL”);
- (4) **Digicel Limited**, incorporated under the laws of Bermuda, with its registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda, Registration Number 53898 (“DL”); and
- (5) **The DGHL Scheme Creditors**, as defined in the Schedule hereto.

RECITALS:

- (A) The Restructuring has been consummated pursuant to a scheme of arrangement under section 99 of the Companies Act 1981 of Bermuda (the “Scheme of Arrangement”).
- (B) The Parties enter into this Deed to provide for and support from the Scheme Effective Date all of the release and exculpation provisions pursuant to and contemplated in the Scheme of Arrangement and the Restructuring Support Agreement.

IT IS AGREED as follows:

1. **Definitions and interpretation**

1.1 **Definitions**

In this Deed, capitalised terms shall have the meaning given to them in the Schedule of this Deed.

1.2 **Construction**

- (A) In this Deed, unless the context otherwise requires or otherwise expressly provides for:
 - (1) references to clauses are references to clauses of this Deed;
 - (2) references to a person include references to an individual, firm, partnership, company, corporation, unincorporated body of persons or any state or state agency;
 - (3) references to a statute or statutory provision include references to the same as subsequently modified, amended or re-enacted from time to time;
 - (4) references to a document shall include that document as amended or

amended and restated from time to time, as applicable;

- (5) the singular includes the plural and vice versa and words importing one gender shall include all genders; and
 - (6) headings to clauses are for ease of reference only and shall not affect the interpretation of this Deed.
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.
- (C) Every Releasing Party executing a counterpart signature page to this Deed shall be bound as a Party.

1.3 **Third party rights**

- (A) Unless expressly provided to the contrary in this Deed or as set out in paragraph (B) below, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 2016 (the "Third Parties Rights Act") to enforce or to enjoy the benefit of any term of this Deed.
- (B) Each Released Party or Exculpated Party not a signatory to this Deed may rely on this Deed and enforce and enjoy the benefit of this Deed.

2. **Limitation**

2.1 The releases, waivers, settlements and discharges effected by the terms of Clause 3 (*Exculpation*), Clause 4 (*Release by the Company Parties*) and Clause 5 (*Release by Third Parties*) shall not extend to or otherwise impair or prejudice:

- (A) any Excluded Claims; or
- (B) any Claims or Liabilities which are subject to the releases and/or compromises set out in the Settlement Agreement (and in case of any conflict between the terms of this Deed and the Settlement Agreement, the terms of the Settlement Agreement shall prevail).

2.2 Entry of the Scheme Sanction Order shall constitute the Bermuda Court's approval of the releases described in the Restructuring Proceeding Documents, which includes by reference each of the related provisions and definitions contained in the Restructuring Proceeding Documents.

3. **Exculpation**

Except as otherwise specifically provided in the Restructuring Documents or the Restructuring Proceeding Documents, none of the Exculpated Parties shall have or incur, and each Exculpated Party will be exculpated from, any Claims, cause of action or Liability for any act or omission in connection with, related to, or arising out of the Restructuring, the negotiation of any settlement or agreement, contract, instrument, statement, release, or document created or entered into in connection with the Restructuring Documents or in the Restructuring Proceedings (entered into at any time), the pursuit of sanctioning, confirmation, and consummation of the Restructuring Proceeding Documents, the preparation and distribution of the Restructuring Proceeding Documents, the Restructuring Documents, the Restructuring Support Agreement, any offer, issuance, and distribution of any securities issued or to be issued under or in connection with the Restructuring Documents, any other act taken or omitted to be taken in connection with or in contemplation

of the Restructuring Proceedings Documents or the Restructuring or the administration of the Restructuring, the Restructuring Proceeding Documents or the property to be distributed under the Restructuring or the Restructuring Proceeding Documents, occurring prior to the Scheme Effective Date, except for any act or omission that is determined in a final order to have constituted wilful misconduct, actual fraud, or gross negligence. Each Exculpated Party shall be entitled to reasonably rely upon the advice of counsel concerning its duties pursuant to, or in connection with, the Restructuring Proceeding Documents and the Restructuring Documents. The Exculpated Parties have, and upon sanctioning or other approval of the Restructuring Proceeding Documents shall be deemed to have, participated in good faith and in compliance with the applicable provisions of the Companies Act, the Bankruptcy Code, and/or other applicable law with regard to the distributions of the securities pursuant to the Restructuring Proceeding Documents and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of votes, acceptances, or rejections of the Restructuring Proceeding Documents or of such distributions made pursuant to the Restructuring Proceeding Documents. The exculpation provided herein shall be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and any other applicable law or rules protecting such Exculpated Parties from liability.

4. Release by the Company Parties

4.1 Except as otherwise specifically provided in the Restructuring Documents or the Restructuring Proceedings Documents, on and after the Scheme Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, the Released Parties shall be deemed conclusively, absolutely, unconditionally, irrevocably and forever released by the Company Parties, the Reorganised Companies and their Affiliates, in each case on behalf of themselves and their respective successors, assigns, and representatives and any and all other persons that may purport to assert any cause of action derivatively, by or through the foregoing persons, from any and all Claims, obligations, debts, rights, suits, damages, causes of action, remedies, Liabilities, counterclaims, or defences of any kind whatsoever (including any derivative claims, asserted or assertable on behalf of the Scheme Company, the Reorganised Scheme Companies or their Affiliates), whether known or unknown, foreseen or unforeseen, matured or unmatured, asserted or unasserted, fixed or contingent, direct or indirect, secured or unsecured, joint and/or several, due or not due, liquidated or unliquidated, existing or hereinafter arising, in law, equity, or otherwise, whether for tort, fraud, contract, violations of federal or state laws, or otherwise, including avoidance actions, those causes of action based on veil piercing or alter-ego theories of liability, contribution, indemnification, joint liability, or otherwise that the Company Parties, the Reorganised Companies, their estates, and their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) on or on behalf of any other person or that any other person would have been able to assert based on, relating to, or in any manner arising from, in whole or in part:

- (A) the Company Parties, the Reorganised Scheme Companies, their Affiliates, the conduct of the Scheme Company's business, the Restructuring Proceedings, the Scheme Company's in- or out-of-court restructuring efforts (or any transactions effectuated prior to the Scheme Effective Date related thereto), intercompany transactions, and the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Proceeding Documents and/or the Restructuring Documents;
- (B) any Restructuring Proceeding Document, any Restructuring Document, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Restructuring Proceeding Documents or the reliance by any Released Party on the Restructuring Proceeding Documents in lieu of such legal opinion) created or entered into in connection with

the Restructuring Proceeding Documents or any Restructuring Document;

- (C) the purchase, sale, or rescission of the purchase or sale of any security of the Company Parties or the Reorganised Scheme Companies, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Restructuring Proceeding Documents, or the business or contractual arrangements between the Scheme Company and any Released Party, or the restructuring of Claims against and Interests in the Scheme Company prior to or in the Restructuring Proceedings;
- (D) the negotiation, formulation, preparation, or performance of or under the Restructuring Proceeding Documents, the Restructuring Support Agreement or any Restructuring Document, or any related agreements, instruments, or other documents, or upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Scheme Effective Date, other than Claims or Liabilities arising out of or relating to any act or omission of a Released Party that is determined in a final order to have constituted wilful misconduct, actual fraud, or gross negligence; provided, that if any Released Party directly or indirectly brings or asserts any Claim or cause of action that has been released or is contemplated to be released pursuant to the Restructuring Proceeding Documents or the Restructuring Documents in any way arising out of or related to any document or transaction that was in existence prior to the Scheme Effective Date against any other Released Party, and such Released Party does not abandon such Claim or cause of action upon request, then the release set forth in the applicable Restructuring Proceeding Document or Restructuring Document (as applicable) shall automatically and retroactively be null and void ab initio with respect to the Released Party bringing or asserting such Claim or cause of action; provided, further, that the immediately preceding proviso shall not apply to (i) any action by a Released Party in the Bermuda Court or the Bankruptcy Court (or any other court determined to have competent jurisdiction), including any appeal therefrom, to prosecute the amount, priority, or secured status of any Claim arising prior to the Scheme Effective Date against the Scheme Company or (ii) any release or indemnification provided for in any settlement or granted under any other court order; provided, further, that, in the case of (i) and (ii), the Scheme Company shall retain all defences related to any such action. Notwithstanding anything contained herein to the contrary, the foregoing release shall not release any post-Scheme Effective Date obligation of any party under the Restructuring Documents, or any document, instrument, or agreement executed to implement the Restructuring Documents or any Claim arising under the Restructuring Documents; and
- (E) for the avoidance of doubt no releases provided by the Company Parties in connection with the Scheme of Arrangement shall purport to release any of the Released Parties for any actions or omissions which amount to wilful misconduct, actual fraud, or gross negligence.

5. Releases by Releasing Parties

- 5.1 Except as otherwise specifically provided in the Restructuring Documents or the Restructuring Proceeding Documents, on and after the Scheme Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, each Releasing Party shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released the Released Parties, in each case on behalf of themselves and their respective successor, assigns and representatives and any other persons that may assert any cause of action derivatively by or through the foregoing persons from any and all Claims, obligations, debts, rights, suits, damages, causes of action, remedies, Liabilities, counterclaims, or defences of any kind whatsoever (including any derivative claims asserted

or assertable on behalf of the Releasing Party), whether known or unknown, foreseen or unforeseen, matured or unmatured asserted or unasserted, fixed or contingent, direct or indirect, secured or unsecured, joint and/or several, due or not due, liquidated or unliquidated, existing or hereinafter arising, in law, equity, or otherwise, whether for tort, fraud, contract, violations of federal or state laws, or otherwise, including avoidance actions, those causes of action based on veil piercing or alter-ego theories of liability, contribution, indemnification, joint liability, or otherwise that such Releasing Party or their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or any person that would have been legally entitled to assert derivatively for or on behalf of the Releasing Party or their Affiliates, based on, relating to, or in any manner arising from, in whole or in part:

- (A) the Company Parties, the Reorganised Scheme Companies, their estates, the conduct of the Scheme Company's business, the Restructuring Proceedings, the Scheme Company's in- or out-of- court restructuring efforts (or any transactions effectuated prior to the PSL Issue Date related thereto), intercompany transactions, and the formulation, preparation, dissemination, negotiation, or filing of any Restructuring Proceeding Documents and/or the Restructuring Documents;
- (B) any Restructuring Proceeding Document, any Restructuring Document, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Restructuring Proceeding Documents or the reliance by any Released Party on the Restructuring Proceeding Documents in lieu of such legal opinion) created or entered into in connection with the Restructuring Proceeding Documents or any Restructuring Document;
- (C) the purchase, sale, or rescission of the purchase or sale of any security of the Company Parties or the Reorganised Scheme Companies, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Restructuring Proceeding Documents, the business or contractual arrangements between the Scheme Company and any Released Party, or the restructuring of Claims against and Interests in the Scheme Company prior to or in the Restructuring Proceedings;
- (D) the negotiation, formulation, preparation, or performance of or under the Restructuring Proceeding Documents, the Restructuring Support Agreement, or any Restructuring Document, or related agreements, instruments, or other documents, or upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Scheme Effective Date, other than Claims or liabilities arising out of or relating to any act or omission of a Released Party that is determined in a final order to have constituted wilful misconduct, actual fraud, or gross negligence; provided, that if any Released Party directly or indirectly brings or asserts any Claim or cause of action that has been released or is contemplated to be released pursuant to the Restructuring Proceeding Documents or any Restructuring Document in any way arising out of or related to any document or transaction that was in existence prior to the Scheme Effective Date against any other Released Party, and such Released Party does not abandon such Claim or cause of action upon request, then the release set forth in the applicable Restructuring Proceeding Document or Restructuring Document (as applicable) shall automatically and retroactively be null and void ab initio with respect to the Released Party bringing or asserting such Claim or cause of action; provided, further, that the immediately preceding proviso shall not apply to (i) any action by a Released Party in the Bermuda Court or the Bankruptcy Court (or any other court determined to have competent jurisdiction), including any appeal therefrom, to prosecute the amount, priority, or secured status of any Claim arising prior to the PSL Issue Date

against the Scheme Company or (ii) any release or indemnification provided for in any settlement or granted under any other court order; provided, further, that, in the case of (i) and (ii), the Scheme Company shall retain all defences related to any such action. Notwithstanding anything contained herein to the contrary, the foregoing release shall not release any post-Scheme Effective Date obligation of any party under the Restructuring Documents, or any Claim arising under the Restructuring Documents; and

- (E) for the avoidance of doubt, no releases provided by the Releasing Parties in connection with the Scheme of Arrangement shall purport to release any of the Released Parties for any actions or omissions which amount to wilful misconduct, actual fraud, or gross negligence.

6. **Further Assurance**

Each Party shall, upon the reasonable request and at the cost of any other Party execute such further releases, receipts and such other documents as may be necessary to perfect or give effect to the provisions of this Deed.

7. **Waiver**

- 7.1 A waiver of any term, provision or condition of, or consent granted under, this Deed shall be effective only if given in writing and signed by the relevant waiving or consenting Party and then only in the instance and for the purpose for which it is given.
- 7.2 No failure or delay on the part of any Party in exercising any right, power or privilege under this Deed shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.
- 7.3 No breach of any provision of this Deed shall be waived or discharged except with the express written consent of the affected Parties.
- 7.4 The rights and remedies herein provided are cumulative with and not exclusive of any rights or remedies provided by law.

8. **Severability**

If, at any time, any provision of this Deed is or becomes illegal or invalid or unenforceable in any respect under the law of any jurisdiction, that provision shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, neither the legality, validity or enforceability of that provision under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision of this Deed under the law of that jurisdiction shall in any way be affected or impaired thereby.

9. **Agreement**

If this Deed becomes ineffective as a Deed, it shall be binding on each of the Parties as if it were duly signed as an agreement.

10. **Governing Law**

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

11. **Counterparts**

This Deed 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 Deed.

12. **Enforcement**

- (A) The courts of Bermuda have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").
- (B) The Parties agree that the courts of Bermuda are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

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

Schedule

Defined Terms

In this Deed, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Ad Hoc Groups”	means collectively, the DGHL Ad Hoc Group and the PCG Ad Hoc Group.
“Administrative Parties”	each of GLAS Trustees Limited in its capacity as Holding Period Trustee and New Notes Agent, GLAS Loan Agency Services Limited in its capacity as the New Notes Paying Agent, the New Notes Registrar and the Cash Manager, and GLAS Trust Corporation Limited in its capacity as Security Agent.
“Advisor Released Parties”	means, collectively, and in each case in its capacity as such (i) the Digicel Advisors; (ii) the DGHL Ad Hoc Group Advisors and (iii) the PCG Ad Hoc Group Advisors; and (iv) the GLAS Advisors.
“Affiliate”	shall have the meaning set forth in section 101(2) of the Bankruptcy Code.
“Amended Organisational Documents”	means the amended and restated bye-laws of the Scheme Company to be adopted on the Scheme Effective Date.
“Bankruptcy Code”	means title 11 of the United States Code, 11 U.S.C. § § 101-1532, as amended
“Bankruptcy Court”	means the United States Bankruptcy Court for the Southern District of New York.
“Beneficial Interest”	means an interest (whether or not it is the ultimate economic interest) in the principal amount outstanding of the Existing Notes (as applicable), which interest is held (directly or indirectly) in book-entry form through DTC, a DTC Participant and/or another Intermediary.
“Bermuda Court”	means the Supreme Court of Bermuda.
“Cash Distribution”	means the DGHL Unsecured Notes Cash Distribution and the DGHL Subordinated Notes Cash Distribution.
“Chapter 15 Documents”	means the material documents filed in relation to a Chapter 15 Proceeding.

“Chapter 15 Proceeding”	means a case commenced by DGHL in the Bankruptcy Court under chapter 15 of the Bankruptcy Code for recognition and enforcement of the Scheme of Arrangement.
“Claims”	means all and any actions, causes of action, claims, counterclaims, suits, debts, sums of money, accounts, contracts, agreements, promises, damages, judgments, executions, demands, remedies or rights whatsoever or howsoever arising, whether present, future, prospective (including after the Scheme Effective Date) or contingent, known or unknown, 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 or any failure to perform any obligation or any omission, whether assertable directly or derivatively, whether arising at common law, contract, tort, in equity or by statute in or under the laws of New York or Bermuda, or under any other law or in any other jurisdiction howsoever arising, and “Claims” shall be construed accordingly.
“Company Parties”	means the Scheme Company, DIFL and DL.
“Companies Act”	means the Companies Act 1981 of Bermuda, as amended.
“DGHL ”	shall have the meaning set forth in paragraph (1) of the preamble to this Deed
“DGHL Ad Hoc Group”	means the ad hoc group of DGHL Subordinated Noteholders and the DGHL Unsecured Noteholders advised by the DGHL Ad Hoc Group Advisors from time to time.
“DGHL Ad Hoc Group Advisors”	means (i) Weil, Gotshal & Manges (London) LLP (and its affiliates); (ii) Carey Olsen Bermuda Limited; (iii) any St Lucia counsel retained by (or on behalf of) the DGHL Ad Hoc Group, and (iv) any barrister retained (or on behalf of) the DGHL Ad Hoc Group.
“DGHL Claims/Interest”	means, collectively, any Claim held by a Party against, or Interest held by a Party in, the Scheme Company.
“DGHL-DIFL InterCompany Claim”	means those Claims owed by DGHL to DIFL which have been or will be compromised pursuant to the terms of the Settlement Agreement.
“DGHL-DL InterCompany Claim”	means any Claims owed by DGHL to DL which have been or will be compromised pursuant to the terms of the Settlement Agreement.

