

6 September 2019

EDP – ENERGIAS DE PORTUGAL, S.A.

AMENDED AND RESTATED INTERBOLSA INSTRUMENT

relating to a

€13,500,000,000

Programme for the Issuance of Debt Instruments

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This Interbolsa Instrument (“Instrument”) is made on 6 September 2019 by EDP – Energias de Portugal, S.A., a company incorporated under the laws of the Portuguese Republic as a limited liability company (*sociedade anónima*) and a public company, with a registered share capital of 3,656,537,715.00 euros, registered at the Commercial Registry Office of Lisbon under single identification number 500697256, whose registered address and head office is at Av. 24 de Julho, 12, 1249-300 Lisbon, Portugal (the “**Issuer**”) in favour of the Holders (as defined below) from time to time.

Whereas:

The Issuer has a €13,500,000,000 Programme for the Issuance of Debt Instruments (the “**Programme**”), pursuant to which Instruments (as defined below) may be issued from time to time in book entry form by the Issuer.

This Instrument witnesses and it is declared as follows:

1. INTERPRETATION

1.1 Definitions

Capitalised terms used in this Instrument but not defined in this Instrument shall have the meanings given to them in the Trust Deed (provided that, in the case of any inconsistency between this Instrument and the Trust Deed, this Instrument shall prevail) and the following expressions have the following meanings:

“**Account**” means an individual securities account held with an Affiliate Member of Interbolsa;

“**Book Entry Instruments**” means Instruments issued in dematerialised book entry form (*forma escritural*), which shall be *nominativos* (in which case Interbolsa, at the request of the Issuer, can ask the Affiliate Members of Interbolsa for information regarding the identity of the Holders and transmit such information to the Issuer) and which are registered by Interbolsa, held through CVM and governed by the Conditions and this Instrument;

“**Conditions**” means, in relation to the Book Entry Instruments of any series, the terms and conditions set out in Schedule 1 hereto, as completed by the Final Terms applicable to the Book Entry Instruments of the relevant Series, as from time to time amended or modified in accordance with this Instrument. Any references to a particularly numbered Condition shall be construed accordingly;

“**Entry**” means an entry relating to a Book Entry Instrument in an Account;

“**Extraordinary Resolution**” has the meaning specified in Schedule 2;

“**Holder**” means a holder of the Book Entry Instruments in accordance with the Rules;

“**Issuers**” means EDP – Energias de Portugal, S.A. and EDP Finance B.V.;

“**Rules**” means the legislation, rules, regulations and operating procedures from time to time applicable to or stipulated by Interbolsa in relation to the CVM;

“**this Instrument**” means this Instrument, the Schedules (as from time to time amended or modified in accordance with this Instrument) and any other document executed in accordance with this Instrument (as from time to time so altered) and expressed to be supplemental to this Instrument; and

“**Trust Deed**” means the Twentieth Supplemental Trust Deed dated on or around 6 September 2019 between the Issuers and Deutsche Trustee Company Limited.

- 1.2 In this Instrument, clause headings are inserted for convenience and ease of reference only and shall not affect the interpretation of this Instrument.
- 1.3 All references in this Instrument to the provisions of any statute shall be deemed to be references to that statute as from time to time modified, extended, amended or re-enacted.
- 1.4 The Schedules are part of this Instrument and have effect accordingly.
- 1.5 All references in this Instrument to an agreement, instrument or other document (including this Instrument or the Trust Deed) shall be construed as a reference to that agreement, instrument or document as the same may be amended, modified, varied, supplemented, replaced or novated from time to time.
- 1.6 All references in this Instrument to Interbolsa shall, wherever the context so permits, be deemed to include reference to any additional or alternative clearing system approved by the relevant Issuer.
- 1.7 Any reference in this Instrument to:
 - (a) “**including**” shall be construed as a reference to “including without limitation”, so that any list of items or matters appearing after the word “including” shall be deemed not to be an exhaustive list, but shall be deemed rather to be a representative list, of those items or matters forming a part of the category described prior to the word “including”;
 - (b) “**indebtedness**” shall be construed so as to include any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

- (c) a “**law**” shall be construed as any law (including common or customary law), decree-law, statute, constitution, decree, judgement, treaty, regulation, directive, by-law, order or any other legislative measure of any government, supranational, local government, statutory or regulatory body or court;
- (d) a “**month**” is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next succeeding calendar month except that:
 - (i) if any such numerically corresponding day is not a Business Day, such period shall end on the immediately succeeding Business Day to occur in that next succeeding calendar month or, if none, it shall end on the immediately preceding Business Day; and
 - (ii) if there is no numerically corresponding day in that next succeeding calendar month, that period shall end on the last Business Day in that next succeeding calendar month;
- (e) a “**person**” shall be construed as a reference to any person, firm, company, corporation, entity, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing;
- (f) “**€**” and “**euro**” means the single currency introduced at the start of the third stage of European Economic and Monetary Union establishing the European Communities, as amended by the Treaty on European Union.

2. COVENANT TO PAY

2.1 Covenant to Pay

The Issuer will, on any date when, pursuant to the Conditions, any amount becomes payable in respect of the Book Entry Instruments, or any of them, pay to the relevant Holders in accordance with the Rules, in euro and in immediately available funds, the amount so payable on that date.

The Issuer will further, subject to and in accordance with the Conditions, unconditionally pay to the Holders, in accordance with the Rules as aforesaid, interest on the aggregate principal amount of the Book Entry Instruments outstanding, provided that (i) payment of any sum due in respect of the Book Entry Instruments made in accordance with the Rules, as provided in the Conditions, shall, to that extent, satisfy such obligation and (ii) if payment of the aggregate principal amount of the Book Entry Instruments is improperly withheld or refused, the Book Entry Instruments will continue to bear interest as provided in the Conditions.

2.2 Good Discharge

Each relevant Holder is entitled to receive payment of any amount due in respect of the Book Entry Instruments to which its Entries relate to the exclusion of all other persons and any payment so made by the Issuer to such Holder in accordance with the Rules to such extent shall be a good discharge to the Issuer and shall discharge the Issuer from all obligations in respect of each such Book Entry Instrument.

3. FORM OF THE INSTRUMENTS

3.1 Book Entry Instruments held through CVM

Book Entry Instruments shall be transferable only in authorised denominations in accordance with the Rules and may only be held through CVM.

3.2 Book Entry Securities

Upon acceptance by Interbolsa of the Book Entry Instruments for entry into the CVM, the Book Entry Instruments will be held and traded only through a book entry securities settlement system, and ownership of the Book Entry Instruments shall be shown in, and transfer of such ownership shall be perfected only through, individual securities accounts held by the Holders with Affiliate Members of Interbolsa in accordance with the Rules.

3.3 No Rights to Book Entry Instruments in Physical Form

Neither any Holder nor any person claiming any beneficial interest in, or entitlement to, any Book Entry Instrument may request or be entitled to receive a Book Entry Instrument in physical certificated form.

4. EVIDENCE

4.1 Records Conclusive

The individual securities accounts of the relevant Affiliate Member of Interbolsa shall, subject to the Rules and in the absence of manifest error, be conclusive evidence of the following:

- (i) the name of each relevant Holder;
- (ii) the principal amount of the Book Entry Instruments held in each Account;
- (iii) any amount due under the Book Entry Instruments paid to each relevant Holder (and any predecessor thereto or successor thereof) and the date, time and currency of each such payment;

- (iv) the transfer of any Book Entry Instruments and the date and time of each such transfer;
and
- (v) the aggregate principal amount of Book Entry Instruments outstanding as at any time.

4.2 Enforcement

Each Holder may protect and enforce its rights arising out of this Instrument and/or the Book Entry Instruments only in respect of any Entry to which it is entitled in its own name, and shall be entitled to do so without using or obtaining any authority from any predecessor in title, unless otherwise agreed between the Holder and any predecessor in title.

4.3 Issuer entitled to review the records of the CVM

Any and all records of the CVM in respect of the Book Entry Instruments shall, upon the Issuer's request to Interbolsa, be made available to Issuer, subject to the limitations set out in the Rules.

5. STAMP DUTIES AND TAXES

The Issuer will pay any stamp, issue, documentary or other similar taxes and duties, including interest and penalties, if any, payable in Portugal or the United Kingdom in respect of the creation, issue and offering of the Book Entry Instruments and the execution or delivery of this Instrument. The Issuer will also indemnify the Holders from and against all stamp, issue, documentary or other like taxes paid by any of them in any jurisdiction in connection with any action taken by or on behalf of the Holders to enforce the Issuer's obligations under this Instrument and the Book Entry Instruments.

6. COVENANT TO COMPLY WITH PROVISIONS

The Issuer hereby covenants with the Holders and each of them that it will comply with and perform and observe all the provisions of this Instrument and the Conditions which are expressed to be binding on it. The Conditions shall be binding on the Issuer and the Holders. This Instrument shall be read and construed as one document with the Conditions.

7. AMENDMENT AND DISAPPLICATION OF THIS INSTRUMENT

For so long as any Instrument remains outstanding, the Issuer may not amend, vary, terminate or suspend this Instrument or its obligations under it, unless such amendment, variation, termination or suspension shall have been approved by an Extraordinary Resolution to which the special quorum provisions specified in Schedule 2 apply, save that nothing in this Clause 7 shall prevent the Issuer from increasing or extending its obligations under this Instrument by way

of supplement to it at any time. For the avoidance of doubt, the Issuer may only agree to any such amendment, variation, termination or suspension on material in this Clause 7 after obtaining all necessary corporate approvals.

8. EFFECT OF TRUST DEED

The provisions of the Trust Deed apply to the Book Entry Instruments except to the extent of any inconsistency with the provisions of this Instrument, in which case the provisions of this Instrument prevail.

9. ENFORCEABILITY

If at any time any provision of this Instrument is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Instrument, nor the legality, invalidity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

10. GOVERNING LAW AND JURISDICTION

10.1 Governing Law

Save as provided herein, this Instrument and the Book Entry Instruments and any non-contractual obligations arising out of or in connection therewith are governed by, and shall be construed in accordance with, English law, except for the form and transfer of the Book Entry Instruments, the creation of security over the Book Entry Instruments and the Interbolsa procedures for the exercise of rights under the Book Entry Instruments, which are governed by, and shall be construed in accordance with, Portuguese law.

10.2 Jurisdiction

The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with this Instrument and the Book Entry Instruments and accordingly any legal action or proceedings arising out of or in connection with this Instrument or the Book Entry Instruments (“**Proceedings**”) may be brought in such courts. The Issuer irrevocably submits to the non-exclusive jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Holders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

10.3 Agent for Service of Process

The Issuer irrevocably appoints The Law Debenture Corporate Services Limited at its registered office for the time being, currently Fifth Floor, 100 Wood Street, London EC2V 7EX, as its agent in England to receive service of process in any Proceedings in England. Nothing herein shall affect the right to serve process in any other manner permitted by law.

SCHEDULE 1

TERMS AND CONDITIONS OF THE INSTRUMENTS

The following are the Terms and Conditions of the Instruments which as supplemented, modified or replaced in relation to any Instruments, will be applicable to each Series of Instruments. Certain provisions relating to the Instruments while in global form, and certain modifications of these Terms and Conditions applicable to Instruments while in global form, are described in the section entitled "Provisions relating to the Instruments while in Global Form".

This Instrument is one of a Series (as defined below) of Instruments issued by an Issuer (the "**Issuer**") which will be, as specified in the Final Terms (as defined below), either EDP – Energias de Portugal, S.A. ("**EDP**") or EDP Finance B.V. ("**EDP B.V.**") and (except in the case of Instruments issued by EDP in book-entry form ("**Book Entry Instruments**")) constituted by an amended and restated Trust Deed (such Trust Deed as modified and/or supplemented and/or restated from time to time, the "**Trust Deed**") dated on or around 6 September 2019 made between EDP, EDP B.V. and Deutsche Trustee Company Limited (the "**Trustee**", which expression shall include any successor as Trustee). Book Entry Instruments are integrated in the Interbolsa book-entry system and governed by these conditions, certain provisions of the Trust Deed as provided therein and a deed poll given by EDP in favour of the holders of Book Entry Instruments dated on or around 6 September 2019 (the "**Interbolsa Instrument**").

References herein to the "**Instruments**" shall be references to the Instruments of this Series. As used herein, "**Tranche**" means Instruments which are identical in all respects (including as to listing) and "**Series**" means a Tranche of Instruments together with any further Tranche or Tranches of Instruments which are (1) expressed to be consolidated and form a single series and (2) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

The Instruments, the Receipts (as defined below) and the Coupons (as defined below) have the benefit of an Amended and Restated Issue and Paying Agency Agreement (such Amended and Restated Issue and Paying Agency Agreement as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") dated 6 September 2019 and made between EDP, EDP B.V., Deutsche Bank AG, London Branch as issue and principal paying agent and agent bank (the "**Issue and Paying Agent**", which expression shall include any successor agent), Deutsche Bank Luxembourg S.A. as registrar in respect of Instruments in registered form and as paying agent (the "**Registrar**" which expression shall include any successor registrar and together with the Issue and Paying Agent, unless the context otherwise requires, the "**Paying Agents**", which expression shall include any additional or successor

paying agents) and the Trustee. In the case of Book Entry Instruments, Deutsche Bank Aktiengesellschaft – Sucursal em Portugal will be the paying agent in Portugal (the "**Portuguese Paying Agent**").

