



**TDC A/S**

*(incorporated as a public limited company in Denmark)*

**€4,000,000,000**

**Euro Medium Term Note Programme**

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This Base Prospectus, which comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive (as defined herein), has been approved by the Luxembourg *Commission de Surveillance du Secteur Financier* (the "CSSF"), which is the Luxembourg competent authority for the purpose of the Prospectus Directive and relevant implementing measures in Luxembourg, as a base prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in Luxembourg for the purpose of giving information with regard to the issue of notes ("Notes") issued under the Euro Medium Term Note Programme (the "Programme") described in this Base Prospectus during the period of twelve months after the date hereof. The CSSF assumes no responsibility with regards to the economic and financial soundness of any transaction under the Programme or the quality and solvency of the Issuer in accordance with the provisions of article 7(7) of the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities (*loi relative aux prospectus pour valeurs mobilières*). Applications have been made for such Notes to be admitted during the period of twelve months after the date hereof to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with TDC A/S (the "Issuer" or "TDC").

Tranches of Notes (as defined herein) may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings described below or the rating(s) assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms (as defined herein). Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be (1) issued by a credit rating agency established in the EEA and registered (or which has applied for registration and not been refused) under Regulation (EU) No 1060/2009, as amended (the "CRA Regulation") or (2) issued by a credit rating agency which is not established in the EEA but will be endorsed by a credit rating agency which is established in the EEA and registered under the CRA Regulation or (3) issued by a credit rating agency which is not established in the EEA but which is certified under the CRA Regulation will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency operating in the EEA before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused, or (2) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (3) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation. A rating is not a recommendation to buy, sell or hold Notes and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under "Overview", and any additional Dealer appointed under the Programme from time to time by the Issuer (each a "Dealer" and together the "Dealers"), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the "Relevant Dealer" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe to such Notes.

*Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed in the "Risk Factors" section below.*

**Arranger**  
**DEUTSCHE BANK**

**BNP PARIBAS**  
**J.P. MORGAN**

**Dealers**  
**DANSKE BANK**  
**MORGAN STANLEY**  
**SEB**

**DEUTSCHE BANK**  
**NORDEA**

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## IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Base Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" (the "**Conditions**") as such Conditions are modified and/or supplemented by a document specific to such Tranche called final terms (the "**Final Terms**") or in a separate prospectus specific to such Tranche (the "**Drawdown Prospectus**") as described under "*Final Terms and Drawdown Prospectuses*" below. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise. This Base Prospectus must be read and construed together with any supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes which is the subject of Final Terms, must be read and construed together with the relevant Final Terms.

The Issuer has confirmed to the Dealers that this Base Prospectus contains all information which is (in the context of the Programme, the issue, offering and sale of the Notes) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme, the issue, offering and sale of the Notes) not misleading in any material respect; and that all proper enquiries have been made to verify the foregoing.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Dealer.

Neither the Dealers nor any of their respective affiliates have authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by the Issuer in connection with the Programme. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see "*Subscription and Sale*". In particular, Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") and Bearer Notes are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or, in the case of Bearer Notes, delivered within the United States or to U.S. persons.

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase

any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed €4,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into Euro at the date of the agreement to issue such Notes (calculated in accordance with the provisions of the Dealer Agreement). The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement as defined under "*Subscription and Sale*".

In this Base Prospectus, unless otherwise specified, references to "**EU**" are to the European Union, references to a "**Member State**" are references to a Member State of the European Economic Area, references to "**Denmark**" are to the Kingdom of Denmark, references to "**€**", "**EUR**", "**Euro**" or "**euro**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended, references to "**U.S.\$**", "**U.S. dollars**" or "**dollars**" are to United States dollars, references to "**Danish Kroner**" or "**DKK**" are to the currency of Denmark, references to "**£**" and "**GBP**" are to pounds sterling, the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State (as defined herein)), and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

Certain figures included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

This Base Prospectus has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering or placement contemplated in this Base Prospectus as completed by Final Terms or a Drawdown Prospectus in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

**In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager(s) (or persons acting on behalf of the Stabilising Manager(s)) in accordance with all applicable laws and rules.**

## GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, the Issuer may from time to time issue Notes denominated in any currency, subject as set out herein. An overview of the terms and conditions of the Programme and the Notes appears below, see "*Overview*". The applicable terms of any Notes will be agreed between the Issuer and the relevant Dealer(s) prior to the issue of the Notes and will be set out in the Conditions of the Notes endorsed on or attached to the Notes, as modified and supplemented by the applicable Final Terms attached to, or endorsed on, such Notes, as more fully described under "*Forms of the Notes*".

Notes issued under the Programme may be issued pursuant to this Base Prospectus and associated Final Terms or pursuant to a Drawdown Prospectus prepared in connection with a particular Tranche of Notes. Accordingly, references to terms and conditions and other items being as set out in this Base Prospectus and relevant Final Terms should, as the context requires, be construed as being as set out in the relevant Drawdown Prospectus and references to "**Final Terms**" should be construed as referring to the Drawdown Prospectus as applicable.

This Base Prospectus and any supplement to this Base Prospectus will only be valid for issuing Notes in an aggregate principal amount which, when added to the aggregate principal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed €4,000,000,000 or its equivalent in other currencies. For the purpose of calculating the aggregate principal amount of Notes issued under the Programme from time to time:

- (a) the euro equivalent of Notes denominated in another currency specified in a Final Terms shall be determined, at the discretion of the Issuer, as of the date of agreement to issue such Notes or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of the euro against the purchase of such other currency in the London foreign exchange market quoted by any leading bank selected by the Issuer on such date; and
- (b) the amount (or, where applicable, the euro equivalent) of non interest-bearing Notes and other Notes issued at a discount or premium shall be calculated (in the case of Notes not denominated in euro, in the manner specified above) by reference to the net proceeds received by the Issuer for the relevant issue.

## OVERVIEW

*The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The Issuer and any relevant Dealer may agree that the Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of listed Notes only and if appropriate, a supplemental Base Prospectus will be published.*

*This Overview constitutes a general description of the Programme for the purposes of Article 22.5(3) of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive.*

*Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this Overview.*

**Issuer:** TDC A/S.

**Risk Factors:** Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the abilities of the Issuer to fulfil its obligations under the Notes are discussed under "Risk Factors" below and include:

- risks related to the economic environment;
- risks related to competition in the telecommunications industry;
- risks related to TDC's business activities;
- risks related to TDC's regulatory environment and litigation;
- financial and taxation risks;
- factors which are material for the purpose of assessing the market risks associated with the Notes;
- risks related to the market generally; and
- risks related to taxation.

**Arranger:** Deutsche Bank AG, London Branch.

**Dealers:** BNP Paribas, Danske Bank A/S, Deutsche Bank AG, London Branch, J.P. Morgan Securities Ltd., Morgan Stanley & Co. International plc, Nordea Bank Danmark A/S, Skandinaviska Enskilda Banken AB (publ) and any other Dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche of Notes.

**Fiscal Agent and Paying Agent:** Deutsche Bank AG, London Branch.

**Registrar and Paying Agent:** Deutsche Bank Luxembourg S.A.

**Luxembourg Listing Agent:** Deutsche Bank Luxembourg S.A.

**Final Terms or Drawdown Prospectus:** Notes issued under the Programme may be issued either (1) pursuant to this Base Prospectus and associated Final Terms or (2) pursuant to a Drawdown Prospectus. The terms and conditions applicable to any particular Tranche of Notes will be the Terms and Conditions of the Notes as supplemented, amended and/or replaced to the extent described in the relevant Final Terms or, as the case may be the relevant Drawdown Prospectus.