“DGHL/DIFL Services Agreement”	means the services agreement dated on or about the Scheme Effective Date between the Scheme Company and DIFL, pursuant to which DIFL shall provide administrative and financial reporting services to the Scheme Company.
“DGHL Noteholder”	means a DGHL Unsecured Noteholder and/or a DGHL Subordinated Convertible Noteholder, as the case may be.
“DGHL Scheme Consideration”	means (a) the Cash Distribution; and (b) the New Notes to be distributed to the DGHL Noteholders in accordance with the terms of the Scheme of Arrangement.
“DGHL Subordinated Convertible Noteholder”	means a person who has a Beneficial Interest in the Existing DGHL Subordinated Convertible Notes and who is the owner of the ultimate economic interest in any of the Existing DGHL Subordinated Convertible Notes.
“DGHL Subordinated Convertible Notes Claims”	Claims with respect to the Existing DGHL Subordinated Convertible Notes and arising under the Existing DGHL Subordinated Convertible Notes Indenture.
“DGHL Subordinated Convertible Notes Trustee”	means Wilmington Trust, National Association, as trustee under the Existing DGHL Subordinated Convertible Notes Indenture.
“DGHL Subordinated Notes Cash Distribution”	means the distribution of \$19,500,000 payable by the Scheme Company to the DGHL Subordinated Convertible Noteholders in accordance with the terms of the Scheme of Arrangement.
“DGHL Unsecured Noteholders”	means a person who has a Beneficial Interest in the Existing DGHL Unsecured Notes and who is the owner of the ultimate economic interest in any of the Existing DGHL Unsecured Notes.
DGHL Unsecured Notes Claims	Claims with respect to the Existing DGHL Unsecured Notes and arising under the Existing DGHL Unsecured Notes Indenture.
“DGHL Unsecured Notes Trustee”	means Wilmington Trust, National Association, as trustee under the Existing DGHL Unsecured Notes Indenture.
“DGHL Unsecured Notes Cash Distribution”	means the distribution of \$163,500,000 (less any amount received by the DGHL Unsecured Noteholders as an interim distribution prior to the Scheme Effective Date) payable by the Scheme Company to the DGHL Unsecured Noteholders in accordance with the terms of the Scheme of Arrangement.

“DGHL Scheme Creditors”	means the DGHL Noteholders and (without double counting in each case), the Existing Depository Nominee and the Existing Notes Trustee and any Intermediaries.
“DIFL”	shall have the meaning set forth in paragraph (3) of the preamble to this Deed.
“Digicel Advisors”	means (i) DC Advisory LLC, (ii) Island Capital Management Services Limited, (iii) Davis Polk & Wardwell LLP, (iv) Conyers, Dill & Pearman Limited, and (v) the Information Agent.
“Dispute”	has the meaning given to that term in clause 12(A) of this Deed.
“DL”	shall have the meaning set forth in paragraph (4) of the preamble to this Deed.
“DTC”	means The Depository Trust Scheme Company.
“DTC Participant”	means the holder recorded directly in the records of DTC as holding a beneficial interest in any Existing Notes in an account held with DTC, either for that person’s own account or on behalf of another person.
“Entity”	shall have the meaning set forth in section 101(15) of the Bankruptcy Code.
“Excluded Claims”	means (a) Scheme Costs; (b) any Claims on account of, under or in connection with the DGHL Scheme Consideration; (c) any Claim in respect of rights created under the Scheme and/or which arise as a result of a failure by the Company or any party to the Scheme to comply with any terms of the Scheme from and after the Scheme Effective Date; (d) any Claim under or in connection with the Work Payments; (e) any Claim which any member of the Ad Hoc Groups may have against any of the PCG Ad Hoc Group Advisors or DGHL Ad Hoc Group Advisors respectively, arising under a duty of care; (f) the Excluded Intra-Group Claims, and (g) any Claim arising from or relating to fraud, gross negligence, wilful misconduct, wilful default, or dishonesty.
“Excluded Intra-Group Claims”	means the Claims (other than the InterCompany Claims) as between the Company and its subsidiaries (other than DL and its subsidiaries) on the one hand and DL and its subsidiaries on the other hand in existence prior to the Scheme Effective Date.
“Exculpated Party”	means, collectively, and in each case in its capacity as such: (a) the Company Parties; (b) the

	Reorganised Scheme Companies; (c) each current and former Affiliate of the Company Parties; (d) the current and former officers, directors, and managers of the Company Parties; (e) [reserved]; (f) [reserved]; (g) the DGHL Scheme Creditors; (h) [reserved]; (i) the Trustees and the Administrative Parties; (j) the Supporting Shareholder; and (k) with respect to each of the foregoing clauses (a) through (j), to the fullest extent permitted by law, such person's Related Parties.
"Existing Depository Nominee"	means Cede & Co as the entity in whose name the Existing Notes are registered and who acts as the depository and nominee for DTC with respect to the Existing Notes.
"Existing DGHL Subordinated Convertible Notes"	means the 7.00% PIK Perpetual Convertible Notes issued by DGHL (formally known as Digicel Group 0.5 Limited) under the Existing DGHL Subordinated Convertible Notes Indenture.
"Existing DGHL Subordinated Convertible Notes Indenture"	means that certain indenture, dated as of June 23, 2020 (as amended, modified, or supplemented from time to time in accordance with the terms thereof), by and among, DGHL (as successor to Digicel Group 0.5 Limited), as issuer, and the Existing Notes Trustee relating to the Existing DGHL Subordinated Convertible Notes.
"Existing DGHL Unsecured Notes"	means the 8.0% Senior Cash Pay/PIK Notes due 2025 issued by DGHL (formerly known as Digicel Group 0.5 Limited) under the Existing DGHL Unsecured Notes Indenture.
"Existing DGHL Unsecured Notes Indenture"	means that certain indenture, dated as of June 23, 2020 (as amended, modified, or supplemented from time to time in accordance with the terms thereof), by and among DGHL (as successor to Digicel Group 0.5 Limited), as issuer, and the Existing Notes Trustee relating to the Existing DGHL Unsecured Notes.
"Existing Notes"	means the Existing DGHL Unsecured Notes and the Existing DGHL Subordinated Convertible Notes.
"Existing Notes Indenture"	means the Existing DGHL Unsecured Notes Indenture and/or the Existing DGHL Subordinated Notes Indenture.
"Existing Notes Trustee"	means Wilmington Trust, National Association, in its capacity as indenture trustee, and in each other capacity for which it serves, under or in connection with either Existing Notes Indenture, provided that

	if the context requires only certain of the foregoing capacities, then only in such capacity(ies).
“Explanatory Statement”	means that composite explanatory document (including all appendices) dated [25 August] 2023, relating to the Scheme and distributed to the DGHL Scheme Creditors pursuant to the Convening Order, which is required to be issued to the DGHL Scheme Creditors pursuant to section 100 of the Companies Act.
“GLAS Advisors”	means McDermott Will & Emery UK LLP.
“GLAS Fees and Expenses”	means the reasonable and documented compensation, fees, expenses, disbursements and indemnity claims, including without limitation, attorneys’ fees, expenses and disbursements, accrued or incurred by the Administrative Parties in any and all capacities.
“Holder”	means an Entity holding any DGHL Claims/Interests.
“Holding Period”	means a period of 18 months after the Scheme Effective Date.
“Holding Period Trust”	means the trust established on or around the Scheme Effective Date for the purposes of holding any New Notes for and on behalf of those DGHL Scheme Creditors who, pursuant to the terms of the Scheme, are not entitled to receive their allocation of New Notes on the Scheme Effective Date.
“Holding Period Trust Deed”	means the trust deed constituting the Holding Period Trust in substantially the same form as that appended to the Explanatory Statement.
“Holding Period Trustee”	means GLAS Trustees Limited in its capacity as Holding Period Trustee in relation to the Holding Period Trust.
“Information Agent”	means Epiq Corporate Restructuring, LLC.
“Intercreditor Agreement”	means the intercreditor agreement entered into on the Scheme Effective Date between, amongst others, DGHL, GLAS Trust Corporation Limited as security agent, GLAS Trustees Limited as notes agent under the NA, DL, DIFL, the Supporting Shareholder, and Digicel Investments Limited.
“Interest”	means any equity, shares (or any class thereof), common stock, preferred stock, limited liability company interests, and any other equity, ownership, or profit interests of the Scheme Company, and options, warrants, rights, or other

	securities or agreements to acquire or subscribe for, or which are convertible into the shares (or any class thereof) of, common stock, preferred stock, limited liability company interests, or other equity, ownership, or profit interests of the Scheme Company.
“InterCompany Claims”	means (a) the DGHL-DIFL InterCompany Claim, and (b) the DGHL-DL InterCompany Claim.
“Intermediary”	means, in respect of the Existing Notes, a person who is not a DGHL Noteholder because it is not the owner of the ultimate economic interest in such Existing DGHL Unsecured Notes and/or Existing DGHL Subordinated Convertible Notes (as applicable) but who holds a Beneficial Interest in the Existing DGHL Unsecured Notes and/or Existing DGHL Subordinated Convertible Notes (as applicable) on behalf of another person or persons.
“Liability”	means any debt, liability or obligation of a person whether it is present, future, prospective, actual or contingent, whether it is fixed or undetermined, whether incurred solely or jointly or as principal or surety or in any other capacity, 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 Bermuda or any other jurisdiction, or in any manner whatsoever.
“NA”	means a single note agreement to be entered into on the Scheme Effective Date governing the issuance of the New Notes.
“New Notes”	means the eight series of limited recourse senior secured notes to be issued by the Scheme Company on the Scheme Effective Date to holders of Existing DGHL Unsecured Notes and Existing DGHL Subordinated Convertible Notes.
“Notes Collateral Documents”	means the security documents to be entered into pursuant to the NA.
“Parties”	means the parties to this Deed collectively.
“PCG Ad Hoc Group”	means the ad hoc group of creditors of DGHL advised by the PCG Ad Hoc Group Advisors from time to time.
“PCG Ad Hoc Group Advisors”	means (i) Greenhill & Co, LLC as financial advisor; (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP as legal counsel; (iii) Akin Gump LLP and Akin Gump Strauss Hauer & Feld LLP, as special legal

	counsel, (iv) Walkers and (v) any barrister retained (or on behalf of) the PCG Ad Hoc Group.
"Professional Fees"	means, collectively, the reasonable and documented fees, costs and expenses incurred in connection with the Restructuring, together with applicable taxes thereon (if any) of the following agreed professionals: (a) the PCG Ad Hoc Group Advisors, (b) the DGHL Ad Hoc Group Advisors and (c) the Digicel Advisors and (d) the GLAS Advisors.
"PSL Issue Date"	means 24 July 2023, being the date on which the Scheme Company issued a practice statement letter to the Scheme Creditors in connection with the proposed Scheme of Arrangement to implement the relevant aspects of the Restructuring.
"Related Party"	means predecessors, successors and assigns, Affiliates, managed accounts or funds, and all of their respective current and former officers, directors, managers, investment committee members, special or other committee members, principals, stockholders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, investment advisors, participants, subsidiaries, members, partners, limited partners, general partners, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, management companies, fund advisors or managers, and other professionals and advisors, and such persons' respective heirs, executors, estates, servants, and/or nominees.
"Released Party"	means each of the following, and in each case, solely in its capacity as such: (a) each of the Company Parties; (b) each of the Reorganised Companies; (c) each Company Party's current and former officers, directors, and managers; (d) the Existing Notes Trustee; (e) each DGHL Scheme Creditor; (f) [reserved]; (g) the Supporting Shareholder; (h) each of the Administrative Parties; (i) each current and former Affiliate of each Entity in clause (a) to the following clause (j); and (j) with respect to each of the foregoing clauses (a) through (i), to the fullest extent permitted by law, each Related Party of each person and/or Entity in clause (a) through (j); <i>provided, however</i> , that an Entity shall not be a Released Party if it affirmatively opts out of the releases provided for herein in the Restructuring Proceedings.

“Releasing Party”	means each of the following, and in each case solely in its capacity as such: (a) each of the Company Parties; (b) each of the Reorganised Companies; (c) the Company Party’s current and former officers, directors, and managers; (d) the Trustees; (e) the DGHL Scheme Creditors; (f) [reserved]; (g) the Supporting Shareholder; and (h) each current and former Affiliate of each Entity in clause (a) through to the following clause (i); and (i) each Related Party of each person and/or Entity in clause (a) through this clause (i); provided that the Supporting Parties shall not be obligated to provide any release on behalf of any entity that is not party to the Restructuring Support Agreement as of the Scheme Effective Date and the Company Parties shall provide any release on behalf of their subsidiaries.
“Reorganised Companies”	means, on or after the Scheme Effective Date, the Company Parties, as reorganised pursuant to the Restructuring Documents.
“Restructuring”	means the restructuring of the Scheme Company’s capital structure (including the Existing Notes) implemented pursuant to the Restructuring Proceedings as further described in the Explanatory Statement.
“Restructuring Documents”	means the NA, the Notes Collateral Documents, the Intercreditor Agreement, this Deed, the Settlement Agreement, the Holding Period Trust Deed, the DGHL/DIFL Services Agreement, the Amended Organisational Documents, and any other documents required to effectuate the terms of the Restructuring and the Scheme.
“Restructuring Proceedings”	means, collectively, the Scheme of Arrangement and the Chapter 15 Proceedings.
“Restructuring Proceeding Documents”	means, collectively, the Scheme of Arrangement Documents and the Chapter 15 Documents.
“Restructuring Support Agreement”	means the restructuring support agreement, dated as of May 28, 2023 (as amended, modified, or supplemented from time to time in accordance with the terms hereof, and including the Term Sheet and all other exhibits, schedules, and annexes hereto), entered into by and among the Scheme Company, the certain DGHL Noteholders, DL, DIFL, and the Supporting Shareholder.
“Scheme Company”	shall have the meaning set forth in paragraph (1) of the preamble to this Deed.

“Scheme Convening Order”	means an order of the Bermuda Court convening the meetings of creditors of DGHL in connection with the Scheme of Arrangement.
“Scheme Costs”	means the Liability of the Scheme Company in respect of the fees, costs and expenses of the Advisor Released Parties (including the Professional Fees), the Existing Notes Trustee’s Fees and Expenses, and the GLAS Fees and Expenses, which Liabilities are not subject to the arrangements and compromises to be effected by the Scheme.
“Scheme Effective Date”	means the date and time on which all conditions precedent to the effectiveness of the Scheme of Arrangement have been satisfied or waived (to the extent capable of waiver).
“Scheme of Arrangement”	has the meaning given to that term in Recital (B) to this Deed.
“Scheme of Arrangement Documents”	means the Scheme Convening Order, the Scheme Sanction Order, the Scheme of Arrangement and the material documents filed in relation thereto (including the practice statement letter, the explanatory statement, and any affidavits filed in evidence in connection therewith).
“Scheme Sanction Order”	means an order of the Bermuda Court sanctioning the Scheme of Arrangement.
“Settlement Agreement”	means the settlement agreement between the Scheme Company, DIFL and DL pursuant to which the InterCompany Claims are compromised.
“Supporting Shareholder”	shall have the meaning set forth in paragraph (2) of the preamble to this Deed.
“Third Parties Rights Act”	has the meaning given to that term in clause 1.3(A) of this Deed.
“Trustees”	means the DGHL Unsecured Notes Trustee and the DGHL Subordinated Convertible Notes Trustee.
“Trustees’ Fees and Expenses”	means the reasonable and documented compensation, fees, expenses, disbursements and indemnity claims, including without limitation, attorneys’ fees, expenses and disbursements, incurred by the Existing Notes Trustee in any and all capacities to the extent payable or reimbursable under the either Existing Notes Indenture or any related documents.
“Work Payments”	means those payments the Scheme Company is obligated to make to the members of the Ad Hoc

	Groups pursuant to that certain Work Payments letter between the Scheme Company and the members of the Ad Hoc Groups dated as of 29 May, 2023.

APPENDIX 8
HOLDING PERIOD TRUST DEED

[●] 2023

Holding Period Trust Deed

between

Digicel Group Holdings Limited
as the Scheme Company

Epiq Corporate Restructuring LLC
as the Information Agent

and

GLAS Trustees Limited
as the Holding Period Trustee

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This Deed is made on [●] 2023

Between:

- (1) **Digicel Group Holdings Limited**, incorporated in Bermuda under the Companies Act 1981 of Bermuda as an exempt company with limited liability on 1 April 2020 with registration number 55491 under the name "Digicel Group 0.5 Limited" and changed its name to "Digicel Group Holdings Limited" on 4 August 2020, whose registered office is at Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda (the "**Scheme Company**");
- (2) **Epiq Corporate Restructuring LLC**, a domestic limited liability company incorporated under the laws of New York, with its registered address at 777 Third Avenue, 12th Floor, New York, NY 10017, United States in its capacity as information agent (the "**Information Agent**"); and
- (3) **GLAS Trustees Limited**, a company incorporated under the laws of England, with company number 08466032 and having its registered address at 55 Ludgate Hill, Level 1, West, London, England, EC4M 7JW in its capacity as holding period trustee (the "**Holding Period Trustee**").