References to the "**Final Terms**" are, unless otherwise stated, to the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Instrument.

In respect of Instruments issued by EDP B.V., EDP B.V. has the benefit of a Keep Well Agreement (the "**Keep Well Agreement**") also dated 14 March 2001 between EDP and EDP B.V.

Subject as provided in the Interbolsa Instrument the Trustee acts for the benefit of the Holders (as defined below) for the time being of the Instrument, of the Receipts (as defined below) of the Coupons (as defined below) (which expression shall, unless the context otherwise requires, include the holders of the Talons (as defined below)), and in the case of Book Entry Instruments, the persons shown in the individual securities accounts held with an Affiliate Member of Interbolsa (defined below) (the "**Book Entry Instrumentholders**", and, together with the holders of Instruments other than Book Entry Instruments, the "**Holders**", which expression shall, in relation to any Instruments represented by a Global Instrument, be construed as provided below) all in accordance with the provisions of the Trust Deed. "**Affiliate Member of Interbolsa**" means any authorised financial intermediary entitled to hold control accounts with Interbolsa on behalf of their customers and includes any depositary banks appointed by Euroclear Bank SA/NV ("**Euroclear Bank**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") for the purpose of holding such accounts with Interbolsa on behalf of Euroclear Bank and Clearstream, Luxembourg.

Copies of the Trust Deed, the Agency Agreement, the Interbolsa Instrument and the Keep Well Agreement are available for inspection during normal business hours at the registered office for the time being of the Trustee (being at 6 September 2019 at Winchester House, 1 Great Winchester Street, London EC2N 2DB) and at the specified office of each of the Paying Agents. If the Instruments are to be admitted to trading on the regulated market of the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") the Final Terms will be published on the websites of Euronext Dublin (www.ise.ie) and the Central Bank of Ireland (www.centralbank.ie). The Holders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement, the Keep Well Agreement and the Final Terms which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed or, in the case of Book Entry Instruments, the Interbolsa Instrument and those provisions of the Trust Deed applicable to them.

Words and expressions defined in the Trust Deed, the Interbolsa Instrument or the Agency Agreement or used in the Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and **provided that**, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed will prevail and, in the event of inconsistency between the Trust Deed or the Agency Agreement and the Final Terms, the Final Terms will prevail.

1. **Form and Denomination**

Instruments other than Book Entry Instruments

- 1.1 *Form*: Instruments are issued in bearer form ("**Bearer Instruments**") or in registered form ("**Registered Instruments**"), as specified in the Final Terms and are serially numbered. Registered Instruments are not exchangeable for Bearer Instruments.
- 1.2 *Coupons and Talons*: Interest-bearing Bearer Instruments have attached thereto, at the time of their initial delivery, coupons ("**Coupons**"), presentation of which will be a prerequisite to the payment of interest save in certain circumstances specified herein. In addition, if so specified in the Final Terms, such Instruments have attached thereto, at the time of their initial delivery, a talon ("**Talon**") for further coupons and the expression "**Coupons**" shall, where the context so requires, include Talons.
- 1.3 *Interest Basis*: This Instrument may be a Fixed Rate Instrument, a Floating Rate Instrument or a Zero Coupon Instrument, or a combination of any of the foregoing, depending upon the Interest Basis shown in the Final Terms.
- 1.4 *Redemption/Payment Basis*: This Instrument may be an Instalment Instrument, depending on the Redemption/Payment Basis shown in the Final Terms.
- 1.5 *Instalment Instruments*: Bearer Instruments, the principal amount of which is repayable by instalments ("**Instalment Instruments**") have attached thereto, at the time of their initial delivery, payment receipts ("**Receipts**") in respect of the instalments of principal.
- 1.6 *Denomination of Bearer Instruments*: Bearer Instruments are in the Specified Denomination or Denominations (each of which denominations is integrally divisible by each smaller denomination) specified in the Final Terms. Bearer Instruments of one denomination may not be exchanged for Bearer Instruments of any other denomination.
- 1.7 *Specified Denomination of Registered Instruments*: Registered Instruments are in the minimum Specified Denomination specified in the Final Terms or integral multiples thereof.

1.8 *Currency of Instruments*: The Instruments are denominated in such Specified Currency as may be specified in the Final Terms. Any currency may be so specified, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Book Entry Instruments

1.9 *Form*: The Book Entry Instruments are issued in dematerialised book-entry form (*forma escritural*) and are *nominativas* (in which case Interbolsa, at the request of the Issuer, can ask the Affiliate Members of Interbolsa for information regarding the identity of the Holders and transmit such information to the Issuer).

1.10 *Registration*: The Book Entry Instruments will be registered by Interbolsa – Sociedade Gestora de Sistemas de Liquidação de Sistemas Centralizados de Valores Mobiliários, S.A. ("**Interbolsa**") as management entity of the Portuguese Centralised System of Registration of Securities (*Central de Valores Mobiliários*) ("**CVM**"). Each person shown in the individual securities accounts held with an Affiliate Member of Interbolsa as having an interest in the Instruments shall be considered the holder of the principal amount of Instruments recorded except as otherwise required by law. One or more certificates in relation to the Book Entry Instruments (each a "**Certificate**") will be delivered by the relevant Affiliate Member of Interbolsa in respect of its holding of Instruments upon the request by the relevant Instrument holder and in accordance with that Affiliate Member of Interbolsa's procedures and pursuant to article 78 of the Portuguese Securities Code (*Código dos Valores Mobiliários*).

1.11 *Interest Basis*: Each Book Entry Instrument may be a Fixed Rate Instrument, a Floating Rate Instrument, a Zero Coupon Instrument or a combination of any of the foregoing, depending upon the Interest Basis shown in the Final Terms.

1.12 *Redemption/Payment Basis*: Each Book Entry Instrument may be an Instalment Instrument, depending on the Redemption/Payment Basis shown in the Final Terms.

1.13 *Denomination of Book Entry Instruments*: Book Entry Instruments are in the Specified Denomination or Denominations specified in the Final Terms. Book Entry Instruments of one denomination may not be exchanged for Book Entry Instruments of any other denomination.

1.14 *Currency of Instruments*: The Book Entry Instruments will be denominated in Euro or in such other currency as can be settled through Interbolsa, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

In these Conditions, "**Book Entry Instrumentholder**" and "**holder**" for the purposes of Book Entry Instruments means the person in whose name a Book Entry Instrument is registered in the relevant individual securities accounts held with an Affiliate Member of Interbolsa.

2. **Title and Transfer**

2.1 *Title to Bearer Instruments:* Title to Bearer Instruments, Receipts and Coupons passes by delivery. References herein to the "**Holders**" of Bearer Instruments or of Receipts or Coupons are to the bearers of such Bearer Instruments or such Receipts or Coupons.

2.2 *Title to Registered Instruments:* Title to Registered Instruments passes by registration in the register which the Issuer shall procure to be kept by the Registrar. References herein to the "**Holders**" of Registered Instruments are to the persons in whose names such Registered Instruments are so registered in the relevant register.

2.3 *Holder as Owner:* The Holder of any Bearer Instrument, Coupon or Registered Instrument will (except as otherwise required by applicable law or regulatory requirement) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest thereof or therein, any writing thereon, or any theft or loss thereof) and no person shall be liable for so treating such Holder.

2.4 *Transfer of Registered Instruments:* A Registered Instrument may, upon the terms and subject to the conditions set forth in the Agency Agreement, be transferred in whole or in part only (**provided that** such part is, or is an integral multiple of, the minimum Specified Denomination) upon the surrender of the Registered Instrument to be transferred, together with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar or any other Paying Agent. A new Registered Instrument will be issued to the transferee and, in the case of a transfer of part only of a Registered Instrument, a new Registered Instrument in respect of the balance not transferred will be issued to the transferor.

2.5 *Exchange of Bearer Instruments:* If so specified in the Final Terms, the Holder of Bearer Instruments may exchange the same for the same aggregate nominal amount of Registered Instruments upon the terms and subject to the conditions set forth in the Agency Agreement. In order to exchange a Bearer Instrument for a Registered Instrument, the Holder thereof shall surrender such Bearer Instrument at the specified office outside the United States of the Registrar or of any other Paying Agent together with a written request for the exchange. Each Bearer Instrument so surrendered must be accompanied by all unmatured Receipts and

Coupons appertaining thereto other than the Coupon in respect of the next payment of interest falling due after the exchange date (as defined in Condition 2.6 (*New Registered Instruments*)) where the exchange date would, but for the provisions of Condition 2.6 (*New Registered Instruments*), occur between the Record Date (as defined in Condition 6.4 (*Registered Instruments*)) for such payment of interest and the date on which such payment of interest falls due.

2.6 *New Registered Instruments*: Each new Registered Instrument to be issued upon the transfer of a Registered Instrument or the exchange of a Bearer Instrument for a Registered Instrument will, within five Relevant Banking Days of the transfer date or, as the case may be, the exchange date, be available for collection by each relevant Holder at the specified office of the Registrar or, at the option of the Holder requesting such exchange or transfer be mailed (by uninsured post at the risk of the Holder(s) entitled thereto) to such address(es) as may be specified by such Holder. For these purposes, a form of transfer or request for exchange received by the Registrar or another Paying Agent after the Record Date in respect of any payment due in respect of Registered Instruments shall be deemed not to be effectively received by the Registrar or such other Paying Agent until the day following the due date for such payment. For the purposes of these Terms and Conditions:

- (a) "**Relevant Banking Day**" means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place where the specified office of the Registrar is located and, in the case only of an exchange of a Bearer Instrument for a Registered Instrument where such request for exchange is made to another Paying Agent, in the place where the specified office of such Paying Agent is located;
- (b) the "**exchange date**" shall be the Relevant Banking Day following the day on which the relevant Bearer Instrument shall have been surrendered for exchange in accordance with Condition 2.5 (*Exchange of Bearer Instruments*); and
- (c) the "**transfer date**" shall be the Relevant Banking Day following the day on which the relevant Registered Instrument shall have been surrendered for transfer in accordance with Condition 2.4 (*Transfer of Registered Instruments*).

2.7 *No Charges upon Transfer or Exchange*: The issue of new Registered Instruments on transfer or on the exchange of Bearer Instruments for Registered Instruments will be effected without charge by or on behalf of the Issuer, the Registrar or any other Paying Agent, but upon payment

by the applicant of (or the giving by the applicant of such indemnity as the Issuer, the Registrar or such other Paying Agent may require in respect of) any tax, duty or other governmental charges which may be imposed in relation thereto.

2.8 *Transfer of Book Entry Instruments:* Title to the Book Entry Instruments passes upon registration in the relevant individual securities accounts held with an Affiliate Member of Interbolsa. Any Book Entry Instrumentholder will (except as otherwise required by law) be treated as its absolute owner for all purposes and no person will be liable for so treating the Book Entry Instrumentholder.

3. **Status of the Instruments**

The Instruments and any relative Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer and rank *pari passu* among themselves and (subject as aforesaid and save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding.

4. **Negative Pledge**

So long as any of the Instruments remains outstanding (as defined in the Trust Deed), neither the Issuer nor, if EDP B.V. is the Issuer, EDP will create or, save only by operation of law, have outstanding any mortgage, lien, pledge or other charge (each a "**Security Interest**") other than any Permitted Security (as defined below) upon the whole or any part of its undertaking or assets, present or future (including any uncalled capital) to secure any Loan Stock of any Person or to secure any obligation of any Person under any guarantee of or indemnity or purchase of indebtedness undertaking in respect of any Loan Stock of any other Person without at the same time or prior thereto at the option of the Issuer or, if the Issuer is EDP B.V., EDP either (1) securing the Instruments or securing EDP's obligations under the Keep Well Agreement in each case equally and rateably with such Loan Stock, guarantee, indemnity or purchase of indebtedness undertaking to the satisfaction of the Trustee or (2) providing such other security for or other arrangement in respect of the Instruments or EDP's obligations under the Keep Well Agreement as the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the Holders or which shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Holders.

For the purposes of these Terms and Conditions:

"Loan Stock" means indebtedness (other than the Instruments) having an original maturity of more than one year which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other debt securities (not comprising, for the avoidance of doubt, preference shares or other equity securities) which for the time being are, or are intended to be with the consent of the issuer thereof, quoted, listed, ordinarily dealt in or traded on any stock exchange and/or quotation system or by any listing authority or other established securities market other than any such indebtedness where the majority thereof is initially placed with investors domiciled in Portugal and who purchase such indebtedness in Portugal.

"Permitted Security" means:

- (i) in the case of a consolidation or merger of EDP with or into another company (the **"Combining Company"**) any Security Interest over assets of EDP if it is the surviving company or the company (if other than EDP) surviving or formed by such consolidation or merger **provided that:** (1) such Security Interest was created by the Combining Company over assets owned by it; (2) such Security Interest is existing at the time of such consolidation or merger; (3) such Security Interest was not created in contemplation of such consolidation or merger; and (4) the amount secured by such Security Interest is not increased thereafter; or
- (ii) any Security Interest on or with respect to assets (including but not limited to receivables) of the Issuer or, if EDP B.V. is the Issuer, EDP which is created pursuant to any securitisation or like arrangement in accordance with normal market practice and whereby the indebtedness secured by such Security Interest or the indebtedness in respect of any guarantee or indemnity which is secured by such Security Interest is limited to the value of such assets; or
- (iii) any Security Interest securing any indebtedness incurred in relation to any asset for the purpose of financing the whole or any part of the acquisition, creation, construction, improvement or development of such asset where the financial institutions to whom such indebtedness is owed have recourse solely to the applicable project borrower (where such project borrower is formed solely or principally for the purpose of the relevant project) and/or such asset (or any derivative asset thereof) and/or the shares held in such project borrower.