<b>Listing and Trading:</b>	Applications have been made for Notes to be admitted during the period of twelve months after the date hereof to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.
<b>Clearing Systems:</b>	Euroclear and/or Clearstream, Luxembourg and/or, in relation to any Tranche of Notes, any other clearing system as may be specified in the relevant Final Terms.
<b>Initial Programme Amount:</b>	Up to €4,000,000,000 (or its equivalent in other currencies) aggregate principal amount of Notes outstanding at any one time.
<b>Distribution:</b>	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
<b>Issuance in Series:</b>	Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.
<b>Forms of Notes:</b>	<p>Notes may be issued in bearer form or in registered form.</p> <p>Each Tranche of Bearer Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Final Terms. Each Global Note which is not intended to be issued in new global note form (a "<b>Classic Global Note</b>" or "<b>CGN</b>"), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Global Note which is intended to be issued in new global note form (a "<b>New Global Note</b>" or "<b>NGN</b>"), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Final Terms, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Final Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in limited circumstances in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.</p> <p>Each Tranche of Registered Notes will initially be in the form of a Global Registered Note, which will either be: (a) in the case of a Note which is not to be held under the new safekeeping structure ("<b>New Safekeeping Structure</b>" or "<b>NSS</b>"), registered in the name of a common depositary (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system</p>

and the relevant Global Registered Note will be deposited on or about the issue date with the common depositary; or (b) in the case of a Note to be held under the New Safekeeping Structure, be registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg. Each Global Registered Note will be exchangeable for Individual Note Certificates in limited circumstances accordance with its terms.

<b>Currencies:</b>	Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.
<b>Status of the Notes:</b>	Notes will be issued on an unsubordinated basis.
<b>Issue Price:</b>	Notes may be issued at any price, as specified in the relevant Final Terms. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.
<b>Maturities:</b>	<p>Any maturity, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.</p> <p>Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the FSMA by the Issuer.</p>
<b>Redemption:</b>	Notes may be redeemable at par or at such other Redemption Amount (detailed in a formula, index or otherwise) as may be specified in the relevant Final Terms. Notes may also be redeemable on such dates and in such manner as may be specified in the relevant Final Terms.
<b>Optional Redemption:</b>	Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders to the extent (if at all) specified in the relevant Final Terms.
<b>Tax Redemption:</b>	Except as described in " <i>Optional Redemption</i> " above, early redemption will only be permitted for tax reasons as described in Condition 10(b) ( <i>Redemption and Purchase — Redemption for tax reasons</i> ).
<b>Interest:</b>	Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable



rate or be index-linked and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series.

**Denominations:**

No Notes may be issued under the Programme which, in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which would otherwise require the publication of a prospectus under the Prospectus Directive, have a minimum denomination of less than €100,000 (or its equivalent in any other currency as at the date of issue of the Notes). Subject thereto, Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

**Negative Pledge:**

The Notes will have the benefit of a negative pledge as described in Condition 5 (*Negative Pledge*).

**Cross Default:**

The Notes will have the benefit of a cross default as described in Condition 14 (*Events of Default*).

**Taxation:**

All payments in respect of Notes will be made free and clear of withholding taxes of Denmark unless the withholding is required by law. In that event, the Issuer will (subject as provided in Condition 13 (*Taxation*)) pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding been required.

**Governing Law:**

English law.

**Ratings:**

Notes issued under the Programme may be rated or unrated. The Programme has been rated as follows:

Fitch Ratings Limited ("**Fitch**") : BBB

Moody's Investors Service España, S.A. ("**Moody's**") : Baa2

Standard & Poor's Credit Market Services Europe Limited ("**Standard & Poor's**") : BBB

In general, European regulated investors are restricted under the CRA Regulation from using a credit rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency operating in the EEA before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused, or (2) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (3) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.

Fitch, Moody's and Standard & Poor's are established in the EEA and registered under the CRA Regulation and are included in the list of registered credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the CRA Regulation.

Where an issue of Notes is rated, its rating will not necessarily be the same as the rating described above or the rating(s) assigned to Notes already issued. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

**Enforcement of Notes in Global Form:**

In the case of Global Notes, individual investors' rights against the Issuer will be governed by the Deed of Covenant, a copy of which will be available for inspection at the specified office of the Fiscal Agent.

**Selling Restrictions:**

For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the European Economic Area, the United Kingdom, Denmark and Japan, see "*Subscription and Sale*" below.

## **RISK FACTORS**

*Prospective investors should read the entire Base Prospectus. Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section.*

*Investing in Notes issued under the Programme involves certain risks. Prospective investors should consider, among other things, the following:*

### **Risks Related to the Economic Environment**

#### ***Risk of extended weak macroeconomic development***

Consumers may reduce their usage of telecommunication products, and have an increased incentive to spend time analysing relevant offers due to an increased cost focus, which may increase churn and decrease ARPU across products in the Consumer, YouSee and Wholesale business lines. Also, more consumers may prioritise cost over convenience and choose individual suppliers for each communication need where the price is lower, rather than a bundled product, which may influence the demand for bundled products such as TDC HomeTrio.

More businesses may go bankrupt, while the remaining business customers may reduce their investment levels, which may shrink the telecommunications market and thus reduce the contract volume and increase the risk of incurring losses due to bad debts.

Decreased demand in the other Nordic countries, especially in Sweden, where the government has reduced expectations for future growth in GDP, can have an impact, mainly for product areas with non-recurring revenue.

### **Risks Related to Competition in the Telecommunications Industry**

#### ***Risk of increased competitive pressure***

TDC faces significant competition from well-established, Pan-Nordic and national telecommunications companies, as well as utility companies and TV distributors. Some of these competitors are subject to fewer regulatory requirements in Denmark than TDC and base their price strategy on marginal cost considerations. The competition may intensify further in the future and lead to increased churn and decreasing ARPU across products and services in the consumer, business and wholesale market in Denmark and the other Nordic countries.

A change of platform and technology has increased the competition from utilities that have rolled out fibre networks to offer landline telephony, broadband and TV. TDC TV and YouSee are also challenged by providers that offer Pay-TV services on other platforms, such as utility companies, DTH satellite distributors, DTT providers and operators offering TVoIP. Furthermore foreign distributors in the OTT market can be expected to gain parts of the VoD market.

If operators currently relying on national roaming or MVNO agreements with TDC fast track their own network rollout, it will have a negative effect on TDC's wholesale business.

### **Risks Related to TDC's Business Activities**

#### ***Technology risks***

Changing technology may fast-track the substitution towards more advanced or cheaper alternatives – landline to mobile and VoIP and landline broadband to mobile broadband – markets, in which TDC's market share and profitability are lower. Future technological developments may cause TDC's price structure to deteriorate within one or more product markets. TDC may in the future be unable to keep up with the technological development and be unable to supply the solutions of the complexity demanded and may therefore lose momentum compared with its competitors. With increased complexity comes increased fault risk, which may lead to reduced customer satisfaction.

A shift in IT technology may result in increased costs in the future, as a reduction in OPEX from legacy systems no longer compensates for increased OPEX from new systems.

In relation to TDC Nordic, increased smartphone penetration in the mobile market, has caused technical challenges with the MVNO set-up, which may have a negative impact on the Nordic mobile business.

#### ***Absence of further operational improvements***

In recent years, TDC has actively sought to reduce operating expenses and improve operating efficiency. TDC can make no assurance that it can continue to improve its operations, which may result in (i) failure to meet changing production capacity demand; (ii) failure to deliver productivity improvements in call centres (average handling time and availability) and implement call reduction initiatives; and (iii) failure to improve fault rates, e.g. backlogs building up due to cloud bursts.

TDC has succeeded in cutting costs significantly in previous years, this may not be possible going forward.

#### ***Outsourcing risks***

A change in TDC's main IT outsourcing partner or heavy off-shoring of the current CSC Consulting Group A/S workforce may cause an increased number of IT incidents and longer project delivery times.

Another outsourcing risk may be failure to continue to optimise existing and future outsourcing relationships, and in the event that TDC's current outsourcing arrangements become unsatisfactory, or its obligations are not met, TDC may be unable to find new outsourcing partners on economically attractive terms or on a timely basis or at all.