Whereas:

- (A) The Supreme Court of Bermuda has, on [●] 2023, sanctioned a scheme of arrangement under Section 99 of the Companies Act 1981 of Bermuda between the Scheme Company and the DGHL Scheme Creditors (the "**Scheme**") (each term as defined in the Scheme).
- (B) The DGHL Scheme Creditors are entitled to receive their DGHL Scheme Consideration, which includes the New Notes, in accordance with the terms of the Scheme (each term as defined in the Scheme).
- (C) On the Scheme Effective Date (as defined in the Scheme), any New Notes to which any DGHL Scheme Creditor who is an Ineligible Recipient (as defined below) is entitled shall be issued to the Holding Period Trustee, who shall hold such New Notes (and any Related Rights (as defined below)) on trust for such DGHL Scheme Creditor for the duration of the Holding Period (as defined in the Scheme) subject to the terms of this Deed.
- (D) The Holding Period Trustee is entering into this Deed in order to create, and the Information Agent is entering into this Deed in order to facilitate, the holding trust arrangement contemplated in clause [11] (*Holding Period Trust Arrangements*) of the Scheme Document (as defined below).
- (E) It is the intention of the Parties that this document be executed and take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

It is agreed:

1. Definitions and Interpretation

1.1 Definitions

Capitalised terms used in this Deed that are not otherwise defined herein shall have the meanings given to them in the Scheme Document.

In this Deed:

"**Eligible Recipient**" means a DGHL Noteholder that has (a) submitted a validly completed Registration Form to the Information Agent in accordance with the instructions set out therein by the Registration Deadline; (b) made securities law representations customary for private placements; and (c) has provided all relevant "know-your-client" documentation to the reasonable satisfaction of the New Notes Paying Agent as described in the Explanatory Statement;

“Holding Period Expiry Date” the date falling eighteen (18) months after the Scheme Effective Date;

“Holding Period Expiry Time” means 5.00 p.m. (London time) on the Holding Period Expiry Date;

“Holding Period Trustee Engagement Letter” means the letter agreements or contracts for service between the Scheme Company and GLAS Trustees Limited in its capacity as Holding Period Trustee setting out, *inter alia*, the Holding Period Trustee’s fees and expenses;

“Ineligible Recipient” means a DGHL Noteholder that is not an Eligible Recipient;

“Party” means a party to this Deed.

“Related Rights” means any payment of principal, or other amounts paid or payable to the Holding Period Trustee or any instrument issued to the Holding Period Trustee (including as a result of an exchange of or substitution for the New Notes issued to the Holding Period Trustee), in each case, in respect of the New Notes transferred or issued to the Holding Period Trustee on behalf of all Ineligible Recipients, including any cash payments in respect of Additional Assets Proceeds and/or Future DPL Proceeds received from the New Notes Paying Agent in accordance with the Intercreditor Agreement;

“Sales Confirmations” means the representations, warranties and confirmations (as applicable) by the relevant Trust Beneficiary that it:

- (a) understands that the New Notes have not been registered under the US Securities Act and may be resold only if registered pursuant to the provisions of the US Securities Act or if an exemption from registration is available, except under circumstances where neither such registration nor such an exemption is required by law, and that the Scheme Company is not required to register the New Notes;
- (b) represents and warrants that it has not taken and will not take any action that would subject the issue and subscription of the New Notes to the registration requirements of the US Securities Act or to the registration, filing or qualification requirements of any securities or blue sky laws of any applicable jurisdiction, and will comply with the transfer restrictions set forth in the Note Agreement and the New Notes; and
- (c) understands that:
 - (i) the New Notes have not been registered under the US Securities Act and are being issued by the Scheme Company in transactions exempt from the registration requirements of the US Securities Act and the Scheme Company has not undertaken to register the New Notes under the US Securities Act or any state or blue sky law; and
 - (ii) the New Notes may not be offered or sold except pursuant to an effective registration statement under the US Securities Act or pursuant to an applicable exemption from registration under the US Securities Act, subject to the terms relating to the restriction on sales in this Deed;

“Scheme” has the meaning given to it in Recital (A) above;

“Scheme Document” means the document setting out the terms and conditions of the Scheme;

“Security” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property), in each case, in the nature of security;

“Trust Beneficiary” means any Ineligible Recipient as at the Scheme Effective Date;

“Trust Entitlements” means the Unallocated Entitlements that are transferred to the Holding Period Trustee from time to time in accordance with the Scheme and this Deed;

“Trust Property” means the Trust Entitlements delivered to the Holding Period Trustee; and

“Unallocated Entitlements” means (a) in respect of each Ineligible Recipient who was a DGHL Unsecured Noteholder as at the Scheme Effective Date, such Ineligible Recipient’s entitlement pursuant to the Scheme of the New Note 1A and New Note 1B issuances, and (b) in respect of each Ineligible Recipient who was a DGHL Subordinated Noteholder as at the Scheme Effective Date, such Ineligible Recipient’s entitlement pursuant to the Scheme of the New Note 3A and New Note 3B issuances, together in each case with all Related Rights.

1.2 Construction

In this Deed, except where the context otherwise requires:

- (a) a reference to any person includes its successors and assigns;
- (b) references to any deed (including this Deed), negotiable instrument, certificate, notice or other document of any kind, and references to any document (or a provision thereof) shall be construed as a reference to that document or provision as from time to time amended, supplemented, varied or replaced (in whole or in part);
- (c) references to any statute or other legislative provision shall include any statutory or legislative modification or re-enactment thereof, or any substitution thereof;
- (d) references to persons shall include natural persons, bodies corporate, unincorporated associations and partnerships and shall include such person’s successors and permitted assigns; and
- (e) references to any costs, expenses, charges, damages, loss or liabilities incurred by any person includes any element thereof which represents an amount in respect of value added tax which is not recoverable by that person but does not include any element thereof as is so recoverable and does not include any element thereof that is attributable to tax on net income, profits or gains of that person.

1.3 Third Party Rights

- (a) Unless expressly provided to the contrary in this Deed, and subject to clause 1.3(b), a person who is not a 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.
- (b) Notwithstanding anything to the contrary in this Deed, (A) any Trust Beneficiary may rely on any clause of this Deed which expressly confers rights on it; and (B) the New Notes Trustee shall be entitled to rely on and enforce clause 16.5 and 10.5 of this Deed.

1.4 Perpetuity Period

If the rule against perpetuities applies to the Holding Period Trust, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

2. The Holding Period Trust

2.1 Information Agent and Holding Period Trustee

- (a) The Information Agent shall provide the Holding Period Trustee and the Scheme Company with:

- (i) details (including the amount) of all Trust Entitlements which are to be transferred to the Holding Period Trustee and all Trust Beneficiaries (to the extent known) that it understands are entitled to such Trust Entitlements; and
 - (ii) such information as either or both of them may reasonably require to determine the entitlement of the Trust Beneficiaries to the Trust Property.
- (b) The Scheme Company shall provide the Information Agent and the Holding Period Trustee with any information which the Information Agent or the Holding Period Trustee may reasonably specify as being necessary or desirable to enable the Information Agent or the Holding Period Trustee to perform their respective obligations hereunder.
- (c) On the Scheme Effective Date, the Trust Property required to be issued, transferred or allocated (as applicable) to the Holding Period Trustee under the Scheme, comprising the proportion of the DGHL Scheme Consideration to which any Trust Beneficiary is entitled, shall be issued, transferred or allocated (as applicable) to or in the name of the Holding Period Trustee as bare trustee for the Trust Beneficiaries, and the Holding Period Trustee shall hold such Trust Property subject to the Holding Period Trust.
- (d) The Holding Period Trustee represents and warrants that it is not a “retail investor” in the European Economic Area defined as a person who is one (or more) of: (x) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (y) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (z) not a qualified investor as defined in Regulation (EU) 2017/1129.
- (e) The Holding Period Trustee represents and warrants that it is not a “retail investor” in the United Kingdom, defined as a person who is one (or more) of: (x) a retail client as defined in point (8) of Article 2 of Regulation (EU) 2017/565 as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); (y) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the United Kingdom by virtue of the EUWA; or (z) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law in the United Kingdom by virtue of the EUWA.

2.2 Holding Period Trustee as Trustee

- (a) The Holding Period Trustee is hereby appointed by the Scheme Company and each of the Scheme Company, the Information Agent and the Holding Period Trustee hereby acknowledge, declare, agree and give notice that the Holding Period Trustee has been appointed as the bare trustee of the Holding Period Trust.
- (b) The Holding Period Trustee declares that, as soon as it receives (and has legal ownership of) any Trust Property on behalf of any Trust Beneficiary, it will hold it on bare trust for the relevant Trust Beneficiary for the duration of the Holding Period absolutely on, and until the release of such Trust Property is authorised under, the terms contained in this Deed.
- (c) The Holding Period Trustee agrees in favour of each other Party and each Trust Beneficiary that it:

- (i) shall deal with any Trust Property and the Holding Period Trust pursuant to the terms of this Deed, and
- (ii) shall not, and shall not purport to:
 - (A) create, allow, permit to subsist, retain, provide, prolong or renew any Security or quasi-security whatsoever (unless arising by operation of law) over any of the assets (whether present or future) comprised in the trusts constituted by this Deed;
 - (B) save as expressly set out in this Deed or as required (and then only to the extent necessary, reasonable and as permitted by applicable laws including sanctions) to perform its obligations as trustee of the trusts constituted by this Deed, sell, transfer or otherwise dispose of, or deal with, any Trust Property; or
 - (C) save as expressly set out in this Deed or in respect of the Holding Period Trust, permit any person other than itself to have any interest, estate, right, title or benefit in any Trust Property.
- (d) The Holding Period Trustee shall not at any time whatsoever have any beneficial interest in the Trust Property held by it pursuant to this Deed, the Scheme, the New Notes, any Related Rights or any Restructuring Document.

2.3 Trust Property and Instructions

- (a) The Holding Period Trustee is hereby instructed, pursuant to this Deed (and, for the avoidance of doubt, by each of the DGH Scheme Creditors pursuant to clause [13] of the Scheme Document) to comply with the terms of this Deed and the Scheme Document.
- (b) The Holding Period Trustee is authorised to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Holding Period Trustee under this Deed, or under, or in connection with, the Scheme and the Restructuring Documents together with any other incidental rights, powers, authorities and discretions.
- (c) It is hereby expressly agreed and declared that the interests and entitlements of the Trust Beneficiaries in and to the Trust Property shall be vested and indefeasible, such that the Trust Beneficiaries collectively are absolutely entitled to the assets comprised in the Trust Property as they are received and as income thereon arises, subject to the terms of this Deed and the Scheme.

2.4 Release from the Trust

- (a) The Holding Period Trustee acknowledges that a Trust Beneficiary may, at any time after the Scheme Effective Date, but prior to the Holding Period Expiry Time, request in writing that the Holding Period Trustee:
 - (i) transfer all of the Trust Beneficiary's Trust Property to that Trust Beneficiary (a "**Transfer Request**") by submitting a validly completed Registration Form in accordance with the instructions set out therein by no later than the Holding Period Expiry Date; or
 - (ii) use its reasonable endeavours to sell, or procure the sale of all of the New Notes forming part of the Trust Property the Holding Period Trustee holds on trust for such Trust Beneficiary on the open market and distributes the proceeds of such sale (net of any applicable costs and taxes) together with any other Trust

Property the Holding Period Trustee holds on trust for such Trust Beneficiary to that Trust Beneficiary (a “**Sale Request**”), provided that by submitting a Sale Request a Trust Beneficiary shall automatically be deemed to have provided the confirmations, warranties and representations set out in the Sales Confirmations for the benefit of the Parties, at the time such Sale Request is submitted.

- (b) The Holding Period Trustee is hereby instructed, and will only be obliged, to comply with a Transfer Request if the Trust Beneficiary (i) was a DGHL Scheme Creditor as at the Scheme Effective Date; (ii) delivers a validly completed Registration Form to the Information Agent in accordance with the instructions set out therein; (iii) has confirmed in writing to the Information Agent the representations in section [20] of the Note Purchase Agreement as if references to “Electing Creditor” therein were references to the applicable Trust Beneficiary; (iv) has provided all relevant KYC documentation to the satisfaction of the New Notes Paying Agent; (v) has provided any additional information, representations or undertakings as the Information Agent and the Holding Period Trustee may reasonably request; and (vi) has prepared, executed and delivered to the recipients named therein an assignment agreement substantially in the form set out in the Schedule (*Assignment Agreement*) to this Deed (the “**Assignment Agreement**”). Following the satisfaction of all such conditions and upon receipt of a separate transmission from the Information Agent containing items (i) to (iii) above to the Holding Period Trustee, the Holding Period Trustee shall transfer the relevant Trust Property to the relevant Trust Beneficiary and shall take reasonable steps to facilitate such transfer, including executing the Assignment Agreement. Following the transfer of all of the Trust Beneficiary’s Trust Property to the Trust Beneficiary, the relevant Trust Beneficiary shall cease to be a beneficiary of the Holding Period Trust.
- (c) The Holding Period Trustee will only be obliged to comply with a Sale Request if the relevant Trust Beneficiary supplies to the Information Agent and the Holding Period Trustee such evidence as either of them may reasonably request to confirm that the relevant Trust Beneficiary was a DGHL Scheme Creditor as at the Scheme Effective Date entitled to the relevant portion of Trust Property pursuant to the Scheme. Following the satisfaction of such requirement, the Holding Period Trustee shall use its reasonable endeavours to sell or procure the sale of the relevant Trust Property on the open market as soon as is practicable provided that (A) any sale of New 1A Notes, New 2A Notes, New 3A Notes or New 4A Notes shall be made only with a sale of the corresponding New 1B Notes, New 2B Notes, New 3B Notes or New 4B Notes respectively, and (B) any sale of New 1B Notes, New 2B Notes, New 3B Notes or New 4B Notes shall be made only with a sale of the corresponding New 1A Notes, New 2A Notes, New 3A Notes or New 4A Notes respectively. The Holding Period Trustee shall distribute the proceeds of any such sale (net of any applicable costs and taxes) together with any other Trust Property the Holding Period Trustee holds on trust for such Trust Beneficiary to the relevant Trust Beneficiary. Following the sale of all of the Trust Beneficiary’s Trust Property in accordance with a Sale Request, and the distribution of the applicable proceeds by the Holding Period Trustee to such Trust Beneficiary, the relevant Trust Beneficiary shall cease to be a beneficiary of the Holding Period Trust.
- (d) The Holding Period Trustee shall, to the extent it is aware of the contact details of any Trust Beneficiary that has not claimed its Trust Property, use commercially reasonable endeavours, (and in any event, limited to sending a notice through DTC to all DGHL Noteholders) to notify such Trust Beneficiaries not less than 60 days but not more than 90 days prior to the Holding Period Expiry Date that the Holding Period will expire on the Holding Period Expiry Date.
- (e) Following the Holding Period Expiry Time, to the extent that any Trust Property has not been validly claimed by the relevant Trust Beneficiary in accordance with this

Deed, that Trust Beneficiary shall have no entitlement to receive the Unallocated Entitlements previously held on its behalf by the Holding Period Trustee and shall no longer be a beneficiary of the Holding Period Trust.

- (f) Upon the Holding Period Expiry Time (without additional costs, expense or liability to the Holding Period Trustee), (a) the trust constituted by this Deed will terminate, (b) any Unallocated Entitlements which consist of New Notes shall be irrevocably cancelled, and (c) to the extent any payments have been made to the Holding Period Trustee prior to or on the Holding Period Expiry Date pursuant to the Related Rights attaching to such Unallocated Entitlements, such payments shall be returned to the Scheme Company and shall be deemed Additional Assets Proceeds and treated in accordance with the Intercreditor Agreement.

3. Reliance and Duties of Holding Period Trustee

3.1 Instructions

- (a) The Holding Period Trustee shall be entitled to request instructions, or clarification of any instruction, from the Scheme Company as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion, and the Holding Period Trustee may refrain from acting unless and until it receives those instructions or that clarification, and the Scheme Company shall use commercially reasonable efforts to provide such instructions or clarification as soon as reasonably practicable to the extent it is able to do so.
- (b) The Holding Period Trustee may refrain from acting in accordance with any instructions of the Scheme Company until it has received any pre-funding, indemnification and/or security that it may in its discretion (acting reasonably and consistently with market practice for the provision of professional trustee services) require from the Scheme Company (or any other person acceptable to the Holding Period Trustee for any cost, loss or liability (together with any applicable value added tax) which it may incur in complying with those instructions, provided that in no circumstances may the Holding Period Trustee request or require from any person any indemnity in respect of any losses (howsoever named) arising from the Holding Period Trustee's own fraud, gross negligence or wilful misconduct.
- (c) Notwithstanding the provisions of clause 3.7 below, the Holding Period Trustee shall have no discretion in the making or withholding of any distribution to a Trust Beneficiary.

3.2 Rights attaching to the Trust Property

The Holding Period Trustee shall not exercise any voting rights or any other rights arising out of the Trust Property held in the Holding Period Trust.

3.3 Duties of the Holding Period Trustee

- (a) The Holding Period Trustee is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.
- (b) The Holding Period Trustee shall have only those duties, obligations and responsibilities expressly specified in this Deed and the Scheme Document (and no others shall be implied).

3.4 No Fiduciary Duties to the Group

Nothing in this Deed constitutes the Holding Period Trustee as an agent, trustee or fiduciary of any member of the Group.

3.5 No Duty to Account

The Holding Period Trustee shall not be bound to account to any Trust Beneficiary for any sum or the profit element of any sum received by it for its own account.

3.6 Business with the Group

The Holding Period Trustee may generally engage in any kind of other business with any member of the Group.

3.7 Discretion

Without prejudice to Clause 3.1(c) above, the Holding Period Trustee shall have absolute discretion as to the exercise of its functions provided to it pursuant to the Scheme and shall not be responsible for any loss, liability, cost, claim, action, demand, expense or inconvenience that may result from their exercise or non-exercise, except where any such loss, liability, cost, claim, action, demand, expense or inconvenience arises from the Holding Period Trustee's own fraud, gross negligence or wilful misconduct. Where the Holding Period Trustee has discretion or permissive power pursuant to this Deed, it may decline to exercise the same in the absence of approval by the Scheme Company and need not exercise or take any other action unless first pre-funded and/or indemnified and/or secured (including by way of payment in advance) to its satisfaction (acting reasonably and consistently with market practice for the provision of professional trustee services) against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may properly and reasonably incur by so doing by the Scheme Company.