"Person" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state, agency of a state or other entity, whether or not having separate legal personality.

5. Interest

The Final Terms will indicate whether the Instruments are Fixed Rate Instruments, Floating Rate Instruments or Zero Coupon Instruments.

5.1 *Interest on Fixed Rate Instruments*

Each Fixed Rate Instrument bears interest from and including the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date if that does not fall on an Interest Payment Date. For so long as any of the Fixed Rate Instruments is represented by a Global Instrument interest will be calculated on the aggregate outstanding nominal amount of the Fixed Rate Instruments represented by such Global Instrument. In respect of each definitive Fixed Rate Instrument, interest will be calculated on its outstanding nominal amount. Interest on Fixed Rate Instruments which are Book Entry Instruments will be calculated on the full outstanding nominal amount of the Fixed Rate Instruments and will be paid to the Affiliate Members of Interbolsa for distribution by them to the accounts of entitled Book Entry Instrumentholders in accordance with Interbolsa's usual rules and operating procedures.

If Instruments are in definitive form, except as provided in the Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the Final Terms, amount to the Broken Amount so specified.

Except in the case of Instruments in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Instruments which are (i) represented by a Global Instrument or (ii) Registered Instruments in definitive form, the aggregate outstanding nominal amount of (A) the Fixed Rate Instruments represented by such Global Instrument or (B) such Registered Instrument; or

- (B) in the case of Fixed Rate Instruments which are Bearer Instruments in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount, as applicable, to the aggregate outstanding nominal amount of Fixed Rate Instruments which are Registered Instruments in definitive form or the Calculation Amount in the case of Fixed Rate Instruments which are Bearer Instruments in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Fixed Rate Instrument which is a Bearer Instrument in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Instrument shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest for any Fixed Interest Period:

- (i) if "**Actual/Actual (ICMA)**" is specified in the Final Terms:
- (a) in the case of Instruments where the number of days in the relevant period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the Final Terms) that would occur in one calendar year; or
 - (b) in the case of Instruments where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of

Determination Dates (as specified in the Final Terms) that would occur in one calendar year; and

- (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if "**30/360**" is specified in the Final Terms, the number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date (such number of days being calculated on the basis of 12 30-day months) divided by 360; and
- (iii) if "**Actual/365**" or "**Actual/Actual (ISDA)**" is specified in the Final Terms, the actual number of days in the Fixed Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Fixed Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Fixed Interest Period falling in a non-leap year divided by 365).

In these Conditions:

"**Determination Period**" means the period from and including a Determination Date to but excluding the next Determination Date;

"**Fixed Interest Period**" means the period from and including an Interest Payment Date (or the Interest Commencement Date) to but excluding the next (or first) Interest Payment Date; and

"**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

5.2 *Interest on Floating Rate Instruments*

- (a) *Interest Payment Dates*: Each Floating Rate Instrument bears interest from and including the Interest Commencement Date and such interest will be payable in arrear on either:
 - (i) the Specified Interest Payment Date(s) (each an "**Interest Payment Date**") in each year specified in the Final Terms; or

- (ii) if no Specified Interest Payment Date(s) is/are specified in the Final Terms, each date (each an "**Interest Payment Date**") which falls the number of months or other period specified as the Specified Period in the Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In these Terms and Conditions, "**Interest Period**" means the period from and including an Interest Payment Date (or the Interest Commencement Date) to but excluding the next (or first) Interest Payment Date or the relevant payment date if the Instruments become payable on a date other than an Interest Payment Date. For so long as any of the Floating Rate Instruments is represented by a Global Instrument held on behalf of Clearstream, Luxembourg and/or Euroclear Bank, interest will be calculated on the aggregate outstanding nominal amount of the Instruments represented by such Global Instrument. In respect of each definitive Floating Rate Instrument, interest will be calculated on its outstanding nominal amount. Interest on Floating Rate Instruments which are Book Entry Instruments will be calculated on the full outstanding nominal amount of the Floating Rate Instruments will be paid to the Affiliate Members of Interbolsa for distribution by them to the accounts of entitled Instrumentholders in accordance with Interbolsa's usual rules and operating procedures.

If a Business Day Convention is specified in the Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 5.2(a)(i) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

- (2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, "**Business Day**" means a day which is both:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the Final Terms; and
 - (B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars, shall be Sydney) or (2) in relation to any sum payable in euro, a day on which Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the "**TARGET2 System**") is open.
- (b) *Rate of Interest:* The Rate of Interest payable from time to time in respect of Floating Rate Instruments will be determined in the manner specified in the Final Terms (which shall specify whether ISDA Determination or Screen Rate Determination is applicable).
- (c) *ISDA Determination for Floating Rate Instruments:* Where ISDA Determination is specified in the Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the Final Terms) the Margin (if any). For the purposes of this Condition 5.2(c), "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Issue and Paying Agent or the Calculation Agent, as applicable, under an interest rate swap transaction if the Issue

and Paying Agent or the Calculation Agent, as applicable, were acting as Calculation Agent (as defined in the ISDA Definitions (as defined below)) for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions (as amended and updated as at the Issue Date of the first Tranche of the Instruments, published by the International Swaps and Derivatives Association, Inc. (the "**ISDA Definitions**")) and under which:

- (1) the Floating Rate Option is as specified in the Final Terms;
- (2) the Designated Maturity is a period specified in the Final Terms; and
- (3) the relevant Reset Date is the day specified in the Final Terms.

For the purposes of this Condition 5.2(c), "**Floating Rate**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

- (d) *Screen Rate Determination for Floating Rate Instruments:* Where Screen Rate Determination is specified in the Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (i) the offered quotation; or
- (ii) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (being either LIBOR or EURIBOR, as specified in the Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (Relevant Financial Centre time) on the Interest Determination Date in question plus or minus (as indicated in the Final Terms) the Margin (if any), all as determined by the Issue and Paying Agent or the Calculation Agent, as applicable. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Issue and Paying Agent or the Calculation Agent, as applicable, for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of (i) above, no offered quotation appears or, in the case of (ii) above, fewer than three offered quotations appear, in each case as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR), EDP and/or the Determination Agent or the Calculation Agent, as applicable, shall request each of the Reference Banks or the Calculation Agent, as applicable, to provide the Issue and Paying Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Issue and Paying Agent or the Calculation Agent, as applicable, with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Issue and Paying Agent or the Calculation Agent, as applicable, **provided that**, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

- (e) *Minimum Rate of Interest and/or Maximum Rate of Interest:* If the Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Conditions 5.2(b), 5.2(c) or 5.2(d) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Conditions 5.2(b), 5.2(c) or 5.2(d) is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

- (f) *Determination of Rate of Interest and calculation of Interest Amounts:* The Issue and Paying Agent or the Calculation Agent, as applicable, will at or as soon as practicable

after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Issue and Paying Agent will calculate the amount of interest (the "**Interest Amount**") payable on the Floating Rate Instruments in respect of each Specified Denomination for the relevant Interest Period.

The Issue and Paying Agent or the Calculation Agent, as applicable, will calculate the amount of interest ("**Interest Amount**") payable on the Floating Rate Instruments for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Instruments which are represented by a Global Instrument, the aggregate outstanding nominal amount of the Instruments represented by such Global Instrument; or
- (B) in the case of Floating Rate Instruments in definitive form, the Calculation Amount,

and, in each case multiplying such sum by the applicable Day Count Fraction and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Instrument in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Instrument shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest for any Interest Period:

- (i) if "**Actual/Actual**" or "**Actual/Actual (ISDA)**" is specified in the Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

- (ii) if "**Actual/365 (Fixed)**" is specified in the Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if "**Actual/365 (Sterling)**" is specified in the Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if "**Actual/360**" is specified in the Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y₁**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M₁**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M₂**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D₁**" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

"**D₂**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (vi) if "**30E/360**" or "**Eurobond Basis**" is specified in the Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y₁**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M₁**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M₂**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D₁**" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

"**D₂**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D₂ will be 30; and

- (vii) if "**30E/360 (ISDA)**" is specified in the Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y₁**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M₁**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless (1) that day is the last day of February or (2) such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (1) that day is the last day of February but not the Maturity Date or (2) such number would be 31 and D₂ will be 30.

- (g) *Notification of Rate of Interest and Interest Amounts:* The Issue and Paying Agent or the Calculation Agent, as applicable, will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Trustee and any stock exchange or other relevant authority on which the relevant Floating Rate Instruments are for the time being listed or by which they have been admitted to listing and notice thereof to be published in accordance with Condition 15 (*Notices*) as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange or other relevant authority on which the relevant Floating Rate Instruments are for the time being listed or by which they have been admitted to listing and to the Holders in accordance with Condition 15 (*Notices*). For the purposes of this paragraph, the expression "London Business Day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.
- (h) *Linear Interpolation:* Where Linear Interpolation is specified as applicable in respect of an Interest Period in the Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Issue and Paying Agent or the Calculation Agent, as applicable, by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the Final Terms), one of which shall be determined as if the Designated

Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period **provided however that** if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Issue and Paying Agent or the Calculation Agent, as applicable, shall determine such rate at such time and by reference to such sources as it determines appropriate.

"Designated Maturity" means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

- (i) *Determination or calculation by the Calculation Agent:* If for any reason at any time the Issue and Paying Agent defaults in its obligations to determine the Rate of Interest or in its obligation to calculate any Interest Amount in accordance with the provisions of Conditions 5.2(c) or 5.2(d) above, as the case may be, and in each case, in accordance with paragraph 5(f) above, the Calculation Agent shall determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it may think fit to the foregoing provisions of this Condition, but subject always to any Minimum or Maximum Rate of Interest specified in the Final Terms), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Calculation Agent may calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Issue and Paying Agent.
- (j) *Certificates to be final:* All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5.2, by the Issue and Paying Agent or the Calculation Agent, as applicable, shall (in the absence of manifest error) be binding on the Issuer, the Trustee, EDP (if the Issuer is EDP B.V.), the Issue and Paying Agent, the other Paying Agents and all Holders and (in the absence as aforesaid) no liability to the Issuer, EDP (if the Issuer is EDP B.V.) or the Holders shall attach to the Issue and Paying Agent or the Calculation Agent, as applicable in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

5.3 *Accrual of interest*

Each Instrument (or, in the case of the redemption of part only of an Instrument, that part only of such Instrument) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, if applicable, or, in the case of a Book Entry Instrument presentation of the relevant Certificate in respect thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue as provided in the Trust Deed.

5.4 *Benchmark Discontinuation*

- (a) Notwithstanding the operation of Condition 5.2 (*Interest on Floating Rate Instruments*), if EDP (in consultation with the Calculation Agent (or the person specified in the relevant Final Terms as the party responsible for calculating the Rate of Interest)) determines that a Benchmark Event has occurred, when any Rate of Interest (or the relevant component part thereof) remains to be determined by reference to a Reference Rate, then the following provisions shall apply.
- (b) EDP shall use its reasonable endeavours to appoint an Independent Adviser, no later than 5 Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5.4(c)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 5.4(d)) and any Benchmark Amendments (in accordance with Condition 5.4(e)).

For the avoidance of doubt, the Independent Adviser if acting in good faith and, in the absence of bad faith or fraud, shall have no liability whatsoever to the Issuer (nor, if EDP B.V. is the Issuer, EDP), the Trustee, the Paying Agents or the Holders for any determination made by it pursuant to this Condition 5.4.

If (i) EDP is unable, having used its reasonable endeavours, to appoint an Independent Adviser or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate and, in each case, an Adjustment Spread, in accordance with this Condition 5.4 prior to the date which is 3 Business Days prior to the relevant Interest Determination Date, the Reference Rate applicable to the immediate following Interest Period shall be the Reference Rate applicable as at the last preceding Interest Determination Date. If there has not been a first Interest Payment Date, the Reference Rate shall be the Reference Rate applicable to the first Floating Rate Interest Period. For the avoidance of doubt, any adjustment pursuant to

this final paragraph of Condition 5.4 shall apply to the immediately following Interest Period only. Any subsequent Interest Period may be subject to the subsequent operation of this Condition 5.4.