#### ***Network risks***

Increased outsourcing of development and operation of Value Added Services ("VAS") to multiple partners adds complexity in all processes (plan, build and run), as the different partners have different platforms and processes. Increased complexity and outsourcing of quality control increases the risk of faults.

All IP strategy is based on a single platform, which means that network breakdowns may have greater consequences than before.

#### ***Risk of damaged reputation***

Bad publicity from stakeholders including competitors, regulators or consumer organisations may negatively affect the public's and customers' image of TDC. A correlation has been demonstrated between image and customers' desire to become or remain customers.

Actual or perceived risks associated with mobile handsets or base stations and related publicity, regulation or litigation could reduce TDC's mobile phone customer base, causing mobile telephone customers to use their mobile phones less, making it difficult to find or maintain attractive sites for base stations and potentially resulting in litigation costs.

#### ***Other Risks***

TDC's equipment and networks (including critical systems such as exchanges, switches and other key network points) may be damaged or disrupted by events such as fire, power cuts and equipment or system failures, including those caused by terrorist attacks. The impact of natural disasters and extreme weather conditions may result in increased cable faults and fault handling costs. The impact of criminal acts (e.g. hacking and abuse of software access rights) and/or sabotage by employees, partners or third parties may negatively impact TDC's business.

#### **Risks Related to TDC's Regulatory Environment and Litigation**

##### ***Increased regulatory pressure***

A decision from the Danish Supreme Court is expected in the second quarter of 2012 and may confirm the Danish Business Authority's decision that YouSee must provide BSA also on networks owned by third parties. Compared to the present draft decisions from the Danish Business Authority, the final market 4 and 5 decisions may result in new and/or strengthened regulatory requirements for TDC.

Recommendations in a draft report from the Competition and Consumer Authority regarding free choice of TV channels and no-pay channels in the Basic Package may be implemented in legislation.

In relation to TDC Nordic, there is uncertainty related to the Swedish regulatory environment especially within landline and mobile termination and cobber prices. Risk concerning potential price squeeze from MVNO hosts.

## **Financial and Taxation Risks**

### ***Financial risks***

Notes issued under the Programme and new credit facilities entered into by TDC contain change of control provisions that in conjunction with a rating downgrade below investment grade or a withdrawal of TDC's ratings could result in lenders terminating their commitments and requiring TDC to repay all or part of its outstanding debt. Further, Notes issued under the Programme and new credit facilities entered into by TDC also contain cross default provisions which in case a default occurs could result in lenders terminating their commitments and requiring TDC to repay its outstanding debt under agreements that contain a cross default provision. Finally, if TDC is downgraded below investment grade, the interest payments (coupon) on Notes issued under the Programme in 2011 will increase by 1.25%.

Exchange rates and/or interest rates may develop unfavourably for TDC, resulting in a financial downside.

TDC's financial counterparties may enter into financial distress which may result in them being unable to meet their obligations to TDC.

Downgrade of TDC's credit rating could increase its financing costs and limit its access to financing sources.

Pressure on payment terms from large customers due to increased cash flow focus may cause delays in payment from debtors.

### ***Taxation risks***

TDC is subject to the tax legislation in effect in the countries where TDC conducts business. Any future amendment of the tax laws including value added tax (VAT) and other direct taxes in the countries where TDC conducts business may adversely affect TDC's corporate tax and VAT payable and its future results of operations.

### ***TDC's related pension funds***

Some of TDC's present and former employees are entitled to a pension from TDC Pension Fund, the fund related to TDC. The TDC Pension Fund is a separate legal entity supervised by the Danish Financial Supervisory Authority (FSA) where TDC as the sponsor is obliged to cover any regulatory shortfall in the pension fund's ability to comply with the capital adequacy requirements under the Corporate Pension Funds Act. TDC also operates defined benefits plans that cover employees of TDC Norway.

The risk of additional capital contributions having to be made in respect of the TDC Pension Fund can be categorized by investment, longevity and regulatory risks.

Investment risk is managed within risk tolerance limits to mitigate excessive risk which could lead to contribution. The fund invests in a wide variety of marketable securities (predominantly fixed income securities) and the return on the investments has implications for TDC's financial results. Uncompensated risk related to nominal rates and inflation has been fully hedged.

Following the introduction of the longevity benchmark by the Danish FSA, the fund's actuary has conducted a detailed longevity statistical analysis which has underpinned the fund's assumptions regarding observed current longevity. The fund has however, in line with the sector increased its provision for future expected improvements to longevity.

Other risk of capital contribution in excess of the planned ordinary contributions and extraordinary contributions in connection with redundancies going forward relate primarily to future changes to pension regulation and benefits which TDC does not have control over.

TDC has formed a Pension Fund Advisory team located within the TDC Group Treasury which continuously manages investment decisions and the financial risks related to the fund on behalf of TDC.

### **Factors which are material for the purpose of assessing the market risks associated with the Notes**

#### ***The Notes may not be a suitable investment for all investors***

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as standalone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

#### ***Fixed rate Notes***

Investment in fixed rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the fixed rate Notes.

#### ***Index Linked Notes and Dual Currency Notes***

The Issuer may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a "**Relevant Factor**"). In addition, the Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) they may lose all or a substantial portion of their principal;

- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified; and
- (vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

The historical experience of an index should not be viewed as an indication of the future performance of such index during the term of any index linked notes. Accordingly, each potential investor should consult its own financial and legal advisers about the risk entailed by an investment in any index linked notes and the suitability of such Notes in light of its particular circumstances.

### ***Zero Coupon Notes***

Zero coupon notes do not pay current interest but are issued at a discount from their nominal value. Instead of periodic interest payments, the difference between the redemption price and the issue price constitutes interest income until maturity and reflects the market interest rate. A holder of zero coupon notes is exposed to the risk that the price of such notes falls as a result of changes in the market interest rate. Prices of zero coupon notes are more volatile than prices of fixed rate notes and are likely to respond to a greater degree to market interest rate changes than interest bearing notes with a similar maturity.

### ***Variable rate Notes with a multiplier or other leverage factor***

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market may be even more volatile than those securities that do not include those features.

### ***Fixed/floating rate Notes***

Fixed/floating rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the fixed/floating rate Notes may be less favourable than then prevailing spreads on comparable floating rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

### ***Inverse floating rate Notes***

Inverse floating rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse floating rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

### ***Notes issued at a substantial discount or premium***

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest bearing securities. Generally, the longer the remaining terms of a security, the greater the price volatility as compared to a conventional interest bearing security with comparable maturity.

### ***There is no active trading market for the Notes***

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Although applications have been made for the Notes issued under the Programme to be admitted to listing on the official list and trading on the regulated market of the Luxembourg Stock Exchange, there is no assurance that such applications will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes.

***The Notes may be redeemed prior to maturity***

In the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the jurisdiction of the Issuer or any political subdivision thereof or any authority therein or thereof having power to tax or any change in the application or official interpretation of such law or regulations, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

In addition, if in the case of any particular Tranche of Notes the relevant Final Terms specify that the Notes are redeemable at the Issuer's option in certain other circumstances the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

***Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfers, payments and communications with the Issuer***

Notes issued under the Programme may be represented by one or more Global Notes. Such Global Notes will be deposited with a common depositary or, as the case may be, common safekeeper for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive Definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are represented by one or more Global Notes the Issuer will discharge its payment obligations under the Notes by making payments to the common depositary or common safekeeper for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies.

***Modification, waivers and substitution***

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

***Notes with integral multiples***

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of the Specified Denomination that are not integral multiples of the



Specified Denomination. Noteholders who, as a result of trading such amounts, hold a principal amount of Notes other than a multiple of the minimum Specified Denomination will receive definitive Notes in respect of their holding (provided that the aggregate amount of Notes they hold is in excess of the minimum Specified Denomination), however, any such Definitive Notes which are printed in denominations other than the minimum Specified Denomination may be illiquid and difficult to trade. Furthermore, a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination may not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

### ***Credit ratings***

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. A reduction in any of the credit ratings of the Issuer may reduce the market value and liquidity of the Notes.