3.8 No Calculations

The Holding Period Trustee shall not be required to undertake any calculations with respect to any application of funds or other payments hereunder.

3.9 Rights and Information

The Holding Period Trustee may:

- (a) rely on any written representation, communication, notice or document reasonably believed by it, and acting in good faith, to be genuine, correct and appropriately authorised and received by it in the course of performing its obligations under this Deed;
- (b) rely on a certificate from any person received by it in the course of performing its obligations under this Deed:
 - (i) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or
 - (ii) to the effect that such person approves of any particular dealing, transaction, step, action or thing,

as sufficient evidence that that is the case and, in the case of paragraph (i) above, may assume the truth and accuracy of that certificate.

- 3.10** The Holding Period Trustee shall not be liable for interest on any money received by it, including in respect of the Related Rights, except as the Holding Period Trustee may agree in writing with the Scheme Company. Money held whether in trust or otherwise by the Holding Period Trustee need not be segregated from other funds except to the extent required by law.

- 3.11 The permissive right of the Holding Period Trustee to take the actions permitted by this Deed shall not be construed as an obligation or duty to do so.
- 3.12 No provision of this Deed shall require the Holding Period Trustee to do anything which, in its reasonable opinion, may be illegal or contrary to applicable law or regulation.
- 3.13 Notwithstanding anything else herein contained, the Holding Period Trustee may refrain without liability from doing anything that would in its reasonable opinion, based on legal advice, be contrary to any law of any state or jurisdiction (including, but not limited to, the United States of America, Bermuda or England & Wales) or any directive or regulation of any agency of any such state or jurisdiction and may without liability do anything which is, based on legal advice necessary to comply with any such law, directive or regulation.

3.14 **Advice**

The Holding Period Trustee may:

- (a) act on (or not act on) the opinion or advice of, or information obtained from any lawyer, accountant, tax advisers, surveyors or other professional advisers or experts (for the purposes of this clause only, “**experts**”) engaged by the Holding Period Trustee or any member of the Group; and
- (b) rely on the opinion or advice of, or information obtained from, any expert engaged by the Holding Period Trustee,

in each case, whose advice or services may, at any time, seem necessary, expedient or desirable, and shall not be responsible to anyone for any loss occasioned by so acting (or not acting) or, in the case of experts engaged by the Holding Period Trustee only, relying, whether such advice is obtained or addressed to a member of the Group or the Holding Period Trustee, save where such loss directly arises from the Holding Period Trustee’s own fraud, gross negligence or wilful misconduct. Any such opinion, advice or information may be sent or obtained by letter or any other method and the Holding Period Trustee shall not be liable to anyone for acting reasonably in good faith on any opinion, advice, or information purporting to be conveyed by such means, even if it contains some error or is not authentic. All costs properly and reasonably incurred by the Holding Period Trustee and agreed in writing with the Scheme Company relating to obtaining advice, a certificate, an opinion or information in relation to this Deed shall be reimbursed by the Scheme Company.

3.15 **Agents**

The Holding Period Trustee may act in relation to this Deed, the Scheme and the Trust Property through its officers, employees and agents and, provided that it has exercised reasonable care in the selection of any such officers, employees and agents, it shall not:

- (a) be liable for any error of judgment made by any such person; or
- (b) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part of any such person,

unless such error or such loss directly arises from the Holding Period Trustee’s own fraud, gross negligence or wilful misconduct.

3.16 **Indemnity**

The Scheme Company covenants and agrees to indemnify the Holding Period Trustee and the Information Agent and their employees, officers, directors, affiliates, and agents (each, an “**Indemnified Party**”) for, hold each Indemnified Party harmless from, and defend each Indemnified Party against, any and all claims, losses, actions, liabilities, reasonable and properly incurred costs, damages and reasonable expenses of any nature properly incurred by

any Indemnified Party, arising out of or in connection with this Deed or with the administration of its duties hereunder except to the extent such loss, liability, damage, cost or expense shall have been finally adjudicated by a court of competent jurisdiction to have arisen from the Indemnified Party's own gross negligence or wilful misconduct, provided that to the extent the Holding Period Trustee incurs any costs or expenses exceeding US \$ 5,000.00 it shall notify the Scheme Company. The foregoing indemnification and agreement to hold harmless shall survive the termination of this Deed and the resignation or removal of the Holding Period Trustee.

3.17 Notification and Disclosure Obligations

The Holding Period Trustee hereby undertakes in favour of each other Party and each Trust Beneficiary that it shall comply with any applicable notification and disclosure obligations required by law or regulation as a result of its legal ownership of the Trust Property.

4. Action Contrary to Any Law

Notwithstanding any other provision of the Scheme Document to the contrary, the Holding Period Trustee is not obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality, in each case, applicable to it.

5. No Responsibility to Spend Own Funds

Notwithstanding any provision of the Scheme Document to the contrary, the Holding Period Trustee is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion.

6. Responsibility for Documentation

The Holding Period Trustee and Information Agent are not responsible or liable for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Holding Period Trustee or any other person in connection with the Scheme, any Restructuring Document or the transactions contemplated under the Scheme, any Restructuring Document or any other arrangement or document entered into, made or executed in anticipation of, under or in connection with the Scheme or any Restructuring Document save to the extent any liabilities in connection therewith directly arises from the Holding Period Trustee's own fraud, gross negligence or wilful misconduct; or
- (b) the legality, validity, effectiveness, adequacy or enforceability of any deed, arrangement or document entered into, made or executed in anticipation of, under or in connection with the Scheme, any Restructuring Document or the Trust Property.

7. No Duty to Monitor

The Holding Period Trustee shall not be bound to enquire:

- (a) as to the performance, default or any breach by any Party of its obligations under any document relating to the Scheme Document or any other Restructuring Document; or
- (b) whether any other event specified in the Scheme Document, any other Restructuring Document or any related document has occurred.

8. Liability

8.1 Exclusion of Liability

(a) Without prejudice to any other provision of the Scheme Document or any Restructuring Document excluding or limiting the liability of the Holding Period Trustee, the Holding Period Trustee shall not incur any liability for:

- (i) any damages, costs or losses to any person, any diminution in value, injury, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with the Scheme or any Restructuring Document unless directly arising from the Holding Period Trustee's own fraud, gross negligence or wilful misconduct;
- (ii) exercising or not exercising any right, power, authority or discretion given to it by, or in connection with the Scheme, any Restructuring Document or any other deed, arrangement or document entered into, made or executed in anticipation of, under or in connection with the Scheme or any Restructuring Document unless directly arising from the Holding Period Trustee's own fraud, gross negligence or wilful misconduct; or
- (iii) without prejudice to the generality of paragraphs (i) and (ii) above, any damages, costs, losses, any diminution in value or any liability whatsoever arising as a result of:
 - (A) performing any act or fulfilling any obligation, event or circumstance not reasonably within its control; or
 - (B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: any provision of any present or future law or regulation or any act of any governmental authority, nationalisation, expropriation; any currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets; breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; civil unrest, war, terrorism, insurrection or revolution, local or national disturbance; unavailability of the Federal Reserve Bank wire services or any electronic communication facility or strikes or industrial action.

8.2 Proceeding

No Party (other than the Holding Period Trustee) may take any proceedings against any officer, employee or agent of the Holding Period Trustee in respect of any claim it might have against the Holding Period Trustee, or in respect of any act or omission of any kind by that officer, employee or agent in relation to the Scheme or any Restructuring Document.

8.3 KYC

Nothing in this Deed shall oblige the Holding Period Trustee to carry out any "know your customer" or other checks in relation to any person and each other Party confirms to the Holding Period Trustee that each such Party is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Holding Period Trustee.

8.4 Limitation

Without prejudice to any provision of any Restructuring Document excluding or limiting the liability of the Holding Period Trustee or the Information Agent arising under or in connection with any Restructuring Document or the Scheme, the liability of the Holding Period Trustee or the Information Agent shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered but without reference to any special conditions or circumstances known to the Holding Period Trustee at any time which increase the amount of that loss. Notwithstanding any provision of this Deed or any other Restructuring Document to the contrary, in no event shall the Holding Period Trustee or the Information Agent be liable under any circumstances for any special, indirect, punitive, special or consequential loss or damages of any kind whatsoever (including, but not limited to, lost profits, business, goodwill, reputation or opportunity), regardless of the form of action and whether arising directly or indirectly and whether or not foreseeable, even if the Holding Period Trustee is actually aware of or has been advised of the likelihood of such loss or damage and regardless of whether the claim for such loss or damage is made in negligence, for breach of contract, breach of trust or otherwise. The provisions of this clause 8.4 shall survive the termination or expiry of this Deed and/or the resignation or removal of the Trustee.

8.5 Liability of Trustee

The Holding Period Trustee shall be entitled to act in accordance with or rely upon any instruction, notice, request or other instrument delivered to it without being required to determine the authenticity or validity thereof or the truth or accuracy of any information stated therein. The Holding Period Trustee may act in reliance upon any signature reasonably believed by it in good faith to be genuine and may assume that any person purporting to make any statement or execute any document in connection with the provisions hereof has been duly authorized to do so. The Holding Period Trustee may consult with counsel satisfactory to it, and the opinion or advice of such counsel shall be full and complete authorisation and protection in respect of any action taken, suffered or omitted by it in good faith and in accordance with the opinion and advice of such counsel.

9. Remuneration

9.1 Remuneration

The Scheme Company shall pay the Holding Period Trustee remuneration for its services as Holding Period Trustee on such dates and at such rates as they may from time to time agree, including in the Holding Period Trustee Engagement Letter. Such remuneration will accrue from day to day from the date of this Deed and be payable for the duration of the Holding Period in accordance with the terms of the Holding Period Trustee Engagement Letter.

9.2 Expenses

The Scheme Company, will also, within 14 days of any receipt of a demand by the Holding Period Trustee, in accordance with the terms of the Holding Period Trustee Engagement Letter, pay or discharge all costs, charges, liabilities and expenses properly and reasonably incurred by the Holding Period Trustee in the preparation and execution of this Deed and the performance of its functions under this Deed, the Scheme Document, or any Restructuring Document including, but not limited to, properly and reasonably incurred legal fees, provided that the Holding Period Trustee shall notify the Scheme Company of any such costs, charges, liabilities or expenses exceeding US \$ 5,000.00.

10. Resignation or removal of the Holding Period Trustee

10.1 Resignation

The Holding Period Trustee may resign at any time and appoint one of its Affiliates as successor by giving not less than 10 Business Days' prior written notice to the Scheme Company, subject to such a successor having the necessary skills and experience to provide professional trustee services and such successor agreeing in writing to be bound by the terms of the Scheme, this Deed and any other Restructuring Document applicable to it.

10.2 On Notice

The Holding Period Trustee may resign at any time by giving not less than 30 Business Days' prior written notice to the Scheme Company, in which case the Scheme Company may appoint a successor Holding Period Trustee.

10.3 Successor

If the Scheme Company has not appointed a successor Holding Period Trustee (x) in accordance with Clause 10.2 above within 20 Business Days from the date the notice of resignation is given or (y) in accordance with clause 10.5 below within 20 Business Days from the date the notice of removal is given, the retiring Holding Period Trustee will (in consultation with the Scheme Company) appoint a successor Holding Period Trustee, subject to that successor Holding Period Trustee having the necessary skills and experience to provide professional trustee services and such successor agreeing in writing to be bound by the terms of the Scheme, this Deed and any other Restructuring Document applicable to it.

10.4 Retiring Holding Period Trustee

The retiring Holding Period Trustee shall make available to the successor Holding Period Trustee such documents and records and provide such assistance as the successor Holding Period Trustee may reasonably request for the purposes of performing its functions as Holding Period Trustee under the Scheme Document and this Deed, including (without limitation) notifying all known Trust Beneficiaries of the retirement of the existing Holding Period Trustee and appointment of its successor Holding Period Trustee. The retiring Holding Period Trustee shall transfer, without prejudice to the rights of the Trust Beneficiaries, all Trust Property to the successor Holding Period Trustee. The retiring Holding Period Trustee shall be reimbursed from the Trust Property or from any indemnity which it has the benefit of from the Scheme Company for the amount of all costs and expenses (including legal fees) properly and reasonably incurred by it in making available such documents and records and providing such assistance.

10.5 Resignation or Removal on Notice

- (a) The Holding Period Trustee's resignation notice shall only take effect upon:
 - (i) the appointment of a successor with the necessary skills and experience to provide professional trustee services who agrees in writing to be bound by the terms of this Deed, the Scheme Document and any other Restructuring Document applicable to it; and
 - (ii) the transfer, without prejudice to the rights of the Trust Beneficiaries, of all the Trust Property to that successor.
- (b) The appointment of the retiring Holding Period Trustee will terminate without prejudice to any rights of or liabilities incurred by the retiring Holding Period Trustee prior to termination of its appointment.

- (c) Provided that it has first received the prior written consent of the New Notes Trustee to such removal, the Scheme Company shall be entitled to remove the Holding Period Trustee or any successor Holding Period Trustee at any time by giving to the Holding Period Trustee or any successor Holding Period Trustee 30 Business Days' prior notice in writing.
- (d) The Scheme Company's removal of the Holding Period Trustee shall only take effect effect upon:
 - (i) the appointment of a successor (whether by the Scheme Company, or by the Holding Period Trustee in accordance with clause 10.3 above) with the necessary skills and experience to provide professional trustee services who agrees in writing to be bound by the terms of this Deed, the Scheme Document and any other Restructuring Document applicable to it; and
 - (ii) the transfer, without prejudice to the rights of the Trust Beneficiaries, of all the Trust Property to that successor.

11. Confidentiality

11.1 Separate Entity

In acting as trustee for the Trust Beneficiaries, the Holding Period Trustee shall be regarded as acting through its trustee division which shall be treated as a separate entity from any other of its divisions or departments.

11.2 Confidential Information

Unless this Deed expressly specifies otherwise, the Holding Period Trustee may disclose to any other Party any information it reasonably believes it has received as trustee under this Deed and in relation to which it has not entered into any other confidentiality agreement.

11.3 No Duty to Disclose

Notwithstanding any other provision of the Scheme Document or any Restructuring Document to the contrary, the Holding Period Trustee is not obliged to disclose to any other person (i) any confidential information, or (ii) any other information if the disclosure would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty.

12. Information from the Information Agent

12.1 The Information Agent shall, to the extent practicable, supply the Holding Period Trustee with any information that the Holding Period Trustee may reasonably specify as being necessary or desirable to enable the Holding Period Trustee to perform its functions as Holding Period Trustee.

12.2 The Holding Period Trustee is authorised to disclose information concerning the Holding Period Trust and the Trust Property to its Affiliates and other providers of services to it as may be reasonably necessary in connection with its performance of this Deed (including lawyers and accountants for the Holding Period Trustee).

13. Custodians and Nominees

13.1 The Holding Period Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to any asset of the Holding Period Trust as the Holding Period Trustee may determine, including for the purpose of depositing with a custodian this Deed, any Trust Property or any document relating to the Holding Period Trust, and the Holding Period Trustee

shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it under this Deed (provided it has exercised reasonable care in the selection of such custodian or nominee) or be bound to supervise the proceedings or acts of any person.

- 13.2 In order for an appointment of a nominee or custodian contemplated by Clause 13.1 above to be effective, the agreement in respect of such appointment must be consistent with the terms of this Deed.

14. Miscellaneous Provisions

14.1 Delegation by the Holding Period Trustee

- (a) The Holding Period Trustee may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any right, power, authority or discretion vested in it in its capacity as such.
- (b) That delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Holding Period Trustee may, in its discretion (acting reasonably), think fit in the interests of the Trust Beneficiaries.
- (c) The Holding Period Trustee shall not be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate (provided it has exercised reasonable care in the selection of such delegate or sub-delegate).

14.2 Additional Holding Period Trustees

- (a) The Holding Period Trustee may at any time appoint (and subsequently remove) any person to act as a separate trustee or as a co-trustee jointly with it, subject to such a trustee agreeing in writing to be bound by the terms of the Scheme Document, this Deed and any other Restructuring Document applicable to it:
 - (i) if it reasonably considers that appointment to be in the interests of the Trust Beneficiaries;
 - (ii) for the purposes of conforming to any legal requirement, restriction or condition which the Holding Period Trustee deems to be relevant; or
 - (iii) for obtaining or enforcing any judgment in any jurisdiction,and the Holding Period Trustee shall give prior notice to the Scheme Company of that appointment.
- (b) Any person so appointed shall have the rights, powers, authorities and discretions (not exceeding those given to the Holding Period Trustee under or in connection with the Scheme, this Deed and any other Restructuring Document applicable to it) and the duties, obligations and responsibilities that are given or imposed by the instrument of appointment.
- (c) The remuneration that the Holding Period Trustee may pay to that person, and any costs and expenses properly and reasonably incurred by that person in performing its functions pursuant to that appointment shall, for the purposes of this Deed, be treated as costs and expenses incurred by the Holding Period Trustee, provided that the Holding Period Trustee has obtained the prior written consent of the Scheme Company to any such remuneration, costs and expenses being incurred.