- (c) If the Independent Adviser determines in its discretion that:
 - (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 5.4(d)) subsequently be used in place of the Reference Rate to determine the Rate of Interest for the immediately following Interest Period and all following Interest Periods, subject to the subsequent operation of this Condition 5.4; or
 - (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 5.4(d)) subsequently be used in place of the Reference Rate to determine the Rate of Interest for the immediately following Interest Period and all following Interest Periods, subject to the subsequent operation of this Condition 5.4.
- (d) If a Successor Rate or Alternative Rate is determined in accordance with Condition 5.4(c), the Independent Adviser shall determine an Adjustment Spread (which may be expressed as a specified quantum or a formula or methodology for determining the applicable Adjustment Spread), which Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be), subject to the subsequent further operation and adjustment as provided in this Condition 5.4. For the avoidance of doubt, an Adjustment Spread may be positive, negative or zero.
- (e) If any relevant Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 5.4 and the Independent Adviser determines in its discretion:
 - (A) that amendments to these Conditions, the Trust Deed, the Interbolsa Instrument and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**"); and
 - (B) the terms of the Benchmark Amendments,then EDP and EDP B.V. shall, subject to giving notice thereof in accordance with Condition 5.4(f), without any requirement for the consent or approval of relevant

Holders, vary these Conditions, the Trust Deed, the Interbolsa Instrument or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

The Trustee, the Calculation Agent and the Issue and Paying Agent shall, at the request and expense of EDP and without the requirement for any consent or approval of the Holders, concur with EDP and EDP B.V. in effecting any Benchmark Amendments as may be required in order to give effect to this Condition 5.4(e), subject to receipt by the Trustee of the certificate referred to in Condition 5.4(g) below, *provided however*, that neither the Trustee, the Calculation Agent nor the Issue and Paying Agent shall be obliged so to concur if in the reasonable opinion of the Trustee, the Calculation Agent or the Issue and Paying Agent (as applicable) doing so would have the effect of imposing more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions in these Conditions, the Agency Agreement or the Trust Deed.

- (f) Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5.4 will be notified promptly by the Issuer to the Trustee, the Paying Agents, the Calculation Agent and, in accordance with Condition 15 (*Notices*), the Holders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.
- (g) No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by two of its Directors:
 - (A) confirming (x) that a Benchmark Event has occurred, (y) the relevant Successor Rate, or, as the case may be, the relevant Alternative Rate and, (z) where applicable, any relevant Adjustment Spread and/or the specific terms of any relevant Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 5.4; and
 - (B) certifying that the relevant Benchmark Amendments are necessary to ensure the proper operation of such relevant Successor Rate, Alternative Rate and/or Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without further enquiry and without liability to any person) as sufficient evidence thereof.

- (h) The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of such Successor Rate or Alternative Rate and such Adjustment Spread (if any) and such Benchmark Amendments (if any)) be binding on the Issuer (and, if EDP B.V. is the Issuer, EDP), the Trustee, the Paying Agents, the Calculation Agent and the Holders.
- (i) Without prejudice to the obligations of EDP and EDP B.V., as appropriate, under Condition 5.4(b), (c), (d) and (e), the Reference Rate and the fallback provisions provided for in Condition 5.2(d) will continue to apply unless and until the Calculation Agent or the person specified in the Final Terms as the party responsible for calculating the Rate of Interest has been notified of the Successor Rate or the Alternative Rate (as the case may be), the applicable Adjustment Spread and Benchmark Amendments (if applicable), in accordance with Condition 5.4(f)
- (j) If, in the case of any Benchmark Event, any Successor Rate, Alternative Rate and/or Adjustment Spread is notified to the Issue and Paying Agent or, as applicable, the Calculation Agent pursuant to Condition 5.4(f), and the Issue and Paying Agent or, as applicable, the Calculation Agent is in any way uncertain as to the application of such Successor Rate, Alternative Rate and/or Adjustment Spread in the calculation or determination of any Rate of Interest (or any component part thereof), it shall promptly notify the Issuer thereof and the Issuer shall direct the Issue and Paying Agent or, as applicable, the Calculation Agent in writing (which direction may be by way of a written determination of an Independent Advisor) as to which course of action to adopt in the application of such Successor Rate, Alternative Rate and/or Adjustment Spread in the determination of such Rate of Interest. If the Issue and Paying Agent or, as applicable, the Calculation Agent is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Issue and Paying Agent or, as applicable, the Calculation Agent shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so. For the avoidance of doubt, for the period that the Issue and Paying Agent or, as applicable, the Calculation Agent remains uncertain of the application of the Successor Rate, Alternative Rate and/or Adjustment Spread in the calculation or determination of any Rate of Interest (or any component part

thereof), the Reference Rate and the fallback provisions provided for in Conditions 5.2 will continue to apply.

In this Condition 5.4, where the context so permits, "**Reference Rate**" includes any Successor Rate or Alternative Rate that has replaced the Reference Rate specified in the Final Terms. As used in this Condition 5.4:

"**Adjustment Spread**" means either a spread (which may be positive, negative or zero), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines is required to be applied to the relevant Successor Rate or the relevant Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Holders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (B) (if no such recommendation has been made, or in the case of an Alternative Rate), the Independent Adviser determines is customarily applied to the relevant Successor Rate or Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate; or
- (C) (if no such recommendation has been made, or in the case of an Alternative Rate) the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (D) (if the Independent Adviser determines that no such industry standard is recognised or acknowledged) the Independent Adviser determines to be appropriate.

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5.4(c) is customary in market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) in the Specified Currency.

"**Benchmark Event**" means:

- (A) the relevant Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or
- (B) a public statement by the administrator of the relevant Reference Rate that it has ceased, or will, by a specified date within the following six months, cease, publishing such Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Reference Rate); or
- (C) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or
- (D) a public statement by the supervisor of the administrator of the relevant Reference Rate that means that such Reference Rate will, by a specified date within the following six months, be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or
- (E) a public statement by the supervisor of the administrator of the relevant Reference Rate that, in the view of such supervisor, such Reference Rate is no longer representative of an underlying market; or
- (F) it has or will, by a specified date within the following six months, become unlawful for the Calculation Agent to calculate any payments due to be made to any Holder using the relevant Reference Rate (as applicable) (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable).

"Independent Adviser" means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by EDP at its own expense under Condition 5.4(b).

"Relevant Nominating Body" means, in respect of a benchmark or screen rate (as applicable):

- (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is

responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

"**Successor Rate**" means a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body.

6. **Payments**

6.1 *Method of payment:* Subject and except as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency; and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

Subject always to Condition 8 (*Taxation*), payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

6.2 *Presentation of Bearer Instruments, Receipts and Coupons:* Payments of principal in respect of Bearer Instruments will (subject as provided below) be made in the manner provided in Condition 6.1 (*Method of payment*) above only, where applicable, against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Bearer Instruments, and payments of interest in respect of Bearer Instruments will (subject as provided below) be made as aforesaid only, where applicable, against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Payments of instalments of principal (if any) in respect of Bearer Instruments, other than the final instalment, will (subject as provided below) be made in the manner provided in Condition

6.1 (*Method of payment*) above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in Condition 6.1 (*Method of payment*) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Instrument in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the definitive Instrument to which it appertains. Receipts presented without the definitive Instrument to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any definitive Instrument becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Instruments in bearer form (other than Long Maturity Instruments (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 8 (*Taxation*)) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9 (*Prescription*)) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Instrument in bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Instrument or Long Maturity Instrument in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A "**Long Maturity Instrument**" is a Fixed Rate Instrument (other than a Fixed Rate Instrument which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon **provided**

that such Instrument shall cease to be a Long Maturity Instrument on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Instrument.

Other than in respect of Book Entry Instruments, if the due date for redemption of any Instrument is not an Interest Payment Date, interest (if any) accrued in respect of such Instrument from and including the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Bearer Instrument.

Payments in respect of the Book Entry Instruments will be made by transfer to the registered account of the holders maintained by or on behalf of them with a bank that processes payments in the relevant currency, details of which appear in the records of the relevant Affiliate Members of Interbolsa at the close of business on the Payment Day (as defined in Condition 6.5 (*Payment Day*) below) before the due date for payment of principal and/or interest.

6.3 *U.S. Paying Agent:* Notwithstanding the foregoing provisions of Condition 6.2 (*Presentation of Bearer Instruments, Receipts and Coupons*), if any amount of principal and/or interest in respect of Instruments is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Instruments will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Instruments in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer or, if the Issuer is EDP B.V., EDP – Energias de Portugal, S.A.

6.4 *Registered Instruments:* Payments of amounts (including accrued interest) due on the final redemption of Registered Instruments will be made against presentation and, save in the case of a partial redemption, surrender of the relevant Registered Instruments at the specified office of the Registrar.

Payments of amounts (whether principal, interest or otherwise) due in respect of Registered Instruments will be paid to the Holders thereof (or, in the case of joint Holders, the first-named) as appearing in the register kept by the Registrar (1) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date, and (2) where in definitive form, as at close of business (Luxembourg time) on the fifteenth Luxembourg business day (the "**Record Date**") before the due date for such payment **provided that** the amounts due in respect of Registered Instruments under Condition 10 (*Events of Default*) will be paid to the Holders thereof (or, in the case of joint Holders, the first-named) as appearing in such register as at opening of business (Luxembourg time) on the date on which such payment is made.

6.5 *Payment Day:* If the date for payment of any amount in respect of any Instrument, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "**Payment Day**" means any day which (subject to Condition 9 (*Prescription*)) is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Financial Centre specified in the Final Terms and, in the case of Instruments in definitive form only, in the relevant place of presentation, or, in the case of Book Entry Instruments, in Portugal; and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation, and any Additional Financial Centre) or (2) in relation to any sum payable in euro, a day on which the TARGET 2 System is open.

6.6 *Interpretation of principal and interest:* Any reference in these Terms and Conditions to principal in respect of the Instruments shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 8 (*Taxation*) or under any undertakings or covenants given in addition thereto or in substitution therefor pursuant to the Trust Deed;
- (ii) the Final Redemption Amount of the Instruments;
- (iii) the Early Redemption Amount of the Instruments;
- (iv) the Optional Redemption Amount(s) (if any) of the Instruments;
- (v) in relation to Instruments redeemable in instalments, the Instalment Amounts;
- (vi) in relation to Zero Coupon Instruments, the Amortised Face Amount (as defined in Condition 7.6); and
- (vii) any premium and any other amounts which may be payable by the Issuer under or in respect of the Instruments.

Any reference in these Terms and Conditions to interest in respect of the Instruments shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8 (*Taxation*) or under any undertakings or covenants given in addition thereto or in substitution thereof pursuant to the Trust Deed.

7. **Redemption and Purchase**

7.1 *Redemption at maturity:* Unless previously redeemed or purchased and cancelled as specified below, each Instrument will be redeemed by the Issuer at its outstanding nominal amount in the relevant Specified Currency on the Maturity Date.

7.2 *Redemption for tax reasons:* Subject to Condition 7.8 (*Early Redemption Amounts*), the Instruments may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Instrument is not a Floating Rate Instrument) or on any Interest Payment Date (if this Instrument is a Floating Rate Instrument), on giving not less than 30 nor more than 60 days' notice to the Trustee, the Issue and Paying Agent and, in accordance with Condition 15 (*Notices*), the Holders (which notice shall be irrevocable), if the Issuer satisfies the Trustee immediately prior to the giving of such notice that:

- (i) on the occasion of the next payment due under the Instruments, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8

(*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the relevant Tax Jurisdiction (as defined in Condition 8 (*Taxation*)) or any political subdivision of, or any authority in, or of, the relevant Tax Jurisdiction having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Instruments; and

- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Instruments then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Trustee (1) a certificate signed by two Directors of EDP stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (2) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment and the Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above in which event they shall be conclusive and binding on the Holders.

Instruments redeemed pursuant to this Condition 7.2 will be redeemed at their Early Redemption Amount referred to in Condition 7.8 (*Early Redemption Amounts*) below together (if appropriate) with interest accrued to but excluding the date of redemption.

7.3 *Redemption at the option of the Issuer (Issuer Call)*: If Issuer Call is specified as being applicable in the Final Terms, the Issuer may, having given:

- (i) not less than 15 days nor more than 30 days' notice to the Holders in accordance with Condition 15 (*Notices*); and
- (ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Issuer and Paying Agent and the Trustee;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or, if so provided, some only of the Instruments at any time or from time to time on the relevant

Optional Redemption Date at, unless otherwise specified in the relevant Final Terms, the Optional Redemption Amount together, if appropriate, with any interest accrued on the Instruments to, but excluding, the Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the Final Terms.

The Optional Redemption Amount will either be the specified percentage of the nominal amount of the Instruments stated in the Final Terms or, if Make-Whole Redemption Amount is specified in the Final Terms, will be calculated by the Determination Agent and will be the greater of (x) 100 per cent. of the principal amount of the Instruments so redeemed and (y) the sum of the then present values of each remaining scheduled payments of principal and interest on such Instruments to maturity or, if Residual Call Period is specified as applicable in the Final Terms, to the Residual Call Commencement Date (not including any interest accrued on the Instruments to, but excluding, the relevant Optional Redemption Date) discounted to the relevant Optional Redemption Date on an annual basis at the Make-Whole Redemption Rate plus the Make-Whole Redemption Margin, if any, specified in the Final Terms.

All Instruments in respect of which any such notice of redemption is given shall be redeemed on the date specified in such notice in accordance with this Condition.