### ***Change of law***

The conditions of the Notes are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus.

### **Risks related to the market generally**

#### ***The secondary market generally***

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

#### ***Legal investment considerations may restrict certain investments***

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to the purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk based capital or similar rules.

#### ***Exchange rate risks and exchange controls***

The Issuer will pay principal and interest on the Notes (as appropriate) in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

## **Risks relating to taxation**

### ***Investors in the Notes may be required to pay taxes or other charges or duties***

Potential purchasers and sellers of Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. Potential investors are advised not to rely upon the tax summary contained in this Base Prospectus but to ask for their own tax advisers' advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any state, regional or local tax laws of any country or territory. Only such advisors are in a position to duly consider the specific situation of the potential investors. This investment consideration has to be read in connection with the taxation sections of this Base Prospectus.

### ***Payments in respect of the Notes may in certain circumstances be made subject to withholding or deduction of tax***

All payments in respect of Notes will be made free and clear of withholding or deduction of Danish taxation, unless the withholding or deduction is required by law. In that event, the Issuer will pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding or deduction been required. The Issuer's obligation to gross up is, however, subject to a number of exceptions, including withholding or deduction of withholding tax operated in certain EU Member States pursuant to the EU Savings Tax Directive and similar measures agreed with the EU by certain non EU countries and territories. In addition, the Issuer will, in such event, have the option (but not the obligation) of redeeming all outstanding Notes in full (see Condition 10(b) (*Redemption and Purchase — Redemption for tax reasons*)). See "*Taxation*" and "*EU Savings Tax Directive*" below.

### ***EU Savings Tax Directive***

The EU has adopted a directive regarding the taxation of savings income, the EU Savings Tax Directive. The EU Savings Tax Directive requires Member States to provide to the tax authorities of another Member State details of payments of interest and except that Luxembourg and Austria will instead impose a withholding system for a transitional period unless during such period they elect otherwise. A number of third countries and territories including Switzerland have adopted similar measures to the Directive. The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above. See "*Taxation — EU Savings Tax Directive*".

### ***Change in tax status or taxation legislation or practice***

Any change in the Issuer's tax status or in the taxation legislation or practice in a relevant jurisdiction could adversely impact (i) the ability of the Issuer to service the Notes and (ii) the market value of the Notes. See "*Change of law*" above.

## INFORMATION INCORPORATED BY REFERENCE

The following information shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

1. The Annual Report of the Issuer for the financial year ended 31 December 2011 (the "**2011 Annual Report**"), including the information set out at the following pages in particular:

Consolidated Income Statements .....	Page 98
Consolidated Statements of Comprehensive Income .....	Page 99
Consolidated Balance Sheets .....	Page 100 to 101
Consolidated Statements of Cash Flow .....	Page 102
Consolidated Statements of Changes in Equity .....	Page 103
Notes to the Consolidated Financial Statements .....	Pages 104 to 162
Independent Auditor's Report .....	Page 97

Any other information not listed above but contained in such document is incorporated by reference for information purposes only.

2. The Annual Report of the Issuer for the financial year ended 31 December 2010 (the "**2010 Annual Report**") (save for the section "*Forward-looking Statement*" on page 117 of the 2010 Annual Report), including the information set out at the following pages in particular:

TDC's transformation since 2006 .....	Pages 18 to 27
Regulation .....	Pages 100 to 103
Consolidated Income Statements .....	Page 132
Consolidated Statements of Comprehensive Income .....	Page 133
Consolidated Balance Sheets .....	Page 134 to 135
Consolidated Statements of Cash Flow .....	Page 136
Consolidated Statements of Changes in Equity .....	Page 137
Notes to the Consolidated Financial Statements .....	Pages 139 to 197
Independent Auditor's Report .....	Page 227

Any other information not listed above but contained in such document is incorporated by reference for information purposes only.

Copies of the documents specified above as containing information incorporated by reference in this Base Prospectus may be inspected, free of charge, from the Issuer's website [www.TDC.com](http://www.TDC.com) or [www.TDC.dk](http://www.TDC.dk) and during normal business hours on any day (excluding Saturdays, Sundays and public holidays) at the offices of the Issuer at Teglholmsgade 3, DK-0900 Copenhagen C, Denmark and the offices of the Fiscal Agent Deutsche Bank AG, London Branch at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom and the Registrar Deutsche Bank Luxembourg S.A. at 2 Boulevard Konrad Adenauer, L 1115 Luxembourg, Grand Duchy of Luxembourg.

This Base Prospectus and the documents specified above as containing information incorporated by reference in this Base Prospectus will also be available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

Any information contained in any of the documents specified above which is not incorporated by reference in this Base Prospectus is either not relevant to investors or is covered elsewhere in this Base Prospectus.

The contents of the Issuer's websites do not form part of this Base Prospectus.

## FINAL TERMS AND DRAWDOWN PROSPECTUSES

In this section the expression "**necessary information**" means, in relation to any Tranche of Notes, the information necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and of the rights attaching to the Notes. The Issuer has endeavoured to include in this Base Prospectus all of the necessary information except for information relating to the Notes which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Notes.

Any information relating to the Notes which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained either in the relevant Final Terms or in a Drawdown Prospectus. Such information will be contained in the relevant Final Terms unless any of such information constitutes a significant new factor relating to the information contained in this Base Prospectus in which case such information, together with all of the other necessary information in relation to the relevant series of Notes, may be contained in a Drawdown Prospectus.

For a Tranche of Notes which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, supplement this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes which is the subject of Final Terms are the Conditions as supplemented, modified and/or replaced to the extent described in the relevant Final Terms.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus will be the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

Each Drawdown Prospectus will be constituted either (1) by a single document containing the necessary information relating to the Issuer and the relevant Notes or (2) by a registration document (the "**Registration Document**") containing the necessary information relating to the Issuer, a securities note (the "**Securities Note**") containing the necessary information relating to the relevant Notes and, if necessary, a summary note. In addition, if the Drawdown Prospectus is constituted by a Registration Document and a Securities Note, any significant new factor, material mistake or inaccuracy relating to the information included in the Registration Document which arises or is noted between the date of the Registration Document and the date of the Securities Note which is capable of affecting the assessment of the relevant Notes will be included in the Securities Note.

## FORMS OF THE NOTES

### Bearer Notes

Each Tranche of Notes in bearer form ("**Bearer Notes**") will initially be in the form of either a temporary global note in bearer form (the "**Temporary Global Note**"), without interest coupons, or a permanent global note in bearer form (the "**Permanent Global Note**"), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**Global Note**") which is not intended to be issued in new global note ("**NGN**") form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and/or any other relevant clearing system and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

On 13 June 2006 the European Central Bank (the "**ECB**") announced that Notes in NGN form are in compliance with the "*Standards for the use of EU securities settlement systems in ESCB credit operations*" of the central banking system for the euro (the "**Eurosystem**"), **provided that** certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

In the case of each Tranche of Bearer Notes, the relevant Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

### *Temporary Global Note exchangeable for Permanent Global Note*

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) presentation and surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and
- (ii) receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership.

The principal amount of Notes represented by the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership *provided, however, that* in no circumstances shall the principal amount of Notes represented by the Permanent Global Note exceed the initial principal amount of Notes represented by the Temporary Global Note.

If:

- (a) the Permanent Global Note has not been delivered or the principal amount thereof increased by 5.00 p.m. (London time) on the seventh day after the bearer of the Temporary Global Note has requested exchange of an interest in the Temporary Global Note for an interest in a Permanent Global Note; or

- (b) the Temporary Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Temporary Global Note in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver a Permanent Global Note) will become void at 5.00 p.m. (London time) on such seventh day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under the Deed of Covenant).