14.3 Acceptance of Title

The Holding Period Trustee shall be entitled to accept without enquiry, and shall not be obliged to investigate, any right and title that any Trust Beneficiary may have to any of the Trust Property and shall not be liable for, or bound to require any person to remedy, any defect in its right or title.

14.4 Powers Supplemental to Trustee Acts

The rights, powers, authorities and discretions given to the Holding Period Trustee under or in connection with the Scheme and this Deed shall be supplemental to the Trustee Act 1925 and the Trustee Act 2000 (the “**Trustee Acts**”) and in addition to any which may be vested in the Holding Period Trustee by law or regulation or otherwise.

14.5 Disapplication of Trustee Acts

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Holding Period Trustee in relation to the trusts constituted by this Deed. Where there are any inconsistencies between the Trustee Act 1925 or the Trustee Act 2000 and the provisions of this Deed, the provisions of this Deed shall, to the extent permitted by law and regulation, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this Deed shall constitute a restriction or exclusion for the purposes of that Act.

14.6 Indemnity from Trust Property

The Holding Period Trustee may, in priority to any payment to the Trust Beneficiaries, indemnify itself out of the Trust Property in respect of, and pay and retain, all sums necessary to give effect to any indemnity and shall have a lien on the Trust Property for all moneys payable to it.

14.7 Winding Up of Trust

If all Trust Property has been distributed to the relevant Trust Beneficiaries in accordance with this Deed then the trust set out in this Deed shall be wound up and each of the Holding Period Trustee and the Information Agent shall have no further duties, responsibilities or obligations hereunder.

15. Notices

15.1 Communications in Writing

Each communication to be made under or in connection with this Deed shall be made in English and in writing and, unless otherwise stated, shall be made by e-mail or letter.

15.2 Addresses

The address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:

- (a) in the case of the Holding Period Trustee:

GLAS Trustees Limited
55 Ludgate Hill
Level 1, West
London, England, EC4M 7JW

Attention: Manager DCM / Digicel Group

Email: dcm@glas.agency

- (b) in the case of the Information Agent:

Epiq Corporate Restructuring LLC
777 Third Avenue, 12th Floor
New York, NY 10017
United States

Attention: Jane Sullivan

Email: tabulation@epiqglobal.com

- (c) in the case of the Scheme Company:

Digicel Group Holding Limited
Clarendon House
2 Church Street
Hamilton, HM11
Bermuda

Attention: Jarleth Burke, General Counsel – Digicel Group
Jelani Aruelo, Project Co-Ordinator – Digicel Group

Email: jarleth.burke@digicelgroup.com
jelani.aruelo@digicelgroup.com

With a copy to:

c/o Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
United States

Attention: Timothy Graulich
Darren Klein
Stephen D. Piraino
Richard J. Steinberg

Email: timothy.graulich@davispolk.com
darren.klein@davispolk.com
stephen.piraino@davispolk.com
richard.steinberg@davispolk.com

or any substitute address or department or officer as each Party may notify to the others by not less than 5 Business Days' notice.

15.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:
- (i) if by way of e-mail, when received in legible form;
 - (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being sent by prepaid first class post addressed to it at that address; and
 - (iii) if a particular department or officer is specified as part of its address details provided under this Deed if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Holding Period Trustee will be effective only when actually received by the Holding Period Trustee and then only if it is expressly marked for the attention of the department or officer identified in clause 15.2(a) above (or any substitute department or officer as the Holding Period Trustee shall specify for this purpose).

16. Miscellaneous

16.1 Entire Agreement

This Deed and the Scheme Document set out the entire agreement between the Parties relating to the subject matter hereof and supersede and extinguish all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

16.2 Counterparts

This Deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.

16.3 Other Agreements

Nothing in this Deed is intended to limit any rights or obligations of the Scheme Company or a Trust Beneficiary under the Scheme, any Restructuring Document or any other agreement or deed entered into in connection with the Restructuring.

16.4 Assignment

All rights and benefits of this Deed are personal to the parties hereto and may not be assigned at law or in equity without prior consent of the other Parties. For the avoidance of doubt, the rights and benefits of any Trust Beneficiary may not be assigned at law or in equity without prior consent of the relevant Trust Beneficiary.

16.5 Amendments

Any amendment, variation, waiver or modification in relation to this Deed shall be in writing and shall require both (a) the agreement of all Parties, and (b) the prior written consent of the New Notes Trustee (in accordance with the terms of the Note Agreement), provided that any such amendment, variation, waiver or modification shall not be inconsistent with the terms of the Scheme or any Restructuring Document or materially prejudicial to the interests of the Trust Beneficiaries or any one of them. No amendment, variation, waiver or modification in relation to this Deed will be effective unless it is signed by all the Parties to this Deed.

16.6 No Waiver; Cumulative Remedies

No failure to exercise and no delay in exercising, on the part of the Holding Period Trustee, any right, remedy, power or privilege under this Deed shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege under this Deed preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

16.7 Governing Law

This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

16.8 Jurisdiction

The courts of England have exclusive jurisdiction to settle any dispute arising out of or connected with this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity).

In Witness whereof this document has been executed as a deed and is delivered and takes effect on the date first above written.

**SCHEDULE
ASSIGNMENT AGREEMENT**

To: [] (as the "**Paying Agent**")

Copy to: Digicel Group Holdings Limited (as the "**Company**")
[Global Loan Agency Services Limited] (as the "**Paying Agent**")

From: GLAS Trustees Limited (the "**Existing Holder**") and [the *New Holder*] (the "**New Holder**")

Dated:

Digicel Group Holdings Limited – Note Agreement in respect of the [insert description of the Notes] (the "Notes") dated [●] 2023 (the "Agreement")

1. We refer to the Agreement. This is an Assignment Agreement. Terms defined in the Agreement have the same meaning in this Assignment Agreement unless given a different meaning in this Assignment Agreement.
2. We refer to Section [16.1] (*Transfer of Notes*) and Section [16.4] (*Procedure for assignment*) of the Agreement:
 - (a) The Existing Holder confirms it intends to transfer the Notes.
 - (b) The Existing Holder assigns absolutely to the New Holder the aggregate principal amount of the Notes specified in Schedule 1 together with all the rights of the Existing Holder under the Agreement and the other Finance Documents which relate to such Notes.
 - (c) The Existing Holder is released from all the obligations of the Existing Holder which correspond to such Notes specified in Schedule 1.
 - (d) The New Holder is bound by obligations equivalent to those from which the Existing Holder is released under paragraph (c) above.
3. By executing this Assignment Agreement, the New Holder confirms, with respect to any Junior Tranche Notes only, that it is not a Company Affiliate (as such term is defined in the Intercreditor Agreement) (including, for the avoidance of doubt, the Supporting Shareholder and each of its Affiliates).
4. The New Holder confirms that it has received a copy of the Agreement and agrees to be bound by the terms thereof.
5. The New Holder confirms that it has received a copy of the Agency Agreement and agrees to be bound by the terms thereof.
6. The New Holder confirms that it has received a copy of the Intercreditor Agreement and agrees to be bound by the terms thereof.
7. In connection with the transfer, the Existing Holder certifies that such transfer has been effected in accordance with the terms and conditions of the Agreement and in compliance with the

federal securities laws of the United States, including the Securities Act, and other applicable state securities or blue sky laws.

8. The New Holder understands that:
 - (a) the Notes have not been registered under the Securities Act, were issued by the Company in transactions exempt from the registration requirements of the Securities Act and the Company has not undertaken to register the Notes under the Securities Act or any state or blue sky law; and
 - (b) the Notes may not be offered or sold except pursuant to an effective registration statement under the Securities Act or pursuant to an applicable exemption from registration under the Securities Act, subject to the terms relating to the restriction on sales in the Agreement.
9. The New Holder confirms that it and each account for which it is acting (if any) is either an "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act and/ or a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act, and was not formed for the specific purpose of investing in the Notes, or is a non-US Person (as defined in Regulation S) and is purchasing the Notes in an offshore transaction in accordance with Regulation S under the Securities Act.
10. The New Holder confirms that it is acquiring the Notes for the New Holder's own benefit and account for investment only and not with a view to, or for resale in connection with, a public offering or distribution thereof.
11. The New Holder confirms that it has not taken and will not take any action that would subject the issue and subscription of the Notes to the registration requirements of the Securities Act or to the registration, filing or qualification requirements of any securities or blue sky laws of any applicable jurisdiction, and will comply with the transfer restrictions set forth in the Note Agreement and the New Notes.
12. [The proposed Transfer Date is [].]
13. The Specified Office and address, fax number and attention details for notices of the New Holder for the purposes of Section [23.2] (*Addresses*) of the Agreement are set out in Schedule 1.
14. The New Holder expressly acknowledges the limitations on the Existing Holder's obligations set out in paragraph (c) of Section [16.3] (*Limitation of responsibility of Existing Holders*) of the Agreement.
15. The New Holder, by executing this Assignment Agreement, makes the representations in Section [20] (*Representations of the Electing Creditors*) of the Agreement as if the references to "Electing Creditor" were to the "New Holder".
16. This Assignment Agreement 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 Assignment Agreement.
17. This Assignment Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.
18. This Assignment Agreement has been entered into on the date stated at the beginning of this Assignment Agreement.

Schedule 1

Principal Amount of Notes to be transferred

[insert relevant details]

[Specified Office address, fax number and attention details for notices and account details for payments]

GLAS Trustees Limited

[New Holder]

By:

By:

Signatures

The Scheme Company

Executed and delivered as a deed by
DIGICEL GROUP HOLDING LIMITED
acting by its director in the presence of:



.....
Name:
Title: Director

.....
Witness Signature
Witness Name:
Witness Occupation
Witness Address

The Information Agent

Executed and delivered as a deed by **EPIQ
CORPORATE RESTRUCTURING LLC**
acting by [●], as authorised signatory, in the
presence of:



.....
Name:

Title: Authorised Signatory

.....
Witness Signature

Witness Name:

Witness Occupation:

Witness Address:

The Holding Period Trustee

Executed and delivered as a deed by **GLAS TRUSTEES LIMITED** acting by [●], an authorised signatory, in the presence of:



.....
Name:

Title: Authorised Signatory

.....
Witness Signature

Witness Name:

Witness

Occupation:

Witness Address:

APPENDIX 9
AMENDED AND RESTATED BYE-LAWS OF DGHL

CONYERS

Amended and Restated Bye-laws of

Digicel Group Holdings Limited

Clarendon House, 2 Church Street

Hamilton HM 11, Bermuda

conyers.com

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INTERPRETATION

1. DEFINITIONS

- 1.1. In these Bye-laws, the following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:

“Act”	the Companies Act 1981;
“Alternate Director”	an alternate director appointed in accordance with these Bye-laws;
“Auditor”	includes an individual, company or partnership;
“Board”	the board of directors (including, for the avoidance of doubt, a sole director) appointed or elected pursuant to these Bye-laws and acting by resolution in accordance with the Act and these Bye-laws or the directors present at a meeting of directors at which there is a quorum;
“Cause”	means a (A) willful and continued failure by the Supporting Shareholder to substantially perform his duties (other than as a result of his total or partial incapacity); (B) commission of gross negligence in the performance of Supporting Shareholder's duties and responsibilities to the Company that is likely to materially injure the reputation, business or a business relationship of the Company; or (C) indictment for a felony or any other crime involving moral turpitude, malfeasance, fraud, embezzlement or material theft of the Company's property, or a guilty or nolo contendere plea with respect thereto, which, in the case of a crime of moral turpitude or with respect to malfeasance, is materially and demonstrably injurious to the Company, or such equivalent procedures under any applicable laws; or (D) willful and material violation of the Supporting Shareholder's restrictive covenants (other than isolated, unintentional and immaterial breaches); <i>provided</i> that the Supporting Shareholder shall be provided notice and a fifteen-day cure right, if reasonably capable of prompt cure, prior to a termination for Cause and shall not be deemed to

have been terminated for Cause unless and until there shall have been delivered to him a notice of termination, which shall include a copy of a resolution duly adopted by the affirmative vote of a majority of the Board at a meeting of the Board called and held for that purpose (after reasonable notice to the Supporting Shareholder and an opportunity for him, together with counsel, to be heard before the Board), finding that in the good faith opinion of the Board, the Supporting Shareholder was engaged in conduct justifying termination for Cause and specifying the particulars thereof in detail; provided, further, that if (i) after the Supporting Shareholder's employment is terminated, the Supporting Shareholder materially breaches his post-employment non-compete or non-solicit provisions; or (ii) within nine months after the Supporting Shareholder's termination, the Company discovers facts such that grounds for Cause existed at the time of such termination, then the Supporting Shareholder's termination will be deemed to have been for Cause for all purposes;

"Company"	the company for which these Bye-laws are approved and confirmed;
"Director"	a director of the Company and shall include an Alternate Director;
"Independent Directors"	means the Initial Independent Directors, and any subsequent person(s) appointed as a replacement for such Directors in accordance with the provisions of Bye-law 36;
"Initial Independent Directors"	has the meaning given in Bye-law 37.2;
"Majority Junior Transfer Event"	shall occur: (i) if, at any time, New Note 1A or New Note 2A are outstanding, and the sum of: (a) with respect to each holder of New Note 1A and New Note 1B that holds a greater proportion of New

Note 1B (calculated as a percentage by reference to the aggregate principal amount of New Note 1B then outstanding (the “**Tranche 1B Notes Percentage**”)) than it does New Note 1A (calculated as a percentage by reference to the aggregate principal amount of New Note 1A then outstanding (the “**Tranche 1A Notes Percentage**”)) an aggregate principal amount of such holder’s New Note 1B that is equal to the product of (x) the Tranche 1B Notes Percentage minus the Tranche 1A Notes Percentage, and (y) the aggregate principal amount of New Note 1B then outstanding;

(b) with respect to each holder of New Note 2A and New Note 2B that holds a greater proportion of New Note 2B (calculated as a percentage by reference to the aggregate principal amount of New Note 2B then outstanding (the “**Tranche 2B Notes Percentage**”)) than it does New Note 2A (calculated as a percentage by reference to the aggregate principal amount of New Note 2A then outstanding (the “**Tranche 2A Notes Percentage**”)) an aggregate principal amount of such holder’s New Note 2B that is equal to the product of (x) the Tranche 2B Notes Percentage minus the Tranche 2A Notes Percentage, and (y) the aggregate principal amount of New Note 2B then outstanding;

(c) the aggregate principal amount of all New Note 1Bs then outstanding held by entities which do not hold any New 1A Notes; and

(d) the aggregate principal amount of all New Note 2Bs then outstanding held by entities which do not hold any New 2A Notes,

represents more than 50% of the aggregate principal amount of New Note 1B and New Note 2B then outstanding; or

(ii) if, at any time, there are no New Note 1As or New Note 2As outstanding, and the sum of:

(a) with respect to each holder of New Note 3A and New Note 3B that holds a greater proportion of New Note 3B (calculated as a percentage by reference to the aggregate principal amount of New Note 3B then outstanding (the **"Tranche 3B Notes Percentage"**)) than it does New Note 3A (calculated as a percentage by reference to the aggregate principal amount of New Note 3A then outstanding (the **"Tranche 3A Notes Percentage"**)) an aggregate principal amount of such holder's New Note 3B that is equal to the product of (x) the Tranche 3B Notes Percentage minus the Tranche 3A Notes Percentage, and (y) the aggregate principal amount of New Note 3B then outstanding;

(b) with respect to each holder of New Note 4A and New Note 4B that holds a greater proportion of New Note 4B (calculated as a percentage by reference to the aggregate principal amount of New Note 4B then outstanding (the **"Tranche 4B Notes Percentage"**)) than it does New Note 4A (calculated as a percentage by reference to the aggregate principal amount of New Note 4A then outstanding (the **"Tranche 4A Notes Percentage"**)) an aggregate principal amount of such holder's New Note 4B that is equal to the product of (x) the Tranche 4B Notes Percentage minus the Tranche 4A Notes Percentage, and (y) the aggregate principal amount of New Note 4B then outstanding;

(c) the aggregate principal amount of all New Note 3Bs then outstanding held by entities which do not hold any New 3A Notes; and

(d) the aggregate principal amount of all New Note 4Bs then outstanding held by entities which do not hold any New 4A Notes,

represents more than 50% of the aggregate principal amount of New Note 3B and New Note 4B then outstanding;

"Member"

the person registered in the Register of Members as the holder of shares in the Company and, when two

or more persons are so registered as joint holders of shares, means the person whose name stands first in the Register of Members as one of such joint holders or all of such persons, as the context so requires;

“NA”	means the single Note Agreement between, <i>inter alia</i> , the Company, Digicel Investments Limited, GLAS Trustees Limited as Note Agent, the Electing Creditors as set out therein and GLAS Trustees Limited as holding period trustee, dated as of [●] 2023;
“Note Agent”	has the meaning given to that term in the NA;
“New Note 1A”	means the senior series of New Senior Notes to be issued under the NA as “New Note 1A”;
“New Note 1B”	means the junior series of New Senior Notes to be issued under the NA as “New Note 1B”;
“New Note 2A”	means the senior series of New Senior Notes to be issued under the NA as “New Note 2A”;
“New Note 2B”	means the junior series of New Senior Notes to be issued under the NA as “New Note 2B”;
“New Note 3A”	means the senior series of New Subordinated Notes to be issued under the NA as “New Note 3A”;
“New Note 3B”	means the junior series of New Subordinated Notes to be issued under the NA as “New Note 3B”;
“New Note 4A”	means the senior series of New Subordinated Notes to be issued under the NA as “New Note 4A”;
“New Note 4B”	means the junior series of New Subordinated Notes to be issued under the NA as “New Note 4B”;
“New Notes”	means the eight series of new limited recourse senior secured notes issued by the Company under the NA, being collectively, New Note 1A, New Note 1B, New Note 2A, New Note 2B, New Note 3A, New Note 3B, New Note 4A and New Note 4B;

“Notice”	written notice as further provided in these Bye-laws unless otherwise specifically stated;
“Officer”	any person appointed by the Board to hold an office in the Company;
“Parent Share Charge”	means the share charge granted by Digicel Investments Limited over the shares that it holds in the Company;
“Partial Tranche Redemption Event”	B means the date on which either the New Note 1B or the New Note 2B (but not both) have been redeemed in full and are cancelled in accordance with the NA;
“Proposed Director”	means any individual nominated for appointment to the Board;
“Post-Closing Budget”	means a budget for the ongoing costs and expenses of the Company to be agreed as a condition to the effectiveness of the Scheme;
“Redemption Event”	means the date on which each of the New Note 1A, New Note 1B, New Note 2A and New Note 2B have been redeemed in full and are cancelled in accordance with the NA;
“Register of Directors and Officers”	the register of directors and officers referred to in these Bye-laws;
“Register of Members”	the register of members referred to in these Bye-laws;
“Resident Representative”	any person appointed to act as resident representative and includes any deputy or assistant resident representative;
“Scheme”	means the scheme of arrangement under section 99 of the Act in respect of the Company, as sanctioned by the Supreme Court of Bermuda on [●] 2023;
“Secretary”	the person appointed to perform any or all of the duties of secretary of the Company and includes any deputy or assistant secretary and any person

	appointed by the Board to perform any of the duties of the Secretary;
“Security Agent”	has the meaning given to that term in the NA;
“Supporting Shareholder”	means Mr. Denis O'Brien;
“Telstra SPA”	means that certain share purchase agreement dated 24 October 2021 by and among BidCo (S) Pte. Ltd, Telstra Corporation Limited and the Company relating to the purchase and sale of Digicel Pacific Limited;
“Tranche A Redemption Event”	means the date on which each of the New Note 1A and New Note 2A have been redeemed in full and are cancelled in accordance with the NA;
“Tranche B Redemption Event”	means the date on which each of the New Note 1B and New Note 2B have been redeemed in full and are cancelled in accordance with the NA; and
“Treasury Share”	a share of the Company that was or is treated as having been acquired and held by the Company and has been held continuously by the Company since it was so acquired and has not been cancelled.