For the purposes of this Condition 7.3:

"Determination Agent" means an independent adviser, investment bank or financial institution of recognised standing selected by the Issuer;

"Make-Whole Redemption Rate" means, with respect to any date of redemption, the rate per annum equal to the annual or semi-annual yield (as the case may be) to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such date of redemption;

"Reference Bond" shall be as set out in the Final Terms or, if no such bond is set out in the Final Terms or if such bond is no longer outstanding, shall be the Selected Reference Bond;

"Reference Bond Price" means, with respect to any date of redemption, (A) the arithmetic average of the Reference Government Bond Dealer Quotations for such date of redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations,

or (B) if the Determination Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations;

"Reference Date" will be set out in the relevant notice of redemption;

"Reference Government Bond Dealer" means each of five banks selected by the Issuer (or the Determination Agent, acting at its request), or their affiliates, which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing corporate bond issues;

"Reference Government Bond Dealer Quotations" mean, with respect to each Reference Government Bond Dealer and any date for redemption, the arithmetic average, as determined by the Determination Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at the Quotation Time specified in the Final Terms on the Reference Date quoted in writing to the Determination Agent by such Reference Government Bond Dealer;

"Residual Call Commencement Date" shall be the date set out in the Final Terms;

"Residual Call Period" has the meaning set out in the Final Terms; and

"Selected Reference Bond" means a government security or securities selected by the Determination Agent as having an actual or interpolated maturity comparable to either the remaining term of the Instruments or, if Residual Call Period is specified as applicable in the Final Terms, the Residual Call Commencement Date of the Instruments, that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the Instruments and of a comparable maturity to either the remaining term of the Instruments or, if Residual Call Period is specified in the Final Terms, the Residual Call Commencement Date of the Instruments.

- 7.4 *Redemption at the option of the Issuer (Clean-up Call):* If Clean-up Call is specified as being applicable in the Final Terms, in the event that Instruments representing an aggregate amount equal to or exceeding the Minimum Percentage (as specified in the Final Terms, being a percentage of the initial aggregate principal amount of that particular Series of Instruments (including any Instruments which have been consolidated and form a single Series therewith)) have been purchased by EDP or any subsidiary of EDP and cancelled or redeemed by the Issuer, the Issuer may, having given:

- (i) not less than 15 days nor more than 30 days' notice to the Holders in accordance with Condition 15 (*Notices*); and
- (ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Issue and Paying Agent and the Trustee;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem the Instruments then outstanding in whole (but not in part) on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the Final Terms together, if appropriate, with interest accrued to but excluding the relevant Optional Redemption Date.

All Instruments in respect of which any such notice of redemption is given shall be redeemed on the date specified in such notice in accordance with this Condition.

7.5 *Partial Redemption*: In the case of a partial redemption of Instruments (other than Book Entry Instruments), the Instruments to be redeemed ("**Redeemed Instruments**") will be selected individually by lot not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**") in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and/or Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion). A list of the serial numbers of such Redeemed Instruments will be published in accordance with Condition 15 (*Notices*) not less than 15 days prior to the date fixed for redemption. Partial redemption of Book Entry Instruments shall be made in accordance with the applicable Interbolsa rules.

7.6 *Redemption at the option of the Holders (Investor Put)*: If Investor Put is specified as being applicable in the Final Terms, upon the holder of any Instrument giving to the Issuer in accordance with Condition 15 (*Notices*) not less than 15 nor more than 30 days' notice (which notice shall be irrevocable) the Issuer will, upon the expiry of such notice, redeem, in whole (but not in part), such Instrument on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to but excluding the relevant Optional Redemption Date.

To exercise the right to require redemption of this Instrument the holder of this Instrument must deliver (1) (in the case of Instruments in definitive form) to the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period a duly completed and signed notice of exercise in the form (for the time being

current) obtainable from any specified office of any Paying Agent or (2) (in all other cases) a notice to the Paying Agent or Transfer Agent or Registrar (as the case may be) in accordance with the standard procedures of Clearstream, Luxembourg, Euroclear Bank and/or Interbolsa or any common depositary or custodian for them stating the principal amount of the Instruments in respect of which such option is exercised (a "**Put Notice**") in which the holder must specify a bank account to which payment is to be made under this Condition together in the case of Bearer Instruments with the Instruments. No deposit of Instruments will be required in respect of Book Entry Instruments.

7.7 *Redemption at option of Holders on Change of Control (Investor Put on Change of Control):* If Investor Put on Change of Control is specified as being applicable in the Final Terms and at any time while any Instruments remain outstanding there occurs a Change of Control and within the Change of Control Period a Rating Downgrade as a result of that Change of Control occurs (together, a "**Put Event**"), each Holder will have the option (unless, prior to the giving of the Put Event Notice referred to below, the Issuer gives notice to redeem the Instruments in accordance with Condition 7.2 (*Redemption for tax reasons*)), Condition 7.3 (*Redemption at the option of the Issuer (Issuer Call)*) or Condition 7.4 (*Redemption at the option of the Issuer (Clean-up Call)*), to require the Issuer to redeem each of the Instruments held by such Holder on the Mandatory Redemption Date at its principal amount together with interest accrued to but excluding the Mandatory Redemption Date, such option being referred to as an "Investor Put on Change of Control".

Upon EDP becoming aware that a Put Event has occurred, EDP shall promptly notify the Issuer of such fact (where the Issuer is EDP B.V.) and the Issuer shall give notice (a "**Put Event Notice**") to the Holders in accordance with Condition 15 (*Notices*) specifying the nature of the Put Event and the circumstances giving rise to it and the procedure for exercising the option set out in this Condition 7.7.

To exercise the option to require redemption of an Instrument under this Condition 7.7 the holder of this Instrument must, if this Instrument is in definitive form and held outside Euroclear Bank and Clearstream, Luxembourg, deliver such Instrument, on any business day in the city of the specified office of the relevant Paying Agent falling within the Put Period, at the specified office of any Paying Agent, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (a "**Put Option Notice**") and in which the holder must specify a bank account to

which payment is to be made under this Condition 7.7. The Instrument should be delivered together with all Coupons appertaining thereto maturing after the Mandatory Redemption Date failing which an amount will be deducted from the payment to be made by the Issuer on redemption of the Instruments corresponding to the aggregate amount payable in respect of such missing Coupons.

If the Instruments are represented by a Global Instrument or are in definitive form and held through Euroclear Bank or Clearstream, Luxembourg, to exercise the right to require redemption of an Instrument under this Condition 7.7 the holder of the Instrument must, within the Put Period, give notice to the Paying Agent of such exercise in accordance with the standard procedures of Euroclear Bank and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear Bank or Clearstream, Luxembourg or any common depository for them to the Paying Agent by electronic means) in a form acceptable to Euroclear Bank and Clearstream, Luxembourg from time to time and, if this Instrument is represented by a Global Instrument, at the same time present or procure the presentation of the relevant Global Instrument to the Paying Agent for notation accordingly.

The Paying Agent to which such Instrument and Put Option Notice are delivered will issue to the holder concerned a non-transferable receipt (a "**Put Option Receipt**") in respect of the Instrument so delivered. The Issuer shall redeem the Instruments in respect of which Put Option Receipts have been issued on the Mandatory Redemption Date, unless previously redeemed and purchased. Payment in respect of any Put Option Receipt will be made on the Mandatory Redemption Date by transfer to the bank account (if any) specified in the Put Option Notice and in every other case on or after the Mandatory Redemption Date, in each case against presentation and surrender or (as the case may be) endorsement of such Put Option Receipt at the specified office of any Paying Agent in accordance with the provisions of this Condition 7.7.

For the purposes of this Condition:

A "**Change of Control**" shall be deemed to have occurred at each time (whether or not approved by the Management Board or Supervisory Board of EDP) that any person (or persons) ("**Relevant Person(s)**") acting in concert or any person or persons acting on behalf of any such Relevant Person(s), at any time directly or indirectly:

- (i) acquires or becomes entitled to exercise control over EDP; or

- (ii) acquires or owns, directly or indirectly more than 50 per cent. of the issued voting share capital of EDP,

provided that the foregoing shall not include the control, or ownership of issued voting share capital, exercisable by and/or owned by the Portuguese Republic, or by the Portuguese Republic and/or by any entity or entities (together or individually) controlled by the Portuguese Republic from time to time, or in respect of which the Portuguese Republic owns directly or indirectly more than 50 per cent. of the issued voting share capital.

A Change of Control shall not be deemed to have occurred if the shareholders of the Relevant Person(s) are also, or immediately prior to the event which would otherwise constitute a Change of Control were, all of the shareholders of EDP.

"Change of Control Period" means the period ending 120 days after the Date of Announcement.

"Date of Announcement" means the date of the public announcement that a Change of Control has occurred.

"Investment Grade Rating" means a rating of at least BBB- (or equivalent thereof) in the case of S&P or a rating of at least BBB- (or equivalent thereof) in the case of Fitch or a rating of at least Baa3 (or equivalent thereof) in the case of Moody's or the equivalent in the case of any other Rating Agency.

"Investment Grade Securities" means Rated Securities which have an Investment Grade Rating from each Rating Agency that assigns a rating to such Rated Securities.

"Mandatory Redemption Date" is the seventh day after the last day of the Put Period.

"Put Period" means the period of 45 days from and including the date on which a Put Event Notice is given.

"Rated Securities" means:

- (i) the Instruments; or
- (ii) such other comparable long-term debt of the Issuer or EDP selected by the Issuer from time to time for the purpose of this definition which possesses a rating by any Rating Agency.

"Rating Agency" means S&P Global Ratings Europe Limited (French Branch) ("**S&P**"), Fitch Ratings Limited ("**Fitch**") and Moody's Investors Services Limited ("**Moody's**") or any of their

respective successors or any other rating agency of equivalent international standing specified from time to time by EDP.

"**Rating Downgrade**" means either:

- (i) within the Change of Control Period:
 - (a) any rating assigned to the Rated Securities is withdrawn; or
 - (b) the Rated Securities cease to be Investment Grade Securities; or
 - (c) (if the rating assigned to the Rated Securities by any Rating Agency which is current at the Date of Announcement is below an Investment Grade Rating) that rating is lowered one full rating notch by any Rating Agency (for example from BB+ to BB by S&P or Fitch and Ba1 to Ba2 by Moody's or such similar lower of equivalent rating),

provided that no Rating Downgrade shall occur by virtue of a particular withdrawal of or reduction in rating unless the Rating Agency withdrawing or making the reduction in the rating announces or confirms that the withdrawal or reduction was the result, in whole or in part, of the relevant Change of Control; or

- (ii) if at the time of the Date of Announcement, there are no Rated Securities and either:
 - (a) EDP does not use all reasonable endeavours to obtain, within 45 days of the Date of Announcement, from a Rating Agency a rating for the Rated Securities; or
 - (b) if EDP does use such endeavours, but, as a result of such Change of Control, at the expiry of the Change of Control Period there are still no Investment Grade Securities and the Rating Agency announces or confirms in writing that its declining to assign an Investment Grade Rating was the result, in whole or in part, of the relevant Change of Control.

7.8 *Early Redemption Amounts*: For the purpose of Condition 7.2 (*Redemption for tax reasons*) above and Condition 10 (*Events of Default*), each Instrument will be redeemed at the Early Redemption Amount calculated as follows:

- (i) at the amount specified in the Final Terms or, if no such amount is so specified in the Final Terms, at its nominal amount; or

- (ii) in the case of a Zero Coupon Instrument, at an amount (the "**Amortised Face Amount**") equal to the sum of the Reference Price and the product of the Accrual Yield (compounded annually) being applied to the Reference Price from and including the Issue Date of the first Tranche of the Instruments to but excluding the date fixed for redemption or (as the case may be) the date upon which such Instrument becomes due and repayable.

Where such calculation is to be made for a period which is not a whole number of years, it shall be made on the basis of the Day Count Fraction specified in the Final Terms which will be either (1) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Instruments to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Instrument becomes due and repayable and the denominator will be 360) or (2) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Instruments to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Instrument becomes due and repayable and the denominator will be 360) or (3) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Instruments to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Instrument becomes due and repayable and the denominator will be 365).

7.9 *Instalments:* Instalment Instruments will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, unless the Optional Redemption Amount is specified in the Final Terms, the Early Redemption Amount will be determined pursuant to Condition 7.8 (*Early Redemption Amounts*).

7.10 *Purchases:* EDP, EDP B.V. or any subsidiary of EDP may at any time purchase Instruments (**provided that**, in the case of Bearer Instruments, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Instruments may be held, reissued, resold or, at the option of EDP, EDP B.V. or the relevant subsidiary of EDP, surrendered to any Paying Agent for cancellation.

7.11 *Cancellation:* All Instruments which are redeemed will forthwith be cancelled (together with all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption (or in accordance with Interbolsa regulations in the case of Book Entry

Instruments)). All Instruments so cancelled and Instruments purchased and cancelled pursuant to Condition 7.10 (*Purchases*) above (together with all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Issue and Paying Agent (save in the case of Book Entry Instruments) and cannot be reissued or resold.

7.12 *Late payment on Zero Coupon Instruments:* If the amount payable in respect of any Zero Coupon Instrument upon redemption of such Zero Coupon Instrument pursuant to Condition 7.1 (*Redemption at maturity*), 7.2 (*Redemption for tax reasons*), 7.3 (*Redemption at the option of the Issuer (Issuer Call)*), 7.4 (*Redemption at the option of the Issuer (Clean-up Call)*), 7.5 (*Partial Redemption*), 7.6 (*Redemption at the option of the Holders (Investor Put)*) or 7.7 (*Redemption at option of Holders on Change of Control (Investor Put on Change of Control)*) above or upon its becoming due and repayable as provided in Condition 10 (*Events of Default*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Instrument shall be the amount calculated as provided in Condition 7.8(ii) as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Instrument becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Instrument have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Instrument has been received by the Issue and Paying Agent or the Trustee and notice to that effect has been given to the Holders in accordance with Condition 15 (*Notices*).