The Permanent Global Note will become exchangeable, in whole but not in part only and at the request of the bearer of the Permanent Global Note, for Bearer Notes in definitive form ("**Definitive Notes**") if Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) the Permanent Global Note was originally issued in exchange for part only of a Temporary Global Note representing the Notes and such Temporary Global Note becomes void in accordance with its terms; or
- (c) the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on the date on which such Temporary Global Note becomes void (in the case of (b) above) or at 5.00 p.m. (London time) on such due date ((c) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant).

#### ***Temporary Global Note exchangeable for Definitive Notes***

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Temporary Global Note for Definitive Notes; or
- (b) the Temporary Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under the Deed of Covenant).

#### ***Permanent Global Note exchangeable for Definitive Notes***

If the relevant Final Terms specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes if Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date ((b) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant).

#### ***Legend concerning United States persons***

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

## **Registered Notes**

Each Tranche of Registered Notes will be in the form of a global Note in registered form (a "**Global Registered Note**").

In a press release dated 22 October 2008, "*Evolution of the custody arrangement for international debt securities and their eligibility in Eurosystem credit operations*", the ECB announced that it has assessed the new holding structure and custody arrangements for registered notes which the ICSDs had designed in cooperation with market participants and that Notes to be held under the New Safekeeping Structure would be in compliance with the "*Standards for the use of EU securities settlement systems in ESCB credit operations*" of the Eurosystem, subject to the conclusion of the necessary legal and contractual arrangements. The press release also stated that the new arrangements for Notes to be held in NSS form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2010 and that registered debt securities in global registered form held issued through Euroclear and Clearstream, Luxembourg after 30 September 2010 will only be eligible as collateral in Eurosystem operations if the New Safekeeping Structure is used.

Each Global Registered Note will either be: (a) in the case of a Note which is not to be held under the New Safekeeping Structure, registered in the name of a common depositary (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common depositary and will be exchangeable in accordance with its terms; or (b) in the case of a Note to be held under the New Safekeeping Structure, be registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg.

If the relevant Final Terms specifies the form of Notes as being "Global Registered Note exchangeable for Individual Note Certificates", then the Notes will initially be in the form of a Global Registered Note which will be exchangeable in whole, but not in part, for individual Note certificates in registered form ("**Individual Note Certificates**") in accordance with its terms if Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business.

Whenever the Global Registered Note is to be exchanged for Individual Note Certificates, the Issuer shall procure that Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Registered Note within five business days of the delivery, by or on behalf of the registered holder of the Global Registered Note to the Registrar of such information as is required to complete and deliver such Individual Note Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Note Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the Global Registered Note at the specified office of the Registrar.

Such exchange will be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

If:

- (a) Individual Note Certificates have not been delivered by 5.00 p.m. (London time) on the thirtieth day after they are due to be issued and delivered in accordance with the terms of the Global Registered Note; or
- (b) any of the Notes represented by a Global Registered Note (or any part of it) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of



principal falling due with all accrued interest thereon has not been made to the holder of the Global Registered Note in accordance with the terms of the Global Registered Note on the due date for payment,

then the Global Registered Note (including the obligation to deliver Individual Note Certificates) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the holder of the Global Registered Note will have no further rights thereunder (but without prejudice to the rights which the holder of the Global Registered Note or others may have under the Deed of Covenant. Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Registered Note which becomes void will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Global Registered Note became void, they had been the holders of Individual Note Certificates in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

#### **Terms and Conditions applicable to the Notes**

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions Relating to the Notes while in Global Form*" below.

The terms and conditions applicable to any Definitive Note or Individual Note Certificate will be endorsed on that Definitive Note or Individual Note Certificate and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Final Terms which supplement, amend and/or replace those terms and conditions.

#### **Rights under Deed of Covenant**

Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Note in global form which becomes void will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Note became void, they had been the holders of Definitive Notes or Individual Note Certificates in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions which, as supplemented, amended and/or replaced by the relevant Final Terms, will be endorsed on each Note in definitive form issued under the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Summary of Provisions Relating to the Notes while in Global Form" below.*

### 1. Introduction

- (a) *Programme:* TDC A/S (the "**Issuer**") has established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to €4,000,000,000 in aggregate principal amount of notes (the "**Notes**").
- (b) *Final Terms:* Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of a final terms (the "**Final Terms**") which supplements these terms and conditions (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as supplemented, amended and/or replaced by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.
- (c) *Agency Agreement:* The Notes are the subject of an issue and paying agency agreement dated 10 February 2011 (the "**Agency Agreement**") between the Issuer, Deutsche Bank AG, London Branch as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes), Deutsche Bank Luxembourg S.A. as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), the paying agents named therein (together with the Fiscal Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes) and the transfer agents named therein (together with the Registrar, the "**Transfer Agents**", which expression includes any successor or additional transfer agents appointed from time to time in connection with the Notes). In these Conditions references to the "**Agents**" are to the Paying Agents and the Transfer Agents and any reference to an "**Agent**" is to any one of them.
- (d) *Deed of Covenant:* The Notes may be issued in bearer form ("**Bearer Notes**"), or in registered form ("**Registered Notes**"). Registered Notes are constituted by a deed of covenant dated 10 February 2011 (the "**Deed of Covenant**") entered into by the Issuer.
- (e) *The Notes:* All subsequent references in these Conditions to "**Notes**" are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms are available for viewing on Issuer's website [www.TDC.com](http://www.TDC.com) or [www.TDC.dk](http://www.TDC.dk) and may be obtained during normal business hours on any day (excluding Saturdays, Sundays and public holidays) from the offices of the Issuer and the Specified Offices of each of the Agents, the initial Specified Offices of which are set out below.
- (f) *Summaries:* Certain provisions of these Conditions are summaries of the Agency Agreement and the Deed of Covenant and are subject to their detailed provisions. Noteholders and the holders of the related interest coupons, if any, (the "**Couponholders**" and the "**Coupons**", respectively) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. Copies of the Agency Agreement and the Deed of Covenant are available for inspection by Noteholders during normal business hours on any day (excluding Saturdays, Sundays and public holidays) at the offices of the Issuer and the Specified Offices of each of the Agents, the initial Specified Offices of which are set out below.

### 2. Interpretation

- (a) *Definitions:* In these Conditions the following expressions have the following meanings:

"**Accrual Yield**" has the meaning given in the relevant Final Terms;

**"Additional Business Centre(s)"** means the city or cities specified as such in the relevant Final Terms;

**"Additional Financial Centre(s)"** means the city or cities specified as such in the relevant Final Terms;

**"Adjusted Comparable Yield"** means, with respect to any redemption date, the rate per annum equal to the equivalent yield to maturity of the Comparable Issue plus or minus the Comparable Issue Margin. For these purposes, the price of the Comparable Issue will be calculated by the financial adviser specified hereon as the Special Calculation Agent (or such successor as may be appointed by the Issuer), with respect to any redemption date, as being the average of the Quotation Agents' Quotations for such redemption date;

**"Affiliates"** means in relation to any person (i) any entity controlled, directly or indirectly, by that person, (ii) any entity that controls, directly or indirectly, that person, or (iii) any entity directly or indirectly under common control with that person. For this purpose, **"control"** of any entity or person means ownership or control of at least 20 per cent. of the voting rights of that entity or person;

**"Broken Amount"** has the meaning given in the relevant Final Terms;

**"Business Day"** means:

- (a) in relation to any sum payable in euro, a TARGET Settlement Day and 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 (if any) Additional Business Centre; and
- (b) in relation to any sum payable in a 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 London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

**"Business Day Convention"**, in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (a) **"Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (b) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (c) **"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) **"FRN Convention"**, **"Floating Rate Convention"** or **"Eurodollar Convention"** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred **provided, however, that:**
  - (i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
  - (ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day

falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and

- (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (e) **"No Adjustment"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