1.2. In these Bye-laws, where not inconsistent with the context:

- (a) words denoting the plural number include the singular number and *vice versa*;
- (b) words denoting the masculine gender include the feminine and neuter genders;
- (c) words importing persons include companies, associations or bodies of persons whether corporate or not;
- (d) the words:-
 - (i) "may" shall be construed as permissive; and
 - (ii) "shall" shall be construed as imperative;
- (e) a reference to a statutory provision shall be deemed to include any amendment or re-enactment thereof;

- (f) the word "corporation" means a corporation whether or not a company within the meaning of the Act; and
 - (g) unless otherwise provided herein, words or expressions defined in the Act shall bear the same meaning in these Bye-laws.
- 1.3. In these Bye-laws expressions referring to writing or its cognates shall, unless the contrary intention appears, include facsimile, printing, lithography, photography, electronic mail and other modes of representing words in visible form.
- 1.4. Headings used in these Bye-laws are for convenience only and are not to be used or relied upon in the construction hereof.

SHARES

2. POWER TO ISSUE SHARES

- 2.1. Subject to these Bye-laws and to any resolution of the Members to the contrary, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board shall have the power to issue any unissued shares on such terms and conditions as it may determine and any shares or class of shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Company may by resolution of the Members prescribe.
- 2.2. Subject to the Act, any preference shares may be issued or converted into shares that (at a determinable date or at the option of the Company or the holder) are liable to be redeemed on such terms and in such manner as may be determined by the Board (before the issue or conversion).

3. POWER OF THE COMPANY TO PURCHASE ITS SHARES

- 3.1. The Company may purchase its own shares for cancellation or acquire them as Treasury Shares in accordance with the Act on such terms as the Board shall think fit.
- 3.2. The Board may exercise all the powers of the Company to purchase or acquire all or any part of its own shares in accordance with the Act.

4. RIGHTS ATTACHING TO SHARES

- 4.1. Subject to any resolution of the Members to the contrary (and without prejudice to any special rights conferred thereby on the holders of any other shares or class of shares), the share capital shall be divided into shares of a single class the holders of which shall, subject to these Bye-laws:
- (a) be entitled to one vote per share;

- (b) be entitled to such dividends as the Board may from time to time declare;
 - (c) in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for the purpose of a reorganisation or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company; and
 - (d) generally be entitled to enjoy all of the rights attaching to shares.
- 4.2. All the rights attaching to a Treasury Share shall be suspended and shall not be exercised by the Company while it holds such Treasury Share and, except where required by the Act, all Treasury Shares shall be excluded from the calculation of any percentage or fraction of the share capital, or shares, of the Company.
- 4.3. The Members hereby acknowledge and agree that, in each of circumstances specified herein where the Bye-laws accord any rights to the holders of the New Notes, the Members will exercise all of their powers (including their voting rights) in support of the rights of the holders of the New Notes and in a manner so as not to frustrate any such rights.

5. CALLS ON SHARES

- 5.1. The Board may make such calls as it thinks fit upon the Members in respect of any moneys (whether in respect of nominal value or premium) unpaid on the shares allotted to or held by such Members and, if a call is not paid on or before the day appointed for payment thereof, the Member may at the discretion of the Board be liable to pay the Company interest on the amount of such call at such rate as the Board may determine, from the date when such call was payable up to the actual date of payment. The Board may differentiate between the holders as to the amount of calls to be paid and the times of payment of such calls.
- 5.2. The joint holders of a share shall be jointly and severally liable to pay all calls and any interest, costs and expenses in respect thereof.
- 5.3. The Company may accept from any Member the whole or a part of the amount remaining unpaid on any shares held by him, although no part of that amount has been called up.

6. FORFEITURE OF SHARES

- 6.1. If any Member fails to pay, on the day appointed for payment thereof, any call in respect of any share allotted to or held by such Member, the Board may, at any time thereafter during such time as the call remains unpaid, direct the Secretary to forward such Member a notice in writing in the form, or as near thereto as circumstances admit, of the following:

Notice of Liability to Forfeiture for Non-Payment of Call

[Name of Company] (the "Company")

You have failed to pay the call of [amount of call] made on [date], in respect of the [number] share(s) [number in figures] standing in your name in the Register of Members of the Company, on [date], the day appointed for payment of such call. You are hereby notified that unless you pay such call together with interest thereon at the rate of [] per annum computed from the said [date] at the registered office of the Company the share(s) will be liable to be forfeited.

Dated this [date]

[Signature of Secretary] By Order of the Board

- 6.2. If the requirements of such notice are not complied with, any such share may at any time thereafter before the payment of such call and the interest due in respect thereof be forfeited by a resolution of the Board to that effect, and such share shall thereupon become the property of the Company and may be disposed of as the Board shall determine. Without limiting the generality of the foregoing, the disposal may take place by sale, repurchase, redemption or any other method of disposal permitted by and consistent with these Bye-laws and the Act.
- 6.3. A Member whose share or shares have been so forfeited shall, notwithstanding such forfeiture, be liable to pay to the Company all calls owing on such share or shares at the time of the forfeiture, together with all interest due thereon and any costs and expenses incurred by the Company in connection therewith.
- 6.4. The Board may accept the surrender of any shares which it is in a position to forfeit on such terms and conditions as may be agreed. Subject to those terms and conditions, a surrendered share shall be treated as if it had been forfeited.

7. SHARE CERTIFICATES

- 7.1. Every Member shall be entitled to a certificate under the common seal (or a facsimile thereof) of the Company or bearing the signature (or a facsimile thereof) of a Director or the Secretary or a person expressly authorised to sign specifying the number and, where appropriate, the class of shares held by such Member and whether the same are fully paid up and, if not, specifying the amount paid on such shares. The Board may by resolution determine, either generally or in a particular case, that any or all signatures on certificates may be printed thereon or affixed by mechanical means.
- 7.2. The Company shall be under no obligation to complete and deliver a share certificate unless specifically called upon to do so by the person to whom the shares have been allotted.

- 7.3. If any share certificate shall be proved to the satisfaction of the Board to have been worn out, lost, mislaid, or destroyed the Board may cause a new certificate to be issued and request an indemnity for the lost certificate if it sees fit.

8. FRACTIONAL SHARES

The Company may issue its shares in fractional denominations and deal with such fractions to the same extent as its whole shares and shares in fractional denominations shall have in proportion to the respective fractions represented thereby all of the rights of whole shares including (but without limiting the generality of the foregoing) the right to vote, to receive dividends and distributions and to participate in a winding-up.

REGISTRATION OF SHARES

9. REGISTER OF MEMBERS

- 9.1. The Board shall cause to be kept in one or more books a Register of Members and shall enter therein the particulars required by the Act.
- 9.2. The Register of Members shall be open to inspection without charge at the registered office of the Company on every business day, subject to such reasonable restrictions as the Board may impose, so that not less than two hours in each business day be allowed for inspection. The Register of Members may, after notice has been given in accordance with the Act, be closed for any time or times not exceeding in the whole thirty days in each year.

10. REGISTERED HOLDER ABSOLUTE OWNER

The Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not be bound to recognise any equitable claim or other claim to, or interest in, such share on the part of any other person.

11. TRANSFER OF REGISTERED SHARES

- 11.1. An instrument of transfer shall be in writing in the form of the following, or as near thereto as circumstances admit, or in such other form as the Board may accept:

Transfer of a Share or Shares

[Name of Company] (the "Company")

FOR VALUE RECEIVED..... [amount] , I, [name of transferor]
hereby sell, assign and transfer unto [transferee] of [address] , [number]
shares of the Company.

DATED this [date]

Signed by:

In the presence of:

 Transferor

 Witness

Signed by:

In the presence of:

 Transferee

 Witness

- 11.2. Such instrument of transfer shall be signed by (or in the case of a party that is a corporation, on behalf of) the transferor and transferee, provided that, in the case of a fully paid share, the Board may accept the instrument signed by or on behalf of the transferor alone. The transferor shall be deemed to remain the holder of such share until the same has been registered as having been transferred to the transferee in the Register of Members.
- 11.3. The Board may refuse to recognise any instrument of transfer unless it is accompanied by the certificate in respect of the shares to which it relates and by such other evidence as the Board may reasonably require showing the right of the transferor to make the transfer.
- 11.4. The joint holders of any share may transfer such share to one or more of such joint holders, and the surviving holder or holders of any share previously held by them jointly with a deceased Member may transfer any such share to the executors or administrators of such deceased Member.
- 11.5. The Board may in its absolute discretion and without assigning any reason therefor refuse to register the transfer of a share. The Board shall refuse to register a transfer unless all applicable consents, authorisations and permissions of any governmental body or agency in Bermuda have been obtained. If the Board refuses to register a transfer of any share the Secretary shall, within three months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal.
- 11.6. Notwithstanding anything to the contrary in these Bye-laws, shares that are listed or admitted to trading on an appointed stock exchange may be transferred in accordance with the rules and regulations of such exchange.
- 11.7. Notwithstanding anything to the contrary in these Bye-laws, the Company and the directors shall not decline to register any transfer of shares, nor may they suspend such registration, where such transfer (a) is to any secured party (b) is delivered to the Company for registration by a secured party in order to perfect its security over the shares, or (c) is executed by a secured party pursuant to the power of sale or otherwise under such security.

12. TRANSMISSION OF REGISTERED SHARES

- 12.1. In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the

deceased Member was a sole holder, shall be the only persons recognised by the Company as having any title to the deceased Member's interest in the shares. Nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the Act, for the purpose of this Bye-law, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorised to deal with the shares of a deceased Member.

- 12.2. Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may be registered as a Member upon such evidence as the Board may deem sufficient or may elect to nominate some person to be registered as a transferee of such share, and in such case the person becoming entitled shall execute in favour of such nominee an instrument of transfer in writing in the form, or as near thereto as circumstances admit, of the following:

Transfer by a Person Becoming Entitled on Death/Bankruptcy of a Member

[Name of Company] (the "Company")

I/We, having become entitled in consequence of the [death/bankruptcy] of [name and address of deceased/bankrupt Member] to [number] share(s) standing in the Register of Members of the Company in the name of the said [name of deceased/bankrupt Member] instead of being registered myself/ourselves, elect to have [name of transferee] (the "Transferee") registered as a transferee of such share(s) and I/we do hereby accordingly transfer the said share(s) to the Transferee to hold the same unto the Transferee, his or her executors, administrators and assigns, subject to the conditions on which the same were held at the time of the execution hereof; and the Transferee does hereby agree to take the said share(s) subject to the same conditions.

DATED this [date]

Signed by:

In the presence of:

Transferor

Witness

Signed by:

In the presence of:

Transferee

Witness

- 12.3. On the presentation of the foregoing materials to the Board, accompanied by such evidence as the Board may require to prove the title of the transferor, the transferee shall be registered as a

Member. Notwithstanding the foregoing, the Board shall, in any case, have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by that Member before such Member's death or bankruptcy, as the case may be.

- 12.4. Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to such share or shares and the Company shall recognise no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.

ALTERATION OF SHARE CAPITAL

13. POWER TO ALTER CAPITAL

- 13.1. The Company may if authorised by resolution of the Members increase, divide, consolidate, subdivide, change the currency denomination of, diminish or otherwise alter or reduce its share capital in any manner permitted by the Act.
- 13.2. Where, on any alteration or reduction of share capital, fractions of shares or some other difficulty would arise, the Board may deal with or resolve the same in such manner as it thinks fit.

14. VARIATION OF RIGHTS ATTACHING TO SHARES

If, at any time, the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound-up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a resolution passed by a majority of the votes cast at a separate general meeting of the holders of the shares of the class at which meeting the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class. The rights conferred upon the holders of the shares of any class or series issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class or series, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

DIVIDENDS AND CAPITALISATION

15. DIVIDENDS

- 15.1. The Board may, subject to these Bye-laws and in accordance with the Act, declare a dividend to be paid to the Members, in proportion to the number of shares held by them, and such dividend may be paid in cash or wholly or partly in specie in which case the Board may fix the value for distribution in specie of any assets. No unpaid dividend shall bear interest as against the Company.
- 15.2. The Board may fix any date as the record date for determining the Members entitled to receive any dividend.

- 15.3. The Company may pay dividends in proportion to the amount paid up on each share where a larger amount is paid up on some shares than on others.
- 15.4. The Board may declare and make such other distributions (in cash or in specie) to the Members as may be lawfully made out of the assets of the Company. No unpaid distribution shall bear interest as against the Company.

16. POWER TO SET ASIDE PROFITS

The Board may, before declaring a dividend, set aside out of the surplus or profits of the Company, such amount as it thinks proper as a reserve to be used to meet contingencies or for equalising dividends or for any other purpose.

17. METHOD OF PAYMENT

- 17.1. Any dividend, interest, or other moneys payable in cash in respect of the shares may be paid by cheque or bank draft sent through the post directed to the Member at such Member's address in the Register of Members, or to such person and to such address as the Member may direct in writing, or by transfer to such account as the Member may direct in writing.
- 17.2. In the case of joint holders of shares, any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or bank draft sent through the post directed to the address of the holder first named in the Register of Members, or to such person and to such address as the joint holders may direct in writing, or by transfer to such account as the joint holders may direct in writing. If two or more persons are registered as joint holders of any shares any one can give an effectual receipt for any dividend paid in respect of such shares.
- 17.3. The Board may deduct from the dividends or distributions payable to any Member all moneys due from such Member to the Company on account of calls or otherwise.

18. CAPITALISATION

- 18.1. The Board may capitalise any amount for the time being standing to the credit of any of the Company's share premium or other reserve accounts or to the credit of the profit and loss account or otherwise available for distribution by applying such amount in paying up unissued shares to be allotted as fully paid bonus shares pro rata to the Members.
- 18.2. The Board may capitalise any amount for the time being standing to the credit of a reserve account or amounts otherwise available for dividend or distribution by applying such amounts in paying up in full, partly or nil paid shares of those Members who would have been entitled to such amounts if they were distributed by way of dividend or distribution.

MEETINGS OF MEMBERS

19. ANNUAL GENERAL MEETINGS

Subject to an election made by the Company in accordance with the Act to dispense with the holding of annual general meetings, an annual general meeting shall be held in each year (other than the year of incorporation) at such time and place as the president or the chairman of the Company (if any) or any two Directors or any Director and the Secretary or the Board shall appoint.

20. SPECIAL GENERAL MEETINGS

The president or the chairman of the Company (if any) or any two Directors or any Director and the Secretary or the Board may convene a special general meeting whenever in their judgment such a meeting is necessary.

21. REQUISITIONED GENERAL MEETINGS

The Board shall, on the requisition of Members holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up share capital of the Company as at the date of the deposit carries the right to vote at general meetings, forthwith proceed to convene a special general meeting and the provisions of the Act shall apply.

22. NOTICE

- 22.1. At least five days' notice of an annual general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held, that the election of Directors will take place thereat, and as far as practicable, the other business to be conducted at the meeting.
- 22.2. At least five days' notice of a special general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, time, place and the general nature of the business to be considered at the meeting.
- 22.3. The Board may fix any date as the record date for determining the Members entitled to receive notice of and to vote at any general meeting.
- 22.4. A general meeting shall, notwithstanding that it is called on shorter notice than that specified in these Bye-laws, be deemed to have been properly called if it is so agreed by (i) all the Members entitled to attend and vote thereat in the case of an annual general meeting; and (ii) by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the shares giving a right to attend and vote thereat in the case of a special general meeting.