8. **Taxation**

All payments of principal and interest in respect of the Instruments, Receipts and Coupons by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the relevant Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Instruments, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Instruments, Receipts or Coupons, as

the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Instrument, Receipt or Coupon:

- (i) presented for payment by or on behalf of a Beneficial Owner who is liable for such taxes or duties in respect of such Instrument, Receipt or Coupon by reason of his having some connection with the relevant Tax Jurisdiction other than the mere holding of such Instrument, Receipt or Coupon;
- (ii) presented for payment in the case of a Bearer Instrument, in the relevant Tax Jurisdiction;
- (iii) presented for payment in the case of a Bearer Instrument more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 6 (*Payments*));
- (iv) where such withholding or deduction is imposed on a payment to an individual who has not fulfilled the formal requirements for the exemption of withholding tax under European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive;
- (v) presented for payment by or on behalf of a Beneficial Owner who would have been able to avoid such withholding or deduction by presenting the relevant Instrument, Receipt or Coupon to another Paying Agent in a Member State of the European Union;
- (vi) presented for payment by or on behalf of a Beneficial Owner of Instruments, Receipts or Coupons who would not be liable for or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority;
- (vii) where the Issuer is EDP, presented for payment by or on behalf of a Beneficial Owner of Instruments, Receipts or Coupons particularly in respect of whom the information required in order to comply with the special tax regime approved by Decree-Law no. 193/2005 of 7 November ("**Decree-Law no. 193/2005**"), and any implementing legislation, is not received prior to the Relevant Date;
- (viii) where the Issuer is EDP, presented for payment by or on behalf of a Beneficial Owner of Instruments, Receipts or Coupons resident for tax purposes in the Tax Jurisdiction,

or a resident in a country, territory or region subject to clearly a more favourable tax regime included in the list approved by Order no. 150/2004, of 13 February 2004 (Portaria do Ministro das Finanças e da Administração Pública no. 150/2004) as amended from time to time, issued by the Portuguese Minister of Finance and Public Administration, with the exception of (a) central banks and governmental agencies as well as international institutions recognised by the Tax Jurisdiction of those tax haven jurisdictions and (b) tax haven jurisdictions which have a double taxation treaty in force or a tax information exchange agreement in force with Portugal, **provided that** all procedures and all information required under Decree-Law no. 193/2005 regarding (a) and (b) above are complied with;

- (ix) where the Issuer is EDP, presented for payment by or on behalf of (1) a Portuguese resident legal entity subject to Portuguese corporation tax (with the exception of entities that benefit from a Portuguese withholding tax waiver or from Portuguese income tax exemptions), or (2) a non-resident legal person with a permanent establishment in Portugal to which the income or gains obtained from the Instruments, Receipts or Coupons are attributable (with the exception of entities which benefit from a Portuguese withholding tax waiver);
- (x) where the Issuer is EDP, presented for payment by or on behalf of, a Holder (i) in respect to whom the information and documentation required by Portuguese law in order to comply with any applicable tax treaty is not received by the Issuer or by the Portuguese Paying Agent directly from the Holders before the date by which such documentation is to be provided to the Issuer under Portuguese law, and (ii) who is resident in one of the contracting states; or
- (xi) where such deduction or withholding is required pursuant to the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions) and any intergovernmental agreement or implementing legislation adopted by another jurisdiction or any agreement with the U.S. Internal Revenue Service in connection with these provisions.

As used in these Terms and Conditions:

- (i) "**Tax Jurisdiction**" means in the case of EDP, the Portuguese Republic or any political subdivision or any authority thereof or therein having power to tax and, in the case of EDP B.V., the Netherlands or any political subdivision or any authority thereof or

therein having power to tax or in either case any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax in which EDP or, as the case may be, EDP B.V. becomes tax resident;

- (ii) the "**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Issue and Paying Agent or the Trustee on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Holders in accordance with Condition 15 (*Notices*); and
- (iii) "**Beneficial Owner**" means the holder of the Instruments who is the effective beneficiary of the income attributable thereto.

9. **Prescription**

The Instruments (whether in bearer or registered form), Receipts and Coupons will become void unless claims in respect of principal and/or interest are made within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 8 (*Taxation*)) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 6 (*Payments*) or any Talon which would be void pursuant to Condition 6 (*Payments*).

10. **Events of Default**

If any one or more of the following events (each an "**Event of Default**") shall occur and is continuing:

- (i) the Issuer fails to pay any amount of principal or interest due in respect of the Instruments or any of them and the default continues for a period of seven days in the case of principal and 14 days in the case of interest; or
- (ii) the Issuer fails to perform or observe any of its other obligations under the Trust Deed or these Terms and Conditions or, if the Issuer is EDP B.V., EDP fails to perform or observe any of its obligations under the Trust Deed or these Terms and Conditions or (in the case of Book Entry Instruments) the Interbolsa Instrument and, save for in the case of Book Entry Instruments (A) such failure is, in the opinion of the Trustee, incapable of remedy or in respect of which, in the opinion of the Trustee, remedial action satisfactory to the Trustee cannot be taken or (B) such failure is, in the opinion

of the Trustee capable of remedy or in respect of which, in the opinion of the Trustee, such remedial action can be taken and the failure continues for the period of 30 days (or such longer period as the Trustee may permit) after the Trustee has given written notice to the Issuer requiring the same to be remedied; or

- (iii) any other Indebtedness of EDP B.V. (if EDP B.V. is the Issuer) or EDP or any Indebtedness of any Material Subsidiary becomes due and payable prior to the stated maturity thereof as a result of a default thereunder or any such Indebtedness is not paid at the maturity thereof or any guarantee or indemnity in respect of Indebtedness or performance given by any such company is not honoured when due and called upon or any security interest, present or future, over the assets of any such company becomes enforceable **provided that** no such event in relation to such Indebtedness or any guarantee or indemnity in respect of such Indebtedness shall constitute an Event of Default unless the relative Indebtedness either alone or when aggregated with other Indebtedness relative to all (if any) other such events which shall have occurred shall amount to at least €50,000,000 (or its equivalent in any other currency) and **provided further that**, for the purposes of this Condition 10(iii), neither EDP B.V. nor EDP nor any Material Subsidiary shall be deemed to be in default with respect to such Indebtedness, guarantee or security interest until expiration of the applicable grace or remedy period, if any, or if the Trustee is satisfied that it shall be contesting in good faith by appropriate means its liability to make payment thereunder; or
- (iv) any steps are taken with a view to the liquidation or dissolution of EDP B.V. (if EDP B.V. is the Issuer), EDP or any Material Subsidiary, or EDP B.V. (if EDP B.V. is the Issuer), EDP or any Material Subsidiary becomes insolvent or admits in writing its inability to pay its debts as and when the same fall due, or a receiver, liquidator or similar officer shall be appointed over all or any part of EDP B.V.'s (if EDP B.V. is the Issuer), EDP's or any Material Subsidiary's assets or an application shall be made for a moratorium or an arrangement with creditors of EDP B.V. (if EDP B.V. is the Issuer), EDP or any Material Subsidiary or proceedings shall be commenced in relation to EDP B.V. (if EDP B.V. is the Issuer), EDP or any Material Subsidiary under any legal reconstruction, readjustment of debts, dissolution or liquidation law or regulation, or a distress shall be levied or sued out upon all or any part of EDP B.V.'s (if EDP B.V. is the Issuer), EDP's or any Material Subsidiary's assets and shall remain undischarged for (60) days, or anything analogous to the foregoing shall occur under the laws of any applicable jurisdiction **provided that**,

save in the case of Book Entry Instruments, no such event shall constitute an Event of Default if the Trustee is satisfied that it is being contested in good faith by appropriate means by EDP B.V. (if EDP B.V. is the Issuer), EDP or the relevant Material Subsidiary, as the case may be, and EDP or such Material Subsidiary or EDP B.V., as the case may be, has been advised by recognised independent legal advisers of good repute that it is reasonable to do so; or

- (v) save for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution of the Holders, either (A) EDP or any Material Subsidiary, or (B) EDP, EDP B.V. (if EDP B.V. is the Issuer) and each of their Material Subsidiaries taken as a whole, cease(s) or threaten(s) to cease to carry on the whole or a major part of the business conducted by the Group as a whole at the date on which agreement is reached to issue the first Tranche of the Instruments; or
- (vi) any authorisation, approval, consent, licence, decree, registration, publication, notarisation or other requirement of any governmental or public body or authority necessary to enable or permit EDP B.V. or EDP to comply with its obligations under the Instruments, the Trust Deed or the Keep Well Agreement or, if required for the validity or enforceability of any such obligations, is revoked, withdrawn or withheld or otherwise fails to remain in full force and effect or any law, decree or directive of any competent authority of or in the Netherlands or Portugal is enacted or issued which materially impairs the ability or right of EDP B.V. or EDP to perform such obligations; or
- (vii) EDP shall cease to own directly or indirectly more than 50 per cent. of the issued share capital or voting rights attached thereto or similar right of ownership in any Material Subsidiary or 100 per cent. of the issued share capital or voting rights attached thereto or similar right of ownership in EDP B.V. (if EDP B.V. is the Issuer) or EDP shall cease to have direct or indirect control of any Material Subsidiary or EDP B.V.; or
- (viii) the Keep Well Agreement is terminated or any provision of the Keep Well Agreement is amended or waived in circumstances where such amendment or waiver would have, in the opinion of the Trustee, an adverse effect on the interests of the Holders or is not enforced in a timely manner by EDP B.V. or is breached by EDP **provided that** in the case of such non-enforcement or breach this has, in the opinion of the Trustee, an adverse effect on the interests of the Holders; then

- (a) in respect of Instruments other than Book Entry Instruments, the Trustee at its discretion may, and if so requested in writing by the Holders of at least one-quarter in nominal amount of the Instruments then outstanding or if so directed by an Extraordinary Resolution of the Holders of the Instruments shall (subject in each case to being indemnified to its satisfaction), given written notice to the Issuer that the Instruments are, and they shall accordingly thereupon immediately become, due and repayable at the Early Redemption Amount (as described in Condition 7.8 (*Early Redemption Amounts*), together with accrued interest (if any) as provided in the Trust Deed **provided that**, in the case of any Event of Default other than those described in paragraphs (i) (vi) and (vii) above, the Trustee shall have certified to the Issuer that, in its opinion, such Event of Default is materially prejudicial to the interests of the Holders; and
- (b) in respect of Book Entry Instruments, any Book Entry Instrumentholder may give notice to the Issuer and to the Portuguese Paying Agent at their respective specified offices, effective upon the date of receipt thereof by the Portuguese Paying Agent, that the Book Entry Instruments held by such Book Entry Instrumentholders are, and they shall accordingly thereby forthwith become, immediately due and repayable at their Early Redemption Amount (as described in Condition 7.8 (*Early Redemption Amounts*) together with accrued interest (as provided in the Interbolsa Instrument)).

In these Terms and Conditions:

"Group" means EDP and its Subsidiaries;

"Indebtedness" means, with respect to any person, any indebtedness or obligation (whether present or future, actual or contingent) created, issued, guaranteed, incurred or assumed by such person for money borrowed or raised;

"Material Subsidiary" means a Subsidiary:

- (a) whose operations include the generation and/or distribution of electricity in Portugal;
and
- (b) (i) at any time whose total assets, as calculated from the then latest annual financial statements, audited if prepared, of that Subsidiary (consolidated in the case of a Subsidiary which itself has subsidiaries) represent not less than 5 per

cent. of the total assets of the Group (as shown in the latest audited consolidated accounts of the Group); or

- (ii) at any time whose revenues, as calculated from the then latest annual financial statements, audited if prepared, of that Subsidiary (consolidated in the case of a Subsidiary which itself has subsidiaries) represent not less than 5 per cent. of the consolidated revenues of the Group (as shown in the latest audited consolidated accounts of the Group).

A report by the directors of EDP that in their opinion, a Subsidiary is or is not, was or was not at any particular time a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties. Such report may, if requested, be accompanied by a report from the Auditors (as defined in the Trust Deed) addressed to the directors of EDP as to the proper extraction of figures used by the directors of EDP in determining a Material Subsidiary and as to the mathematical accuracy of the calculations; and

"Subsidiary" means an entity from time to time of which EDP (a) has the right to appoint the majority of the members of the board of directors or similar board or (b) owns directly or indirectly more than 50 per cent. of the share capital or similar right of ownership.

11. **Enforcement**

In the case of Instruments other than Book Entry Instruments, the Trustee may, at its discretion and without further notice, take such proceedings against the Issuer as it may think fit to enforce the obligations of the Issuer under the Trust Deed and the Instruments and any related Receipts or Coupons or the obligations of EDP under the Keep Well Agreement, but it shall not be bound to take any such proceedings or any other action unless (a) it shall have been so directed by an Extraordinary Resolution of the Holders or so requested in writing by the Holders of at least one-quarter in nominal amount of the Instruments outstanding and (b) it shall have been indemnified to its satisfaction. In the case of Book Entry Instruments, the Trustee may at any time, at its discretion and without notice, take such proceedings and/or other action as it may think fit against or in relation to the Issuer to enforce the obligations of the Issuer in respect of the covenants granted to the Trustee by the Issuer under the Conditions or the Trust Deed, however the Trustee shall in no circumstances be bound to do so. No Holder, save for a Book Entry Instrumentholder, shall be entitled to proceed directly against the Issuer or to take proceedings to enforce the Keep Well Agreement unless the Trustee, having become bound so to do, fails or unable to do so within 60 days and such failure or inability is continuing, **provided**

that in the case of Book Entry Instruments, the Trustee may not but the holders thereof may at any time take such proceedings against the Issuer as they may think fit to enforce the provisions of the Book Entry Instruments and/or the Interbolsa Instrument.