**"Calculation Agent"** means the Fiscal Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

**"Calculation Amount"** has the meaning given in the relevant Final Terms;

**"Comparable Issue"** means the securities specified hereon (as having a maturity comparable to the remaining term of the series of Notes to be redeemed that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the relevant Notes) provided however that, should the relevant Comparable Issue no longer be in issue, the Comparable Issue shall be such other securities as the Issuer, on the advice of an investment bank or broker of recognised standing operating in the relevant currency market, may determine;

**"Comparable Issue Margin"** means the Comparable Issue Margin as specified hereon, provided however that, should the Comparable Issue be replaced in the manner specified herein, the Comparable Issue Margin shall also be such other margin as the Issuer, on the advice of an investment bank or broker of recognised standing operating in the relevant currency market, may determine;

**"Coupon Sheet"** means, in respect of a Note, a coupon sheet relating to the Note;

**"Day Count Fraction"** means, in respect of the calculation of an amount for any period of time (the **"Calculation Period"**), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

- (a) if **"Actual/Actual (ICMA)"** is so specified, means:
  - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
    - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
    - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
  - (iii) if **"Actual/Actual (ISDA)"** is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

- (iv) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;
- (v) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;
- (vi) if "**30/360**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30";

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

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

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30; and

- (viii) if "30E/360 (ISDA)" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30,

**provided, however, that** in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

**"Early Redemption Amount (Tax)"** means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

**"Early Termination Amount"** means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, these Conditions or the relevant Final Terms;

**"Extraordinary Resolution"** has the meaning given in the Agency Agreement;

**"Final Redemption Amount"** means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

**"First Interest Payment Date"** means the date specified in the relevant Final Terms;

**"Fixed Coupon Amount"** has the meaning given in the relevant Final Terms;

**"Holder"**, in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Form, Denomination, Title and Transfer — Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 3(d) (*Form, Denomination, Title and Transfer — Title to Registered Notes*);

**"Interest Amount"** means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

**"Interest Commencement Date"** means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

**"Interest Determination Date"** has the meaning given in the relevant Final Terms;

**"Interest Payment Date"** means the First Interest Payment Date and any date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (a) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

**"Interest Period"** means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next (or first) Interest Payment Date;

**"ISDA Definitions"** means the 2000 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.) or, if so specified in the relevant Final Terms, the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.);

**"Issue Date"** has the meaning given in the relevant Final Terms;

**"Issuer Redemption Amount"** means the greater of (1) 100 per cent, of the outstanding nominal amount of the relevant Notes plus accrued interest to the date of redemption or (2) as determined by the Special Calculation Agent, the sum of the present values of the remaining scheduled payments of principal and interest on the relevant Notes plus interest accrued to the date of redemption. The present values will be determined by discounting the remaining principal and interest payments to the original redemption date using the Adjusted Comparable Yield. The Special Calculation Agent shall advise the Calculation Agent and the Fiscal Agent of the Issuer Redemption Amount as so calculated;

**"Margin"** has the meaning given in the relevant Final Terms;

**"Maturity Date"** has the meaning given in the relevant Final Terms;

**"Maximum Redemption Amount"** has the meaning given in the relevant Final Terms;

**"Minimum Redemption Amount"** has the meaning given in the relevant Final Terms;

**"Noteholder"**, in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Form, Denomination, Title and Transfer — Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 3(d) (*Form, Denomination, Title and Transfer — Title to Registered Notes*);

**"Optional Redemption Amount (Call)"** means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

**"Optional Redemption Amount (Put)"** means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

**"Optional Redemption Date (Call)"** has the meaning given in the relevant Final Terms;

**"Optional Redemption Date (Put)"** has the meaning given in the relevant Final Terms;

**"Participating Member State"** means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty;

**"Payment Business Day"** means:

- (a) if the currency of payment is euro, any day which is:
  - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
  - (ii) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (b) if the currency of payment is not euro, any day which is:
  - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
  - (ii) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

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

**"Principal Financial Centre"** means, in relation to any currency, the principal financial centre for that currency **provided, however, that:**

- (a) in relation to euro, it means the principal financial centre of such Member State of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and
- (b) in relation to New Zealand dollars, it means either Wellington or Auckland as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

**"Principal Subsidiary"** means any Subsidiary of the Issuer the total assets or revenues of which equal or exceed 10 per cent. of the consolidated total assets or consolidated total revenues of the Issuer. These figures will be calculated on the basis of the then most recent consolidated accounts of the Issuer (whether audited or unaudited) that are available to the public and the then most recent audited financial statements of the relevant Subsidiary (whether or not it was a Subsidiary at the time of their preparation). If a Subsidiary prepares consolidated accounts, those accounts will be used. A report by two Authorised Signatories of the Issuer that, in their opinion, a Subsidiary of the Issuer is or is not or was or was not at any particular time or throughout any specified period a Principal Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties;

**"Put Option Notice"** means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

**"Put Option Receipt"** means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

**"Quotation Agents"** means a group of at least four reference dealers that are primary dealers in the Comparable Issue. The Special Calculation Agent will appoint the Quotation Agents after first consulting with the Issuer;



**"Quotation Agents' Quotations"** means, with respect to any redemption date, the average, as determined by the Special Calculation Agent, of the bid and offer prices for the Comparable Issue (expressed in each case as a percentage of its outstanding nominal amount) quoted in writing to the Special Calculation Agent by the Quotation Agents at 5.00 p.m. (London time) on the fifth Business Day before the redemption date;

**"Rate of Interest"** means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

**"Redemption Amount"** means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Termination Amount, the Issuer Redemption Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Final Terms;

**"Reference Banks"** has the meaning given in the relevant Final Terms or, if none, four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate;

**"Reference Price"** has the meaning given in the relevant Final Terms;

**"Reference Rate"** has the meaning given in the relevant Final Terms;

**"Regular Period"** means:

- (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **"Regular Date"** means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **"Regular Date"** means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period .

**"Relevant Date"** means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

**"Relevant Financial Centre"** has the meaning given in the relevant Final Terms;

**"Relevant Screen Page"** means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

**"Relevant Time"** has the meaning given in the relevant Final Terms;

**"Reserved Matter"** means any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date

in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of any payment under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution;

**"Special Calculation Agent"** means the Fiscal Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Issuer Redemption Amount and/or such other amount(s) as may be specified in the relevant Final Terms;

**"Specified Currency"** has the meaning given in the relevant Final Terms;

**"Specified Denomination(s)"** has the meaning given in the relevant Final Terms;

**"Specified Office"** has the meaning given in the Agency Agreement;

**"Specified Period"** has the meaning given in the relevant Final Terms;

**"Subsidiary"** means, in relation to any Person (the **"first Person"**) at any particular time, any other Person (the **"second Person"**):

- (a) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

**"Talon"** means a talon for further Coupons attached on issue;

**"TARGET2"** means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

**"TARGET Settlement Day"** means any day on which TARGET2 is open for the settlement of payments in euro;

**"Treaty"** means the Treaty establishing the European Communities, as amended; and

**"Zero Coupon Note"** means a Note specified as such in the relevant Final Terms.

(b) *Interpretation:* In these Conditions:

- (i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 13 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 13 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being **"outstanding"** shall be construed in accordance with the Agency Agreement;

- (vii) if an expression is stated in Condition 2(a) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is "not applicable" then such expression is not applicable to the Notes; and
- (viii) any reference to the Agency Agreement shall be construed as a reference to the Agency Agreement as amended and/or supplemented up to and including the Issue Date of the Notes.