- 22.5. The accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

23. GIVING NOTICE AND ACCESS

- 23.1. A notice may be given by the Company to a Member:

- (a) by delivering it to such Member in person, in which case the notice shall be deemed to have been served upon such delivery; or
- (b) by sending it by post to such Member's address in the Register of Members, in which case the notice shall be deemed to have been served seven days after the date on which it is deposited, with postage prepaid, in the mail; or
- (c) by sending it by courier to such Member's address in the Register of Members, in which case the notice shall be deemed to have been served two days after the date on which it is deposited, with courier fees paid, with the courier service; or
- (d) by transmitting it by electronic means (including facsimile and electronic mail, but not telephone) in accordance with such directions as may be given by such Member to the Company for such purpose, in which case the notice shall be deemed to have been served at the time that it would in the ordinary course be transmitted; or
- (e) by delivering it in accordance with the provisions of the Act pertaining to delivery of electronic records by publication on a website, in which case the notice shall be deemed to have been served at the time when the requirements of the Act in that regard have been met.

- 23.2. Any notice required to be given to a Member shall, with respect to any shares held jointly by two or more persons, be given to whichever of such persons is named first in the Register of Members and notice so given shall be sufficient notice to all the holders of such shares.

- 23.3. In proving service under paragraphs 23.1(b), (c) and (d), it shall be sufficient to prove that the notice was properly addressed and prepaid, if posted or sent by courier, and the time when it was posted, deposited with the courier, or transmitted by electronic means.

24. POSTPONEMENT OF GENERAL MEETING

The Secretary may postpone any general meeting called in accordance with these Bye-laws (other than a meeting requisitioned under these Bye-laws) provided that notice of postponement is given to the Members before the time for such meeting. Fresh notice of the date, time and place for the postponed meeting shall be given to each Member in accordance with these Bye-laws.

25. ELECTRONIC PARTICIPATION IN MEETINGS

Members may participate in any general meeting by such telephonic, electronic or other communication facilities or means as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

26. QUORUM AT GENERAL MEETINGS

- 26.1. At any general meeting two or more persons present in person and representing in person or by proxy in excess of 50% of the total issued voting shares in the Company throughout the meeting shall form a quorum for the transaction of business, provided that if the Company shall at any time have only one Member, one Member present in person or by proxy shall form a quorum for the transaction of business at any general meeting held during such time.
- 26.2. If within half an hour from the time appointed for the meeting a quorum is not present, then, in the case of a meeting convened on a requisition, the meeting shall be deemed cancelled and, in any other case, the meeting shall stand adjourned to the same day one week later, at the same time and place or to such other day, time or place as the Secretary may determine. Unless the meeting is adjourned to a specific date, time and place announced at the meeting being adjourned, fresh notice of the resumption of the meeting shall be given to each Member entitled to attend and vote thereat in accordance with these Bye-laws.

27. CHAIRMAN TO PRESIDE AT GENERAL MEETINGS

Unless otherwise agreed by a majority of those attending and entitled to vote thereat, the chairman or the president of the Company, if there be one, shall act as chairman of the meeting at all general meetings at which such person is present. In their absence a chairman of the meeting shall be appointed or elected by those present at the meeting and entitled to vote.

28. VOTING ON RESOLUTIONS

- 28.1. Subject to the Act and these Bye-laws, any question proposed for the consideration of the Members at any general meeting shall be decided by the affirmative votes of a majority of the votes cast in accordance with these Bye-laws and in the case of an equality of votes the resolution shall fail.
- 28.2. No Member shall be entitled to vote at a general meeting unless such Member has paid all the calls on all shares held by such Member.
- 28.3. At any general meeting a resolution put to the vote of the meeting shall, in the first instance, be voted upon by a show of hands and, subject to any rights or restrictions for the time being lawfully attached to any class of shares and subject to these Bye-laws, every Member present in person and every person holding a valid proxy at such meeting shall be entitled to one vote and shall cast such vote by raising his hand.

- 28.4. In the event that a Member participates in a general meeting by telephone, electronic or other communication facilities or means, the chairman of the meeting shall direct the manner in which such Member may cast his vote on a show of hands.
- 28.5. At any general meeting if an amendment is proposed to any resolution under consideration and the chairman of the meeting rules on whether or not the proposed amendment is out of order, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.
- 28.6. At any general meeting a declaration by the chairman of the meeting that a question proposed for consideration has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in a book containing the minutes of the proceedings of the Company shall, subject to these Bye-laws, be conclusive evidence of that fact.

29. POWER TO DEMAND A VOTE ON A POLL

- 29.1. Notwithstanding the foregoing, a poll may be demanded by any of the following persons:
- (a) the chairman of such meeting; or
 - (b) at least three Members present in person or represented by proxy; or
 - (c) any Member or Members present in person or represented by proxy and holding between them not less than one-tenth of the total voting rights of all the Members having the right to vote at such meeting; or
 - (d) any Member or Members present in person or represented by proxy holding shares in the Company conferring the right to vote at such meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total amount paid up on all such shares conferring such right.
- 29.2. Where a poll is demanded, subject to any rights or restrictions for the time being lawfully attached to any class of shares, every person present at such meeting shall have one vote for each share of which such person is the holder or for which such person holds a proxy and such vote shall be counted by ballot as described herein, or in the case of a general meeting at which one or more Members are present by telephone, electronic or other communication facilities or means, in such manner as the chairman of the meeting may direct and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded and shall replace any previous resolution upon the same matter which has been the subject of a show of hands. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
- 29.3. A poll demanded for the purpose of electing a chairman of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and in such manner during such meeting as the chairman (or acting chairman) of the meeting may direct. Any business other than that upon which a poll has been demanded may be conducted pending the taking of the poll.

- 29.4. Where a vote is taken by poll, each person physically present and entitled to vote shall be furnished with a ballot paper on which such person shall record his vote in such manner as shall be determined at the meeting having regard to the nature of the question on which the vote is taken, and each ballot paper shall be signed or initialled or otherwise marked so as to identify the voter and the registered holder in the case of a proxy. Each person present by telephone, electronic or other communication facilities or means shall cast his vote in such manner as the chairman of the meeting shall direct. At the conclusion of the poll, the ballot papers and votes cast in accordance with such directions shall be examined and counted by a committee of not less than two Members or proxy holders appointed by the chairman of the meeting for the purpose and the result of the poll shall be declared by the chairman of the meeting.

30. VOTING BY JOINT HOLDERS OF SHARES

In the case of joint holders, the vote of the senior who tenders a vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

31. INSTRUMENT OF PROXY

- 31.1. An instrument appointing a proxy shall be in writing in substantially the following form or such other form as the chairman of the meeting shall accept:

Proxy

[Name of Company] (the "Company")

I/We, [insert names here] , being a Member of the Company with [number] shares, HEREBY APPOINT [name] of [address] or failing him, [name] of [address] to be my/our proxy to vote for me/us at the meeting of the Members to be held on [date] and at any adjournment thereof. [Any restrictions on voting to be inserted here.]

Signed this [date]

Member(s)

- 31.2. The instrument appointing a proxy must be received by the Company at the registered office or at such other place or in such manner as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting at which the person named in the instrument appointing a proxy proposes to vote, and an instrument appointing a proxy which is not received in the manner so prescribed shall be invalid.

- 31.3. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf in respect of different shares.
- 31.4. The decision of the chairman of any general meeting as to the validity of any appointment of a proxy shall be final.

32. REPRESENTATION OF CORPORATE MEMBER

- 32.1. A corporation which is a Member may, by written instrument, authorise such person or persons as it thinks fit to act as its representative at any meeting and any person so authorised shall be entitled to exercise the same powers on behalf of the corporation which such person represents as that corporation could exercise if it were an individual Member, and that Member shall be deemed to be present in person at any such meeting attended by its authorised representative or representatives.
- 32.2. Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at general meetings on behalf of a corporation which is a Member.

33. ADJOURNMENT OF GENERAL MEETING

The chairman of a general meeting may, with the consent of the Members at any general meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting. Unless the meeting is adjourned to a specific date, place and time announced at the meeting being adjourned, fresh notice of the date, place and time for the resumption of the adjourned meeting shall be given to each Member entitled to attend and vote thereat in accordance with these Bye-laws.

34. WRITTEN RESOLUTIONS

- 34.1. Subject to these Bye-laws, anything which may be done by resolution of the Company in general meeting or by resolution of a meeting of any class of the Members may be done without a meeting by written resolution in accordance with this Bye-law.
- 34.2. Notice of a written resolution shall be given, and a copy of the resolution shall be circulated to all Members who would be entitled to attend a meeting and vote thereon. The accidental omission to give notice to, or the non-receipt of a notice by, any Member does not invalidate the passing of a resolution.
- 34.3. A written resolution is passed when it is signed by (or in the case of a Member that is a corporation, on behalf of) the Members who at the date that the notice is given represent such majority of votes as would be required if the resolution was voted on at a meeting of Members at which all Members entitled to attend and vote thereat were present and voting.
- 34.4. A resolution in writing may be signed in any number of counterparts.

- 34.5. A resolution in writing made in accordance with this Bye-law is as valid as if it had been passed by the Company in general meeting or by a meeting of the relevant class of Members, as the case may be, and any reference in any Bye-law to a meeting at which a resolution is passed or to Members voting in favour of a resolution shall be construed accordingly.
- 34.6. A resolution in writing made in accordance with this Bye-law shall constitute minutes for the purposes of the Act.
- 34.7. This Bye-law shall not apply to:
- (a) a resolution passed to remove an Auditor from office before the expiration of his term of office; or
 - (b) a resolution passed for the purpose of removing a Director before the expiration of his term of office.
- 34.8. For the purposes of this Bye-law, the effective date of the resolution is the date when the resolution is signed by (or in the case of a Member that is a corporation, on behalf of) the last Member whose signature results in the necessary voting majority being achieved and any reference in any Bye-law to the date of passing of a resolution is, in relation to a resolution made in accordance with this Bye-law, a reference to such date.

35. DIRECTORS ATTENDANCE AT GENERAL MEETINGS

The Directors shall be entitled to receive notice of, attend and be heard at any general meeting.

DIRECTORS AND OFFICERS

36. APPOINTMENT AND ELECTION OF DIRECTORS

- 36.1. The Directors shall be elected in the manner set out below, in each case by notice in writing delivered to the Secretary:
- (a) following the resignation of the Supporting Shareholder as a Director, the Independent Directors may collectively appoint an individual to the Board in his place;
 - (b) if the Supporting Shareholder ceases to be appointed as a Director for reasons other than his resignation or removal for Cause, the Supporting Shareholder or his personal representative shall have the right to appoint an individual to the Board in his place;
 - (c) should one of the Independent Directors cease to be appointed as a Director for any reason, the remaining Independent Director may appoint an individual in their place;
 - (d) subject to Bye-laws 36.1(f) and 36.1(g) below, should both Independent Directors cease to be appointed as Directors for any reason, the Company shall promptly (and in any event, within no more than two (2) Business Days thereafter) notify the holders of the New

- Notes of such vacancies, and any one or more holders of New Notes who in aggregate hold more than 10% of the aggregate principal amount of either New Note 1B or New Note 2B may within fifteen (15) Business Days following the second vacancy occurring, nominate two alternative Proposed Directors to fill such vacancies, by written notice to (i) the Company and (ii) the Note Agent. If the number of nominations is greater than two, the two Proposed Directors nominated by holder(s) of New Notes representing the greatest aggregate principal amount of New Note 1B or New Note 2B will receive the final nominations and will be appointed as Independent Directors to the Board;
- (e) notwithstanding the foregoing, upon there being no Independent Directors appointed to the Board, the Company shall promptly notify the Note Agent such vacancies have occurred and request that the Note Agent calculate whether a Majority Junior Transfer Event has occurred;
 - (f) if prior to each of the occurrence of a Majority Junior Transfer Event and the occurrence of the Tranche A Redemption Event, (i) there is a vacancy of both Independent Directors and (ii) the holders of more than 10% of the aggregate principal amount of New Note 1B and New Note 2B have failed to nominate replacements for both Independent Directors within fifteen (15) Business Days following the second vacancy occurring as described in accordance with Bye-law 36.1(d), then (x) the Company shall promptly (and in any event, within no more than two (2) Business Days thereafter) notify the holders of New Notes of such failure to nominate, and, (y) any one or more of the holders of New Notes who in aggregate hold more than 10% of the aggregate principal amount of either New Note 1A or New Note 2A shall be granted the nomination rights set out in Bye-law 36.1(d), to be exercised no later than thirty (30) Business Days following the date that no Independent Director is appointed to the Board; provided that if New Note 1A is repaid ahead of New Note 2A, these nomination rights will sit solely with the holders of the greatest aggregate principal amount of New Note 2A (and vice versa) and (z) in the event of there being two or more nominating groups of holders who together represent the same aggregate principal amount of the applicable New Notes, the nominations made first in time shall be the final nominations;
 - (g) if (i) following the occurrence of a Majority Junior Transfer Event and (ii) prior to the occurrence of the Tranche A Redemption Event, there is a vacancy of both Independent Directors, then any Proposed Directors nominated by any one or more holders of New Note 1B and of New Note 2B pursuant to Bye-law 36.1(d) shall also require the consent a simple majority (by reference to the outstanding principal amounts) of holders of each of New Note 1A or New Note 2A (as applicable); provided that, if New Note 1A is repaid ahead of New Note 2A, this approval right will sit solely with the holders of the greatest aggregate principal amount of New Note 2A (and vice versa); and
 - (h) following the Redemption Event, the rights set out in Bye-laws 36.1(c) – 36.1(g) shall be granted on the same terms in favour of the holders of the New Note 3A, New Note 3B,

New Note 4A and New Note 4B, as if references therein to (a) New Note 1A were to New Note 3A, (b) New Note 1B were to New Note 3B, (c) New Note 2A were to New Note 4A, and (d) New Note 2B were to New Note 4B.

37. NUMBER OF DIRECTORS

- 37.1. The Board shall consist of not less than one Director or such number in excess thereof as the Members, subject to these Bye-laws, may determine.
- 37.2. At the date of adoption of these Bye-laws, the Board shall consist of three (3) Directors, being the Supporting Shareholder and two Independent Directors (the “**Initial Independent Directors**”).

38. TERM OF OFFICE OF DIRECTORS

Directors shall hold office for such term as the Members may determine or, in the absence of such determination, until the next annual general meeting or until their successors are elected or appointed or their office is otherwise vacated.

39. ALTERNATE DIRECTORS

- 39.1. Unless the Members otherwise resolve, any Director may appoint a person or persons to act as a Director in the alternative to himself by notice deposited with the Secretary.
- 39.2. Any person elected or appointed pursuant to this Bye-law shall have all the rights and powers of the Director or Directors for whom such person is elected or appointed in the alternative, provided that such person shall not be counted more than once in determining whether or not a quorum is present.
- 39.3. An Alternate Director shall be entitled to receive notice of all Board meetings and to attend and vote at any such meeting at which a Director for whom such Alternate Director was appointed in the alternative is not personally present and generally to perform at such meeting all the functions of such Director for whom such Alternate Director was appointed.
- 39.4. An Alternate Director's office shall terminate -
- (a) in the case of an alternate elected by the Members:
 - (i) on the occurrence in relation to the Alternate Director of any event which, if it occurred in relation to the Director for whom he was elected to act, would result in the termination of that Director; or
 - (ii) if the Director for whom he was elected in the alternative ceases for any reason to be a Director, provided that the alternate removed in these circumstances may be re-appointed by the Board as an alternate to the person appointed to fill the vacancy; and

- (b) in the case of an alternate appointed by a Director:
 - (i) on the occurrence in relation to the Alternate Director of any event which, if it occurred in relation to his appointor, would result in the termination of the appointor's directorship; or
 - (ii) when the Alternate Director's appointor revokes the appointment by notice to the Company in writing specifying when the appointment is to terminate; or
 - (iii) if the Alternate Director's appointor ceases for any reason to be a Director.

40. REMOVAL OF DIRECTORS

40.1. Subject to any provision to the contrary in these Bye-laws, the Members entitled to vote for the election of Directors may, at any special general meeting convened and held in accordance with these Bye-laws, remove a Director provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director not less than 14 days before the meeting and at such meeting the Director shall be entitled to be heard on the motion for such Director's removal; provided, further, that:

- (a) prior to the Redemption Event, the removal of any Independent Director shall require the approval of holders who together represent more than 50% of the aggregate principal amount of New Note 1B and the approval of holders who together represent more than 50% of the aggregate principal amount of New Note 2B, which, where given, shall be provided to the Company in writing;
- (b) following the Partial Tranche B Redemption Event, the rights set out in Bye-law 40.1(a) shall be granted in favour of the holders who together represent more than 50% of the aggregate principal amount of the New Note 1B or the New Note 2B, as applicable, then outstanding;
- (c) following the Tranche B Redemption Event, the rights set out in Bye-law 40.1(a) shall be granted in favour of the holders who together represent more than 50% of the aggregate principal amount of the New Note 3B and New Note 4B, as applicable, then outstanding;
- (d) following the occurrence of a Majority Junior Transfer Event, the removal right pursuant to Bye-law 40.1(a) shall require the approval of the holders who together represent more than 50% of the aggregate principal amount of the New Note 1A or New Note 2A, as applicable, then outstanding, provided that if a Majority Junior Transfer Event has occurred and is continuing in respect of both the New Note 1B and New Note 2B and following the Partial Tranche A Redemption Event, the rights set out in Bye-law 40.1(a) shall be granted in favour of the holders who together represent more than 50% of the aggregate principal amount of the New Note 1A or New Note 2A, as applicable, then outstanding;

(e) following the Redemption Event, the rights set out in Bye-law 40.1(a) shall be granted on the same terms in favour of the holders of the New Note 3A, New Note 3B, New Note 4A and New Note 4B, as if references therein to (a) New Note 1A were to New Note 3A, (b) New Note 1B were to New Note 3B, (c) New Note 2A were to New Note 4A, and (d) New Note 2B were to New Note 4B; and

(f) the Supporting Shareholder may be removed as a Director for Cause.