12. **Replacement of Instruments, Receipts, Coupons and Talons**

Should any Instrument (other than a Book Entry Instrument), Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of any Paying Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Instruments, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

13. **Paying Agents**

The names of the initial Paying Agents and their initial specified offices are set out below. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the Final Terms.

The Issuer is entitled, with the prior written approval of the Trustee, to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, **provided that:**

- (a) there will at all times be an Issue and Paying Agent and, in respect of Registered Instruments, a Registrar;
- (b) so long as the Instruments are listed, traded and/or quoted by or on any listing authority, stock exchange and/or quotation system, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant listing authority, stock exchange and/or quotation system;
- (c) there will at all times be a Paying Agent in jurisdiction within Europe other than the relevant Tax Jurisdiction; and
- (d) there will at all times be a Paying Agent in Portugal capable of making payment in respect of the Book Entry Instruments as contemplated by these terms and conditions of the Instruments, the Agency Agreement and applicable Portuguese law and regulation.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 6 (*Payments*). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with Condition 15 (*Notices*).

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and, in certain limited circumstances, of the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Holders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

14. Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Instrument to which it appertains) a further Talon, subject to the provisions of Condition 9 (*Prescription*).

15. Notices

15.1 *Bearer Instruments*: All notices regarding Bearer Instruments which are not admitted to trading on Euronext Dublin will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that such publication will be made in the *Financial Times* in London and, for so long as the Instruments are admitted to trading on Euronext Dublin and the rules of that exchange so require, through the Companies Announcement Office of Euronext Dublin. Any such notice will be deemed to have been given on the date of the first publication.

15.2 *Notices to Holders of Registered Instruments*: Notices to Holders of Registered Instruments will be deemed to be validly given if sent by first class mail (or equivalent) or (if posted to an overseas address) by air mail to them (or, in the case of joint Holders, to the first-named in the register kept by the Registrar) at their respective addresses as recorded in the register kept by

the Registrar, and will be deemed to have been validly given on the fourth weekday after the date of such mailing or, if posted from another country, on the fifth such day.

- 15.3 *Book Entry Instruments:* The Issuer shall comply with Portuguese law in respect of notices relating to Book Entry Instruments.
- 15.4 *General:* The Issuer shall also ensure that notices are duly published and/or filed in a manner which complies with the rules and regulations of any listing authority, stock exchange and/or quotation system on which the Instruments are for the time being listed, traded and/or quoted.
- 15.5 *Publication not practicable:* If publication as provided above is not practicable, notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.
- 15.6 *Notices from Holders:* Notices to be given by any Holder shall be in writing and given by lodging the same, together with the relative Instrument or Instruments, with the Issue and Paying Agent.
16. **Meetings of Holders, Modification, Waiver and Substitution**

The Trust Deed and, in relation to Book Entry Instruments only, the Interbolsa Instrument contain provisions for convening meetings of the Holders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Instruments, the Receipts, the Coupons or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Issuer if required in writing by Holders holding not less than ten per cent. in nominal amount of the Instruments for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing more than 50 per cent. in nominal amount of the Instruments for the time being outstanding, or at any adjourned meeting one or more persons being or representing Holders whatever the nominal amount of the Instruments so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Instruments, the Receipts, the Coupons or the Trust Deed (including modifying the date of maturity of the Instruments or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Instruments or altering the currency of payment of the Instruments, the Receipts or the Coupons), the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Instruments for the time

being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Instruments for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Holders shall be binding on all the Holders, whether or not they are present at the meeting.

The Trustee may agree, without the consent of the Holders, to:

- (a) any modification of the Instruments, the Receipts, the Coupons or the Trust Deed which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Holders; or
- (b) any modification of the Instruments, the Receipts, the Coupons or the Trust Deed which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law.

The Trustee may also, without any consent as aforesaid, determine that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such which, in any such case, is not in the opinion of the Trustee, materially prejudicial to the interests of the Holders.

Any such modification, waiver, authorisation or determination shall be binding on the Holders and, unless the Trustee agrees otherwise, any such modification shall be notified to the Holders in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.

In connection with the exercise by it of any of its trusts, powers, authorities or discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Holders as a class but shall not have regard to any interests arising from circumstances particular to individual Holders (whatever their number) and, in particular, but without limitation, shall not have regard to the consequences of such exercise for individual Holders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Trustee shall not be entitled to require, nor shall any Holder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Holders except to the extent already provided for in Condition 8 (*Taxation*) and/or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

The Trustee may, without the consent of the Holders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Instruments, the Receipts, the Coupons and the Trust Deed of another company, being a Subsidiary of the Issuer, subject to (a) the Instruments being unconditionally and irrevocably guaranteed by the Issuer or having the benefit of a Keep Well Agreement by EDP on the same basis as that on which they had such benefit immediately prior to the substitution, or the substitute Issuer is EDP (b) the Trustee being satisfied that the interests of the Holders will not be materially prejudiced by the substitution and (c) certain other conditions set out in the Trust Deed being complied with.

In addition, the Trustee shall be obliged in certain circumstances to concur with the Issuer in using its reasonable endeavours to effect any Benchmark Amendments on the basis set out in Condition 5.4 without the consent or approval of the Holders of the relevant Instruments or Coupons subject to the provisions therewith.

17. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Holders to create and issue further Instruments having terms and conditions the same as the Instruments or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Instruments. The Trust Deed and, in relation to Book Entry Instruments only, the Interbolsa Instrument contain provisions for convening a single meeting of the Holders and the holders of instruments of other series in certain circumstances where the Trustee so decides.

18. Indemnification of Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from any obligation to take proceedings to enforce repayment unless indemnified to its satisfaction. The Trustee may enter into business transactions with the Issuer or any person or body corporate associated with the Issuer without accounting for any profit made or benefit received.

19. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of this Instrument under the Contracts (Rights of Third Parties) Act 1999.

20. **Governing Law and Submission to Jurisdiction**

20.1 *Governing law:* The Trust Deed, the Interbolsa Instrument, the Agency Agreement, the Keep Well Agreement, the Instruments, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection with the Trust Deed, the Interbolsa Instrument, the Agency Agreement, the Keep Well Agreement, the Instruments, the Receipts and the Coupons are governed by, and shall be construed in accordance with, English law save that, with respect to Book Entry Instruments only, the form (*representação formal*) and transfer of the Instruments, creation of security over the Instruments and the Interbolsa procedures for the exercise of rights under the Book Entry Instruments are governed by, and construed in accordance with, Portuguese law.

20.2 *Submission to jurisdiction:* The English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Trust Deed, the Instruments, the Receipts and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Instruments, the Receipts and/or the Coupons (a Dispute) and accordingly each of the Issuers, the Trustee and any holders of Instruments, Receipts or Coupons in relation to any Dispute submits to the exclusive jurisdiction of the English courts.

Each of EDP B.V. and EDP irrevocably and unconditionally waived any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

To the extent allowed by law, the Trustee, the holders of Instruments, Receipts or Coupons may, in respect of any Dispute or Disputes, take: (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

20.3 *Appointment of Process Agent:* Each of EDP B.V. and EDP has in the Trust Deed appointed Law Debenture Corporate Services Limited at its registered office for the time being (being at 6 September 2019 at Fifth Floor, 100 Wood Street, London EC2V 7EX) as its agent for service of process in any proceeding and undertakes that, in the event of Law Debenture Corporate Services Limited ceasing so to act, it will appoint another person as its agent for service of process in England in respect of any Dispute. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

20.4 *Other documents:* Each of EDP and EDP B.V. has in the Agency Agreement and the Keep Well Agreement submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

SCHEDULE 2

PROVISIONS FOR MEETINGS OF HOLDERS

1. Interpretation

In this Schedule:

- 1.1 references to a “**meeting**” are to a meeting of holders of a single series of Instruments and include, unless the context otherwise requires, any adjournment;
- 1.2 “**block voting instruction**” means an instruction issued in accordance with paragraph 4.4 below;
- 1.3 “**Extraordinary Resolution**” when used in these presents means (a) a resolution passed at a meeting of the Holders duly convened and held in accordance with these presents by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is duly demanded by a majority consisting of not less than three-fourths of the votes cast on such poll; or (b) a resolution in writing signed by or on behalf of all the Holders, which resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Holders;
- 1.4 “**voting certificate**” means a certificate issued in accordance with paragraph 4.1 below;
- 1.5 **24 hours** shall mean a period of 24 hours including all or part of a day upon which banks are open for business in both the place where the relevant meeting is to be held and in each of the places where the Paying Agents have their specified offices (disregarding for this purpose the day upon which such meeting is to be held) and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business in all of the places as aforesaid; and
- 1.6 **48 hours** shall mean a period of 48 hours including all or part of two days upon which banks are open for business both in the place where the relevant meeting is to be held and in each of the places where the Paying Agents have their specified offices (disregarding for this purpose the day upon which such meeting is to be held) and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of two days upon which banks are open for business in all of the places as aforesaid.
- 1.7 references to persons representing a proportion of the Instruments are to holders or agents holding or representing in the aggregate at least that proportion in nominal amount of the Instruments for the time being outstanding.

2. Powers of meetings

2.1 A meeting shall in addition to the powers herein given have the power exercisable only by Extraordinary Resolution (subject to the provisions relating to quorum contained in paragraph 7 below):

- (a) power to sanction any compromise or arrangement proposed to be made between the Issuer, the Trustee, any Appointee and the Holders, or any of them;
- (b) power to sanction any abrogation, modification, compromise or arrangement in respect of the rights of the trustee, any appointee, the Holders or the Issuer against any other or others of them or against any of their property whether such rights shall arise under these presents or otherwise;
- (c) power to assent to any modification of the provisions of these presents which shall be proposed by the Issuer, the Trustee or any Holder;
- (d) power to give any authority, direction or sanction required to be given by Extraordinary Resolution;
- (e) power to appoint any persons (whether Holders or not) as a committee or committees to represent the Holders' interests and to confer on them any powers or discretions which the Holders could themselves exercise by Extraordinary Resolution;
- (f) power to approve a proposed new Trustee and to remove a Trustee;
- (g) power to discharge or exonerate the Trustee and/or any Appointee from all liability in respect of any act or omission for which the Trustee and/or such Appointee may have become responsible under these presents;
- (h) power to authorise the Trustee and/or any Appointee to concur in and execute and do all such deeds, instruments, acts and things as may be necessary to carry out and give effect to any Extraordinary Resolution;
- (i) power to sanction any scheme or proposal for the exchange or sale of the Book Entry Instruments for or the conversion of the Book Entry Instruments into or the cancellation of the Book Entry Instruments in consideration of shares, stock, instruments, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, instruments, notes, bonds,

debentures, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration of cash.

- 2.2 Any resolution passed at a meeting of the Holders duly convened and held in accordance with these presents shall be binding upon all the Holders whether present or not present at such meeting and whether or not voting and each of them shall be bound to give effect thereto accordingly and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof. Notice of the result of the voting on any resolution duly considered by the Holders shall be published in accordance with Condition 15 (*Notices*) by the Issuer within 14 days of such result being known PROVIDED THAT the non-publication of such notice shall not invalidate such result.

3. Convening a meeting

- 3.1 The Issuer or the Trustee may at any time and the Issuer shall upon a requisition in writing in the English language signed by the holders of not less than one-tenth in nominal amount of the Book Entry Instruments for the time being outstanding convene a meeting of the Holders and if the Issuer makes default for a period of seven days in convening such a meeting the same may be convened by the Trustee or the requisitionists. Every such meeting shall be held at such time and place as the Trustee may appoint or approve.
- 3.2 At least 21 days' notice (exclusive of the day on which the notice is given and of the day of the meeting) shall be given to the holders of the Instruments, in English. A copy of the notice shall be given by the party convening the meeting to the holders of the relevant Book Entry Instruments prior to any meeting of such holders. The notice shall specify the day, time and place of meeting and, shall state generally the nature of the business to be transacted at the meeting thereby convened but (except for an Extraordinary Resolution) it shall not be necessary to specify in such notice the terms of any resolution to be proposed. Such notice shall include statements, if applicable, to the effect that (i) a voting certificate may be obtained in accordance with paragraph 4 below and (ii) the holders of Book Entry Instruments may appoint proxies by executing and delivering a form of proxy in the English language to the Issuer not less than 48 hours before the time fixed for the meeting or, in the case of corporations, may appoint representatives by resolution of their directors or other governing body. A copy of the notice shall be sent by post to the Trustee (unless the meeting is convened by the Trustee) and to the Issuer (unless the meeting is convened by the Issuer).