### 3. **Form, Denomination, Title and Transfer**

- (a) *Bearer Notes:* Bearer Notes are in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination.
- (b) *Title to Bearer Notes:* Title to Bearer Notes and the Coupons will pass by delivery. In the case of Bearer Notes, "**Holder**" means the holder of such Bearer Note and "**Noteholder**" and "**Couponholder**" shall be construed accordingly.
- (c) *Registered Notes:* Registered Notes are in the Specified Denomination(s), which may include a minimum denomination specified in the relevant Final Terms and higher integral multiples of a smaller amount specified in the relevant Final Terms .
- (d) *Title to Registered Notes:* The Registrar will maintain the register (the "**Register**") in accordance with the provisions of the Agency Agreement. A certificate (each, a "**Note Certificate**") will be issued to each Holder of Registered Notes in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register. In the case of Registered Notes, "**Holder**" means the person in whose name such Registered Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Noteholder**" shall be construed accordingly.
- (e) *Ownership:* The Holder of any Note or Coupon shall (except as otherwise required by law) 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 other interest therein, any writing thereon or, in the case of Registered Notes, on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such Holder. No person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.
- (f) *Transfers of Registered Notes:* Subject to paragraphs (i) (*Closed periods*) and (j) (*Regulations concerning transfers and registration*) below, a Registered Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; **provided, however, that** a Registered Note may not be transferred unless the principal amount of Registered Notes transferred (and where not all of the Registered Notes held by a Holder are being transferred the principal amount of the balance of Registered Notes not transferred) are Specified Denominations. Where not all the Registered Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor.
- (g) *Registration and delivery of Note Certificates:* Within five business days of the surrender of a Note Certificate in accordance with paragraph (f) (*Transfers of Registered Notes*) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Registered Notes transferred to each relevant Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In this paragraph, "**business day**" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the

city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.

- (h) *No charge:* The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer or the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.
- (i) *Closed periods:* Noteholders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Registered Notes.
- (j) *Regulations concerning transfers and registration:* All transfers of Registered Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests in writing a copy of such regulations.

#### 4. **Status**

The Notes constitute direct, general, unconditional and unsubordinated obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

#### 5. **Negative Pledge**

- (a) *Restriction:* So long as any of the Notes remains outstanding, the Issuer will not and will ensure that no Principal Subsidiary will (subject as provided in (c) below) create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest ("**Security**") upon the whole or any part of its undertaking, assets or revenues present or future to secure any Relevant Debt, or any guarantee of or indemnity in respect of any Relevant Debt unless, at the same time or prior thereto, the Issuer's obligations under the Notes are secured equally and rateably therewith.

The prohibition contained in this Condition 5 does not apply to:

- (i) Security created in connection with a project financing where the Issuer does not have any liability, actual or contingent, in respect of the obligations of the project or the company raising the finance. The Security permitted by this sub-paragraph must be limited to the assets of the project being financed or the shares of the company raising the finance;
  - (ii) Security arising in the ordinary course of banking transactions including sale and repurchase agreements and share, loan and bond lending transactions provided that any such transactions are for the purpose of financing or refinancing the assets which are the subject of the Security;
  - (iii) Security existing in connection with Relevant Debt which is assumed by the Issuer or any relevant Principal Subsidiary at the time of the assumption or existing prior to an entity (whether or not a Subsidiary) becoming a Principal Subsidiary; or
  - (iv) Security arising in respect of financial lease transactions provided that any such transactions are for the purpose of financing or refinancing the assets which are the subject of the Security.
- (b) *Relevant Debt:* For the purposes of this Condition 5, "**Relevant Debt**" means any present or future indebtedness in the form of, or represented by, any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is for the time being, or is capable of being, quoted, listed or traded on any stock exchange or in any over-the-counter or other securities market.

- (c) *Note:* The prohibition contained in this Condition 5 shall apply to a Principal Subsidiary only to prohibit a Principal Subsidiary from creating or permitting to subsist Security which secures Relevant Debt of the Issuer or a guarantee or indemnity given by the Issuer in respect of Relevant Debt and not otherwise.

#### 6. **Fixed Rate Note Provisions**

- (a) *Application:* This Condition 6 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Fixed Coupon Amount and Broken Amount:* The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount or, if specified in the relevant Final Terms as being applicable, the Broken Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount or, as the case may be, Broken Amount in respect of the relevant Specified Denomination.
- (d) *Calculation of interest amount:* The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a "sub-unit" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

#### 7. **Floating Rate Note and Index-Linked Interest Note Provisions**

- (a) *Application:* This Condition 7 (*Floating Rate Note and Index-Linked Interest Note Provisions*) is applicable to the Notes only if the Floating Rate Note Provisions or the Index-Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Screen Rate Determination:* If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iii) if, in the case of (i) above, such rate does not appear on that page or, in the case of (ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
  - (A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
  - (B) determine the arithmetic mean of such quotations; and
- (iv) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided, however, that** if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

- (d) *ISDA Determination:* If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "ISDA Rate" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:
  - (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;
  - (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms; and
  - (iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on the London inter-bank offered rate (LIBOR) for a currency, the first day of that Interest Period or (B) in any other case, as specified in the relevant Final Terms.
- (e) *Index-Linked Interest:* If the Index-Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable, the Rate(s) of Interest applicable to the Notes for each Interest Period will be determined in the manner specified in the relevant Final Terms.

- (f) *Maximum or Minimum Rate of Interest:* If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.
- (g) *Calculation of Interest Amount:* The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- (h) *Calculation of other amounts:* If the relevant Final Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Final Terms.
- (i) *Publication:* The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.
- (j) *Notifications etc:* All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

## 8. **Zero Coupon Note Provisions**

- (a) *Application:* This Condition 8 (*Zero Coupon Note Provisions*) is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Late payment on Zero Coupon Notes:* If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:
  - (i) the Reference Price; and
  - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

9. **Dual Currency Note Provisions**

- (a) *Application:* This Condition 9 (*Dual Currency Note Provisions*) is applicable to the Notes only if the Dual Currency Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Rate of Interest:* If the rate or amount of interest falls to be determined by reference to an exchange rate, the rate or amount of interest payable shall be determined in the manner specified in the relevant Final Terms.

10. **Redemption and Purchase**

- (a) *Scheduled redemption:* Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 11 (*Payments*).
- (b) *Redemption for tax reasons:* The Notes may be redeemed at the option of the Issuer in whole, but not in part:
  - (i) at any time (if neither the Floating Rate Note Provisions or the Index-Linked Interest Note Provisions or the Dual Currency Note Provisions are specified in the relevant Final Terms as being applicable); or
  - (ii) on any Interest Payment Date (if the Floating Rate Note Provisions or the Index-Linked Interest Note Provisions or the Dual Currency Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if:

- (A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 13 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of Denmark or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes; and
- (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

**provided, however, that** no such notice of redemption shall be given earlier than:

- (1) where the Notes may be redeemed at any time, 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due; or
- (2) where the Notes may be redeemed only on an Interest Payment Date, 60 days prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent a certificate signed by two directors of the Issuer 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 of. Upon the expiry of any such



notice as is referred to in this Condition 10(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(b).

- (c) *Redemption at the option of the Issuer:* If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).
- (d) *Partial redemption:* If the Notes are to be redeemed in part only on any date in accordance with Condition 10(c) (*Redemption at the option of the Issuer*), in the case of Bearer Notes, the Notes to be redeemed shall be selected by the drawing of lots in such place as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the notice to Noteholders referred to in Condition 10(c) (*Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed, and, in the case of Registered Notes, each Note shall be redeemed in part in the proportion which the aggregate principal amount of the outstanding Notes to be redeemed on the relevant Optional Redemption Date (Call) bears to the aggregate principal amount of outstanding Notes on such date. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.
- (e) *Redemption at the option of Noteholders:* If the Put Option is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the Holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 10(e), the Holder of a Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put), deposit with any Paying Agent such Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 10(e), may be withdrawn; **provided, however, that** if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 10(e), the depositor of such Note and not such Paying Agent shall be deemed to be the Holder of such Note for all purposes.
- (f) *No other redemption:* The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) to (e) above.
- (g) *Early redemption of Zero Coupon Notes:* Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:
  - (i) the Reference Price; and
  - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for

redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition 10(g) or, if none is so specified, a Day Count Fraction of 30E/360.