40.2. Subject to Bye-law 36, if a Director is removed from the Board under Bye-law 40.1, the Members may fill the vacancy at the meeting at which such Director is removed. In the absence of such election or appointment, subject to Bye-law 36, the Board may fill the vacancy.

41. VACANCY IN THE OFFICE OF DIRECTOR

41.1. The office of Director shall be vacated if the Director:

- (a) is removed from office pursuant to these Bye-laws or is prohibited from being a Director by law;
- (b) is or becomes bankrupt, or makes any arrangement or composition with his creditors generally;
- (c) is or becomes of unsound mind or dies; or
- (d) resigns his office by notice to the Company.

41.2. Subject to Bye-law 36, the Board shall have the power to appoint any person as a Director to fill a vacancy on the Board occurring as a result of the death, disability, disqualification or resignation of any Director and to appoint an Alternate Director to any Director so appointed.

42. REMUNERATION OF DIRECTORS

The remuneration (if any) of the Directors shall be determined by the Company in general meeting and shall be deemed to accrue from day to day. The Directors may also be paid all travel, hotel and other expenses properly incurred by them (or in the case of a director that is a corporation, by its representative or representatives) in attending and returning from Board meetings, meetings of any committee appointed by the Board or general meetings, or in connection with the business of the Company or their duties as Directors generally.

43. DEFECT IN APPOINTMENT

All acts done in good faith by the Board, any Director, a member of a committee appointed by the Board, any person to whom the Board may have delegated any of its powers, or any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Director or person acting as aforesaid, or that he was, or any of them

were, disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or act in the relevant capacity.

44. DIRECTORS TO MANAGE BUSINESS

The business of the Company shall be managed and conducted by the Board. In managing the business of the Company, the Board may exercise all such powers of the Company as are not, by the Act or by these Bye-laws, required to be exercised by the Company in general meeting, subject to the rights afforded to the Security Agent and the Company referred to in the Parent Share Charge.

45. POWERS OF THE BOARD OF DIRECTORS

The Board may:

- (a) appoint, suspend, or remove any manager, secretary, clerk, agent or employee of the Company and may fix their remuneration and determine their duties;
- (b) exercise all the powers of the Company to borrow money and to mortgage or charge or otherwise grant a security interest in its undertaking, property and uncalled capital, or any part thereof, and may issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or any third party;
- (c) appoint one or more Directors to the office of managing director or chief executive officer of the Company, who shall, subject to the control of the Board, supervise and administer all of the general business and affairs of the Company;
- (d) appoint a person to act as manager of the Company's day-to-day business and may entrust to and confer upon such manager such powers and duties as it deems appropriate for the transaction or conduct of such business;
- (e) by power of attorney, appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Board, to be an attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such period and subject to such conditions as it may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions so vested in the attorney;
- (f) subject to Bye-law 45(m), procure that the Company pays all expenses incurred in promoting and incorporating the Company;
- (g) delegate any of its powers (including the power to sub-delegate) to a committee of one or more persons appointed by the Board which may consist partly or entirely of non-Directors, provided that every such committee shall conform to such directions as the

Board shall impose on them and provided further that the meetings and proceedings of any such committee shall be governed by the provisions of these Bye-laws regulating the meetings and proceedings of the Board, so far as the same are applicable and are not superseded by directions imposed by the Board;

- (h) delegate any of its powers (including the power to sub-delegate) to any person on such terms and in such manner as the Board may see fit;
- (i) present any petition and make any application in connection with the liquidation or reorganisation of the Company;
- (j) in connection with the issue of any share, pay such commission and brokerage as may be permitted by law;
- (k) authorise any company, firm, person or body of persons to act on behalf of the Company for any specific purpose and in connection therewith to execute any deed, agreement, document or instrument on behalf of the Company;
- (l) assess whether the Company has present or future obligations (including contingent obligations) under the Telstra SPA;
- (m) approve costs and expenses which cause the Post-Closing Budget to be exceeded by up to 10% (in the aggregate) of the original amount (without taking into account any contingency amounts and for the avoidance of excluding the Telstra Reserve set forth therein). Any further costs and expenses to be incurred by the Company shall require the approval of the holders of the New Notes in accordance with the terms of the NA, provided, that, such approval shall not be required with respect to such further costs and expenses which, subject to a cap to be agreed by the Company and the holders of the New Notes in accordance with the terms of the NA, have been approved by the Board, including the approval of each appointed Independent Director then in office, in circumstances where the Board has been advised by external counsel and determined that incurrence and payment of such further costs and expenses is consistent with the fiduciary duties of the members of the Board; and
- (n) not directly or indirectly take any action to impede or interfere with, or direct any other person to impede or interfere with, any restructuring efforts or proceedings of any member of the Digicel Group, including, for the avoidance of doubt, the restructuring of the Company in accordance with the Scheme and the DIFL/DL Restructuring (as defined in the NA).

46. REGISTER OF DIRECTORS AND OFFICERS

The Board shall cause to be kept in one or more books at the registered office of the Company a Register of Directors and Officers and shall enter therein the particulars required by the Act.

47. APPOINTMENT OF OFFICERS

The Board may appoint such Officers (who may or may not be Directors) as the Board may determine for such terms as the Board deems fit.

48. APPOINTMENT OF SECRETARY

The Secretary shall be appointed by the Board from time to time for such term as the Board deems fit.

49. DUTIES OF OFFICERS

The Officers shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Board from time to time.

50. REMUNERATION OF OFFICERS

The Officers shall receive such remuneration as the Board may determine.

51. CONFLICTS OF INTEREST

51.1. Any Director, or any Director's firm, partner or any company with whom any Director is associated, may act in any capacity for, be employed by or render services to the Company on such terms, including with respect to remuneration, as may be agreed between the parties. Nothing herein contained shall authorise a Director or a Director's firm, partner or company to act as Auditor to the Company.

51.2. A Director who is directly or indirectly interested in a contract or proposed contract with the Company (an "Interested Director") shall declare the nature of such interest as required by the Act.

51.3. An Interested Director who has complied with the requirements of the foregoing Bye-law may:

- (a) vote in respect of such contract or proposed contract; and/or
- (b) be counted in the quorum for the meeting at which the contract or proposed contract is to be voted on,

and no such contract or proposed contract shall be void or voidable by reason only that the Interested Director voted on it or was counted in the quorum of the relevant meeting and the Interested Director shall not be liable to account to the Company for any profit realised thereby.

52. INDEMNIFICATION AND EXCULPATION OF DIRECTORS AND OFFICERS

52.1. The Directors, Resident Representative, Secretary and other Officers (such term to include any person appointed to any committee by the Board) acting in relation to any of the affairs of the Company or any subsidiary thereof and the liquidator or trustees (if any) acting in relation to any

of the affairs of the Company or any subsidiary thereof and every one of them (whether for the time being or formerly), and their heirs, executors and administrators (each of which an "indemnified party"), shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and no indemnified party shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty in relation to the Company which may attach to any of the indemnified parties. Each Member agrees to waive any claim or right of action such Member might have, whether individually or by or in the right of the Company, against any Director or Officer on account of any action taken by such Director or Officer, or the failure of such Director or Officer to take any action in the performance of his duties with or for the Company or any subsidiary thereof, PROVIDED THAT such waiver shall not extend to any matter in respect of any fraud or dishonesty in relation to the Company which may attach to such Director or Officer.

- 52.2. The Company may purchase and maintain insurance for the benefit of any Director or Officer against any liability incurred by him under the Act in his capacity as a Director or Officer or indemnifying such Director or Officer in respect of any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the Director or Officer may be guilty in relation to the Company or any subsidiary thereof.
- 52.3. The Company may advance moneys to a Director or Officer for the costs, charges and expenses incurred by the Director or Officer in defending any civil or criminal proceedings against him, on condition that the Director or Officer shall repay the advance if any allegation of fraud or dishonesty in relation to the Company is proved against him.

MEETINGS OF THE BOARD OF DIRECTORS

53. BOARD MEETINGS

- 53.1. The Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit. A resolution put to the vote at a Board meeting shall be carried by the affirmative votes of a majority of the votes cast and in the case of an equality of votes, the Independent Director who has been appointed to the Board for the longest period of time at that point in time shall have the casting vote.
- 53.2. Subject to Bye-laws 53.3 and **Error! Reference source not found.** below, in case of equality of votes where both Independent Directors have been appointed for the same period of time, the

Independent Directors shall refer the relevant decision to the holders of New Note 1B and New Note 2B and the Independent Directors shall make any decision in line with the decision of the majority of those voting.

- 53.3. If, prior to any decision being referred to the holders of New Note 1B and New Note 2B, a Majority Junior Transfer Event has occurred (but prior to the occurrence of the Tranche A Redemption Event), then the Independent Directors shall instead refer the relevant decision to the holders of New Note 1A or New Note 2A (as applicable).
- 53.4. Following the Redemption Event, the rights set out in Bye-laws 53.2 and 53.3 shall be granted on the same terms in favour of the holders of the New Note 3A, New Note 3B, New Note 4A and New Note 4B, as if references therein to (a) New Note 1A were to New Note 3A, (b) New Note 1B were to New Note 3B, (c) New Note 2A were to New Note 4A, and (d) New Note 2B were to New Note 4B.

54. NOTICE OF BOARD MEETINGS

A Director may, and the Secretary on the requisition of a Director shall, at any time summon a Board meeting. Notice of a Board meeting shall be deemed to be duly given to a Director if it is given to such Director verbally (including in person or by telephone) or otherwise communicated or sent to such Director by post, electronic means or other mode of representing words in a visible form at such Director's last known address or in accordance with any other instructions given by such Director to the Company for this purpose.

55. ELECTRONIC PARTICIPATION IN MEETINGS

Directors may participate in any meeting by such telephonic, electronic or other communication facilities or means as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

56. REPRESENTATION OF CORPORATE DIRECTOR

- 56.1. A Director which is a corporation may, by written instrument, authorise such person or persons as it thinks fit to act as its representative at any meeting and any person so authorised shall be entitled to exercise the same powers on behalf of the corporation which such person represents as that corporation could exercise if it were an individual Director, and that Director shall be deemed to be present in person at any such meeting attended by its authorised representative or representatives.
- 56.2. Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at Board meetings on behalf of a corporation which is a Director.

57. QUORUM AT BOARD MEETINGS

The quorum necessary for the transaction of business at a Board meeting shall be two Directors, provided that (i) at least one Independent Director (to the extent at least one has been appointed and is in office) is present at the meeting, and (ii) if, at any point in time, there are no Independent Directors appointed to the Board and (a) the Company has given notice to the holders of the New Notes in accordance with Bye-Law 36.1(d), and (b) the holders of New Notes have failed to appoint at least one replacement Independent Director in accordance with Bye-law 36 for a period of 90 days following the issuance of such notice, such that there is only one Director for the time being in office, the quorum shall be one Director.

58. BOARD TO CONTINUE IN THE EVENT OF VACANCY

The Board may act notwithstanding any vacancy in its number but, if and so long as its number is reduced below the number fixed by these Bye-laws as the quorum necessary for the transaction of business at Board meetings, the continuing Directors or Director may act for the purpose of (i) summoning a general meeting; or (ii) preserving the assets of the Company.

59. CHAIRMAN TO PRESIDE

- 59.1. Unless otherwise agreed by a majority of the Directors attending, the chairman or the president of the Company, if there be one, shall act as chairman of the meeting at all Board meetings at which such person is present. In their absence a chairman of the meeting shall be appointed or elected by the Directors present at the meeting.

60. WRITTEN RESOLUTIONS

A resolution signed by (or in the case of a Director that is a corporation, on behalf of) all the Directors, which may be in counterparts, shall be as valid as if it had been passed at a Board meeting duly called and constituted, such resolution to be effective on the date on which the resolution is signed by (or in the case of a Director that is a corporation, on behalf of) the last Director. For the purposes of this Bye-law only, "the Directors" shall not include an Alternate Director.

61. VALIDITY OF PRIOR ACTS OF THE BOARD

No regulation or alteration to these Bye-laws made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation or alteration had not been made.

CORPORATE RECORDS**62. MINUTES**

The Board shall cause minutes to be duly entered in books provided for the purpose:

- (a) of all elections and appointments of Officers;
- (b) of the names of the Directors present at each Board meeting and of any committee appointed by the Board; and
- (c) of all resolutions and proceedings of general meetings of the Members, Board meetings, meetings of managers and meetings of committees appointed by the Board.

63. PLACE WHERE CORPORATE RECORDS KEPT

Minutes prepared in accordance with the Act and these Bye-laws shall be kept by the Secretary at the registered office of the Company.

64. FORM AND USE OF SEAL

- 64.1. The Company may adopt a seal in such form as the Board may determine. The Board may adopt one or more duplicate seals for use in or outside Bermuda.
- 64.2. A seal may, but need not, be affixed to any deed, instrument or document, and if the seal is to be affixed thereto, it shall be attested by the signature of (i) any Director, or (ii) any Officer, or (iii) the Secretary, or (iv) any person authorised by the Board for that purpose.
- 64.3. A Resident Representative may, but need not, affix the seal of the Company to certify the authenticity of any copies of documents.

ACCOUNTS

65. RECORDS OF ACCOUNT

- 65.1. The Board shall cause to be kept proper records of account with respect to all transactions of the Company and in particular with respect to:
 - (a) all amounts of money received and expended by the Company and the matters in respect of which the receipt and expenditure relates;
 - (b) all sales and purchases of goods by the Company; and
 - (c) all assets and liabilities of the Company.
- 65.2. Such records of account shall be kept at the registered office of the Company or, subject to the Act, at such other place as the Board thinks fit and shall be available for inspection by the Directors during normal business hours.
- 65.3. Such records of account shall be retained for a minimum period of five years from the date on which they are prepared.

66. FINANCIAL YEAR END

The financial year end of the Company may be determined by resolution of the Board and failing such resolution shall be 31st December in each year.

AUDITS**67. ANNUAL AUDIT**

Subject to any rights to waive laying of accounts or appointment of an Auditor pursuant to the Act, the accounts of the Company shall be audited at least once in every year.

68. APPOINTMENT OF AUDITOR

68.1. Subject to the Act, the Members shall appoint an auditor to the Company to hold office for such term as the Members deem fit or until a successor is appointed.

68.2. The Auditor may be a Member but no Director, Officer or employee of the Company shall, during his continuance in office, be eligible to act as an Auditor of the Company.

69. REMUNERATION OF AUDITOR

69.1. The remuneration of an Auditor appointed by the Members shall be fixed by the Company in general meeting or in such manner as the Members may determine.

69.2. The remuneration of an Auditor appointed by the Board to fill a casual vacancy in accordance with these Bye-laws shall be fixed by the Board.

70. DUTIES OF AUDITOR

70.1. The financial statements provided for by these Bye-laws shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards.

70.2. The generally accepted auditing standards referred to in this Bye-law may be those of a country or jurisdiction other than Bermuda or such other generally accepted auditing standards as may be provided for in the Act. If so, the financial statements and the report of the Auditor shall identify the generally accepted auditing standards used.

71. ACCESS TO RECORDS

The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto, and the Auditor may call on the Directors or Officers for any information in their possession relating to the books or affairs of the Company.

72. FINANCIAL STATEMENTS AND THE AUDITOR'S REPORT

- 72.1. Subject to the following bye-law, the financial statements and/or the auditor's report as required by the Act shall
- (a) be laid before the Members at the annual general meeting; or
 - (b) be received, accepted, adopted, approved or otherwise acknowledged by the Members by written resolution passed in accordance with these Bye-laws; or
 - (c) in circumstances where the Company has elected to dispense with the holding of an annual general meeting, be made available to the Members in accordance with the Act in such manner as the Board shall determine.
- 72.2. If all Members and Directors shall agree, either in writing or at a meeting, that in respect of a particular interval no financial statements and/or auditor's report thereon need be made available to the Members, and/or that no auditor shall be appointed then there shall be no obligation on the Company to do so.

73. VACANCY IN THE OFFICE OF AUDITOR

The Board may fill any casual vacancy in the office of the auditor.

VOLUNTARY WINDING-UP AND DISSOLUTION**74. WINDING-UP**

If the Company shall be wound up the liquidator may, with the sanction of a resolution of the Members, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any shares or other securities or assets whereon there is any liability.

CHANGES TO CONSTITUTION**75. CHANGES TO BYE-LAWS**

Subject to the rights afforded to the Security Agent and the Company referred to in the Parent Share Charge, no Bye-law may be rescinded, altered or amended and no new Bye-law may be made save in accordance with the Act and until the same has been approved by a resolution of the Board and by a resolution of the Members.

76. CHANGES TO THE MEMORANDUM OF ASSOCIATION

Subject to the rights afforded to the Security Agent and the Company referred to in the Parent Share Charge, no alteration or amendment to the Memorandum of Association may be made save in accordance with the Act and until same has been approved by a resolution of the Board and by a resolution of the Members.

77. DISCONTINUANCE

The Board may exercise all the powers of the Company to discontinue the Company to a jurisdiction outside Bermuda pursuant to the Act.