4. Arrangements for voting

- 4.1 If a holder of a Book Entry Instruments wishes to obtain a voting certificate in respect of it for a meeting, he must request the relevant custodian of the Book Entry Instruments (the “**Registration Entity**”) to issue a voting certificate in respect of it in accordance with article 78 of the Portuguese Securities Code.
- 4.2 A voting certificate shall:
- (a) be a document in the English language;
 - (b) be dated;
 - (c) specify the meeting concerned and the serial numbers of the Book Entry Instruments registered and blocked; and
 - (d) entitle, and state that it entitles, its bearer to attend and vote at that meeting in respect of those Book Entry Instruments.
- 4.3 Once a Registration Entity has issued a voting certificate for a meeting in respect of a Book Entry Instruments, it shall not release the Book Entry Instruments until either:
- (a) the meeting has been concluded; or
 - (b) the voting certificate has been surrendered to the Paying Agent.
- 4.4 If a holder of a Book Entry Instrument wishes the votes attributable to it to be included in a block voting instruction for a meeting, then, at least 48 hours before the time fixed for the meeting, (i) he must obtain a voting certificate in accordance with the procedures set out in this clause and (ii) he or a duly authorised person on his behalf must direct the Registration Entity how those votes are to be cast. The Registration Entity shall issue a block voting instruction in respect of the votes attributable to all Book Entry Instrument referred to in the relevant voting certificate.
- 4.5 A block voting instruction shall:
- (a) be a document in the English language;
 - (b) be dated;
 - (c) specify the meeting concerned;
 - (d) list the total number and serial numbers of the Book Entry Instrument registered and blocked, distinguishing with regard to each resolution between those voting for and those voting against it;

- (e) certify that such list is in accordance with the Book Entry Instrument registered and blocked and directions received; and
 - (f) appoint a named person (a “proxy”) to vote at that meeting in respect of those Book Entry Instruments and in accordance with that list.
- 4.6 Once a Registration Entity has issued a block voting instruction for a meeting in respect of the votes attributable to any Book Entry Instruments the directions to which it gives effect may not be revoked or altered during the 48 hours before the time fixed for the meeting.
- 4.7 Each block voting instruction together (if so requested by the Trustee) with proof satisfactory to the Trustee of its due execution on behalf of the relevant Registration Entity and each form of proxy shall be deposited by the relevant Registration Entity at such place as the Trustee shall approve not less than 24 hours before the time appointed for holding the meeting or adjourned meeting at which the proxies named in the block voting instruction or form of proxy propose to vote and in default the block voting instruction or form of proxy shall not be treated as valid unless the Chairman of the meeting decides otherwise before such meeting or adjourned meeting proceeds to business. A notarially certified copy of each block voting instruction or form of proxy shall, if the Trustee so requires, be deposited with the Trustee before the commencement of the meeting or adjourned meeting but the Trustee shall not thereby be obliged to investigate or be concerned with the validity of or the authority of the proxies named in any such block voting instruction or form of proxy.
- 4.8 Any vote given in accordance with the terms of a block voting instruction or form of proxy shall be valid notwithstanding the previous revocation or amendment of the block voting instruction or form of proxy or of any of the relevant Holders' instructions pursuant to which it was executed provided that no intimation in writing of such revocation or amendment shall have been received from the relevant Registration Entity by the Issuer at its registered office (or such other place as may have been required or approved by the Trustee for the purpose) by the time being 24 hours before the time appointed for holding the meeting or adjourned meeting at which the block voting instruction or form of proxy is to be used.
- 4.9 The proxies named in any block voting instruction or form of proxy need not be Holders.

5. Chairman

A person (who may but need not be a Holder) nominated in writing by the Trustee shall be entitled to take the chair at the relevant meeting or adjourned meeting but if no such nomination

is made or if at any meeting or adjourned meeting the person nominated shall not be present within 15 minutes after the time appointed for holding the meeting or adjourned meeting the Holders present shall choose one of their number to be Chairman, failing which the relevant Issuer may appoint a Chairman. The Chairman of an adjourned meeting need not be the same person as was Chairman of the meeting from which the adjournment took place.

6. Attendance

The Trustee and its lawyers and any director, officer or employee of a corporation being a trustee of these presents and any director or officer of the relevant Issuer and its or their lawyers and any other person authorised so to do by the Trustee may attend and speak at any meeting. Save as aforesaid, but without prejudice to the proviso to the definition of **outstanding** in clause 1 (*Definitions*) of the Trust Deed, no person shall be entitled to attend and speak nor shall any person be entitled to vote at any meeting of Holders or join with others in requesting the convening of such a meeting or to exercise the rights conferred on Holders by Conditions 10 (*Events of Default*), 11 (*Enforcement*) and 16 (*Meetings of Holders, Modification, Waiver and Substitution*) unless he either produces a voting certificate or is a proxy or a representative in respect of the relevant Instruments. No person shall be entitled to vote at any meeting in respect of Instruments held by, for the benefit of, or on behalf of, EDP, BV or any holding company of EDP or any other Subsidiary. Nothing herein shall prevent any of the proxies named in any block voting instruction or form of proxy from being a director, officer or representative of or otherwise connected with the Issuer.

7. Quorum and Adjournment

- 7.1** At any meeting one or more persons present holding voting certificates or being proxies or representatives and holding or representing in the aggregate not less than one-twentieth of the nominal amount of the Book Entry Instruments for the time being outstanding shall (except for the purpose of passing an Extraordinary Resolution) form a quorum for the transaction of business and no business (other than the choosing of a Chairman) shall be transacted at any meeting unless the requisite quorum be present at the commencement of the relevant business. The quorum at any such meeting for passing an Extraordinary Resolution shall (subject as provided below) be one or more persons present holding voting certificates or being proxies or representatives and holding or representing in the aggregate more than 50 per cent. in nominal amount of the Instruments for the time being outstanding PROVIDED THAT at any meeting the business of which includes any of the following matters (each of which shall, subject only to

clauses 15 (*Substitution*) and 19.2 (*Modification*) of the Trust Deed, only be capable of being effected after having been approved by Extraordinary Resolution) namely:

- (a) reduction or cancellation of the amount payable or, where applicable, modification, except where such modification is in the opinion of the Trustee bound to result in an increase, of the method of calculating the amount payable or modification of the date of payment or, where applicable, of the method of calculating the date of payment in respect of any principal or interest in respect of the Book Entry Instruments;
- (b) alteration of the currency in which payments under the Book Entry Instruments are to be made;
- (c) alteration of the majority required to pass an Extraordinary Resolution;
- (d) the sanctioning of any such scheme or proposal as is described in paragraph 2.1(i) above; and
- (e) alteration of this proviso or the proviso to paragraph 7.2 below;

the quorum shall be one or more persons present holding voting certificates or being proxies or representatives and holding or representing in the aggregate not less than two-thirds of the nominal amount of the Instruments for the time being outstanding.

- 7.2 If within 15 minutes (or such longer period not exceeding 30 minutes as the Chairman may decide) after the time appointed for any such meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the meeting shall if convened upon the requisition of Holders be dissolved. In any other case it shall stand adjourned to the same day in the next week (or if such day is a public holiday the next succeeding business day) at the same time and place (except in the case of a meeting at which an Extraordinary Resolution is to be proposed in which case it shall stand adjourned for such period, being not less than 13 clear days nor more than 42 clear days, and to such place as may be appointed by the Chairman either at or subsequent to such meeting and approved by the Trustee). If within 15 minutes (or such longer period not exceeding 30 minutes as the Chairman may decide) after the time appointed for any adjourned meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the Chairman may either (with the approval of the Trustee) dissolve such meeting or adjourn the same for such period, being not less than 13 clear days (but without any maximum

number of clear days), and to such place as may be appointed by the Chairman either at or subsequent to such adjourned meeting and approved by the Trustee, and the provisions of this sentence shall apply to all further adjourned such meetings. At any adjourned meeting one or more persons present holding of Book Entry Instruments or voting certificates or being proxies or representatives (whatever the nominal amount of the Instruments so held or represented by them) shall (subject as provided below) form a quorum and shall have power to pass any Extraordinary Resolution or other resolution and to decide upon all matters which could properly have been dealt with at the meeting from which the adjournment took place had the requisite quorum been present PROVIDED THAT at any adjourned meeting the quorum for the transaction of business comprising any of the matters specified in the proviso to paragraph 7.1 above shall be one or more persons present holding voting certificates or being proxies or representatives and holding or representing in the aggregate not less than one-third of the nominal amount of the Instruments for the time being outstanding.

7.3 The Chairman may with the consent of (and shall if directed by) any such meeting adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully (but for lack of required quorum) have been transacted at the meeting from which the adjournment took place.

7.4 Notice of any adjourned meeting at which an Extraordinary Resolution is to be submitted shall be given in the same manner as notice of an original meeting but as if 10 were substituted for 21 in paragraph 3 above and such notice shall state the relevant quorum. Subject as aforesaid it shall not be necessary to give any notice of an adjourned meeting.

8. Voting

8.1 Every question submitted to a meeting shall be decided in the first instance by a show of hands and in case of equality of votes the Chairman shall both on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) to which he may be entitled as a Holder or as a holder of a voting certificate or as a proxy or as a representative.

8.2 At any meeting unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman, the Issuer, the Trustee or any person present holding a voting certificate or being a proxy or a representative (whatever the nominal amount of the Instruments so held or represented by him) a declaration by the Chairman that a resolution has been carried or carried by a particular majority or lost or not carried by a particular majority shall be

conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

- 8.3 Subject to paragraph 8.4 below, if at any such meeting a poll is so demanded it shall be taken in such manner and subject as hereinafter provided either at once or after an adjournment as the Chairman directs and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded as at the date of the taking of the poll. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the motion on which the poll has been demanded.
- 8.4 Any poll demanded at any such meeting on the election of a Chairman or on any question of adjournment shall be taken at the meeting without adjournment.
- 8.5 Subject as provided in paragraph 6 hereof, at any meeting:
- (a) on a show of hands every person who is present in person and produces a Definitive Instrument or voting certificate or is a proxy or a representative shall have one vote; and
 - (b) on a poll every person who is so present shall have one vote in respect of each euro 1.00 or such other euro amount as the Trustee may in its absolute discretion stipulate (or, in the case of meetings of holders of Instruments denominated in another currency, such amount in such other currency as the Trustee in its absolute discretion may stipulate) in nominal amount of the Definitive Instruments so produced or represented by the voting certificate so produced or in respect of which he is a proxy or a representative.

Without prejudice to the obligations of the proxies named in any block voting instruction or form of proxy any person entitled to more than one vote need not use all his votes or cast all the votes to which he is entitled in the same way.

- 8.6 In case of equality of votes the chairman shall both on a show of hands and on a poll have a casting vote in addition to any other votes which he may have.

9. Series of Book Entry Instruments

- 9.1 If and whenever the relevant Issuer shall have issued and have outstanding Book Entry Instruments of more than one Series the foregoing provisions of this Schedule shall have effect subject to the following modifications:

- (i) a resolution which in the opinion of the Trustee affects the Instruments of only one Series shall be deemed to have been duly passed if passed at a separate meeting of the holders of the Instruments of that Series;
- (ii) a resolution which in the opinion of the Trustee affects the Instruments of more than one Series but does not give rise to a conflict of interest between the holders of Instruments of any of the Series so affected shall be deemed to have been duly passed if passed at a single meeting of the holders of the Instruments of all the Series so affected;
- (iii) a resolution which in the opinion of the Trustee affects the Instruments of more than one Series and gives or may give rise to a conflict of interest between the holders of the Instruments of one Series or group of Series so affected and the holders of the Instruments of another Series or group of Series so affected shall be deemed to have been duly passed only if passed at separate meetings of the holders of the Instruments of each Series or group of Series so affected; and
- (iv) to all such meetings all the preceding provisions of this Schedule shall *mutatis mutandis* apply as though references therein to Instruments and Holders were references to the Instruments of the Series or group of Series in question or to the holders of such Instruments, as the case may be.

9.2 If the Issuer shall have issued and have outstanding Instruments which are not denominated in euro in the case of any meeting of holders of Instruments of more than one currency the nominal amount of such Instruments shall (i) for the purposes of paragraph 3.1 above be the equivalent in euro at the spot rate of a bank nominated by the Trustee for the conversion of the relevant currency or currencies into euro on the seventh dealing day prior to the day on which the requisition in writing is received by the relevant Issuer and (ii) for the purposes of paragraphs 7 and 8.5 above (whether in respect of the meeting or any adjourned such meeting or any poll resulting therefrom) be the equivalent at such spot rate on the seventh dealing day prior to the day of such meeting. In such circumstances, on any poll each person present shall have one vote for each euro 1.00 (or such other euro amount as the Trustee may in its absolute discretion stipulate) in nominal amount of the Instruments (converted as above) which he holds or represents.

10. Minutes

Minutes of all resolutions and proceedings at every meeting of the Holders shall be made and entered in books to be from time to time provided for that purpose by the Issuer and any such minutes as aforesaid if purporting to be signed by the Chairman of the meeting at which such resolutions were passed or proceedings transacted shall be conclusive evidence of the matters therein contained and until the contrary is proved every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed or proceedings transacted thereat to have been duly passed or transacted.

11. Further Regulations

Subject to all other provisions of these presents the Trustee may without the consent of any the Issuer or the Holders, prescribe such further regulations regarding the requisitioning and/or the holding of meetings of Holders and attendance and voting thereat as the Trustee may in its sole discretion think fit.

In witness whereof this Instrument has been executed and delivered as a deed on the date stated at the beginning.

EDP – Energias de Portugal, S.A.

By:

Authorised Signatory