- (h) *Purchase:* The Issuer or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, **provided that** all unmatured Coupons are purchased therewith.
- (i) *Cancellation:* All Notes so redeemed or purchased by the Issuer or any of its Subsidiaries and any unmatured Coupons attached to or surrendered with them shall be cancelled and may not be reissued or resold.
- (j) *Redemption at the option of the Issuer at any time:* If Optional Redemption by the Issuer is specified hereon, the Issuer may, on giving irrevocable notice to the Noteholders of any proposed redemption at least 30 days, but not more than 60 days, before the redemption date specified in such notice, redeem such Notes in whole but not in part on such specified redemption date at the Issuer Redemption Amount.

From and after the redemption date specified pursuant to this Condition 10(j), if the Issuer Redemption Amount is made available and the relevant Notes are called for redemption on such redemption date, the Notes will cease to bear interest, and the only right of the holders of the Notes will be to receive payment of the Issuer Redemption Amount and all unpaid interest accrued to the date of redemption.

#### 11. **Payments — Bearer Notes**

This Condition 11 is only applicable to Bearer Notes.

- (a) *Principal:* Payments of principal shall be made only against presentation and (**provided that** payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency.
- (b) *Interest:* Payments of interest shall, subject to paragraph (h) below, be made only against presentation and (**provided that** payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in paragraph (a) above.
- (c) *Payments in New York City:* Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.
- (d) *Payments subject to fiscal laws:* All payments in respect of the Bearer Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 13 (*Taxation*). No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) *Deductions for unmatured Coupons:* If the relevant Final Terms specifies that the Fixed Rate Note Provisions are applicable and a Bearer Note is presented without all unmatured Coupons relating thereto:

- (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; **provided, however, that** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;
- (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
  - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; **provided, however, that** where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
  - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; **provided, however, that**, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) above against presentation and (**provided that** payment is made in full) surrender of the relevant missing Coupons.

- (f) *Unmatured Coupons void*: If the relevant Final Terms specifies that this Condition 11(f) is applicable or that the Floating Rate Note Provisions or the Index-Linked Interest Note Provisions or the Dual Currency Note Provisions are applicable, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 10(b) (*Redemption for tax reasons*), Condition 10(e) (*Redemption at the option of Noteholders*), Condition 10(c) (*Redemption at the option of the Issuer*), Condition 10(j) (*Redemption at the option of the Issuer at any time*) or Condition 14 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.
- (g) *Payments on business days*: If the due date for payment of any amount in respect of any Bearer Note or Coupon is not a Payment Business Day in the place of presentation, the Holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.
- (h) *Payments other than in respect of matured Coupons*: Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Bearer Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by paragraph (c) above).
- (i) *Partial payments*: If a Paying Agent makes a partial payment in respect of any Bearer Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.
- (j) *Exchange of Talons*: On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Bearer Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Fiscal Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 15 (*Prescription*)). Upon the due date for

redemption of any Bearer Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

## 12. **Payments — Registered Notes**

This Condition 12 is only applicable to Registered Notes.

- (a) *Principal:* Payments of principal shall be made by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a Holder of a Registered Note to the Specified Office of the Fiscal Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London) and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (b) *Interest:* Payments of interest shall be made by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a Holder of a Registered Note to the Specified Office of the Fiscal Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London) and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (c) *Payments subject to fiscal laws:* All payments in respect of the Registered Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 13 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.
- (d) *Payments on business days:* Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due date is not Payment Business Day, for value the next succeeding Payment Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Registered Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a Payment Business Day or (B) a cheque mailed in accordance with this Condition 13 arriving after the due date for payment or being lost in the mail.
- (e) *Partial payments:* If a Paying Agent makes a partial payment in respect of any Registered Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.
- (f) *Record date:* Each payment in respect of a Registered Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where payment in respect of a Registered Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the Holder in the Register at the opening of business on the relevant Record Date.

## 13. **Taxation**

- (a) *Gross up:* All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of

whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Denmark or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon:

- (i) held by or on behalf of a Holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon; or
  - (ii) where such withholding or deduction is imposed on a payment to an individual or a residual entity and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, this Directive, several agreements concluded with certain dependent or associated territories in the context of the above European Council Directive 2003/48/EC providing for the possible application of a withholding tax, as well as the application as regards Luxembourg resident individuals of the Luxembourg law of 23 December 2005; or
  - (iii) held by or on behalf of a Holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the EU; or
  - (iv) where the relevant Note or Coupon or Note Certificate is presented or surrendered for payment more than 30 days after the Relevant Date except to the extent that the Holder of such Note or Coupon or Note Certificate would have been entitled to such additional amounts on presenting or surrendering such Note or Coupon or Note Certificate for payment on the last day of such period of 30 days.
- (b) *Taxing jurisdiction:* If the Issuer becomes subject at any time to any taxing jurisdiction other than Denmark, references in these Conditions to Denmark shall be construed as references to Denmark and/or such other jurisdiction.

#### 14. **Events of Default**

If any of the following events occurs and is continuing:

- (a) *Default:* default is made for more than 14 days (in the case of interest) or seven days (in the case of principal) in the payment on the due date of any amounts in respect of any of the Notes; or
- (b) *Breach of other obligations:* the Issuer fails to perform or observe any of its other obligations under these Conditions and (except in any case where the failure is incapable of remedy, when no continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days following the service by any Noteholder on the Issuer of notice requiring the same to be remedied; or
- (c) *Cross default of Issuer or Principal Subsidiary:*
  - (i) any other present or future indebtedness of the Issuer for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any default on the part of the Issuer (provided that any applicable grace period has expired); or
  - (ii) any such indebtedness of the Issuer or of any of its Principal Subsidiaries is not paid when due or, as the case may be, within any applicable grace period; or

- (iii) the Issuer or any of its Principal Subsidiaries fails to pay when due or, as the case may be, within any applicable grace period any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised; or
- (iv) any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Principal Subsidiaries becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person),

**provided that:**

- (A) the aggregate amount of the indebtedness, guarantees, indemnities or indebtedness secured by such mortgage, charge, pledge, lien or other encumbrance in respect of which one or more of the events mentioned above in sub-paragraphs (i) to (iv) have occurred equals or exceeds €50,000,000 or its equivalent in other currencies; and
- (B) in the case of the occurrence of one or more of such events in respect of a Principal Subsidiary that the Issuer has not within seven days after the relevant event discharged the relevant indebtedness, guarantee or indemnity on behalf of the relevant Principal Subsidiary; and
- (C) payment of such indebtedness referred to in sub-paragraphs (i) and (ii) and payment under such guarantee or indemnity referred to in sub-paragraph (iii) shall not have been disputed in good faith by the Issuer or the relevant Principal Subsidiary as the case may be; or
- (d) *Distress etc.*: a distress, attachment, execution or other legal process is levied or enforced on or against any material part of the property, assets or revenues of the Issuer or any of its Principal Subsidiaries and is not discharged or stayed within 90 days; or
- (e) *Insolvency etc.*: the Issuer is (or is deemed by a court to be) insolvent (meaning that its total liabilities exceed its total assets) or the Issuer or any of its Principal Subsidiaries is (or is deemed by a court to be) bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all or a material part of the debts of the Issuer or any of its Principal Subsidiaries; or
- (f) *Winding up*: an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer or any of its Principal Subsidiaries, or the Issuer or any of its Principal Subsidiaries apply or petition for a winding-up or administration order in respect of itself or ceases or through an official action of its board of directors threatens to cease to carry on (either directly or through one or more Subsidiaries or Affiliates) a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger, consolidation or disposal (i) where immediately following such reconstruction, amalgamation, reorganisation, merger, consolidation or disposal, any of the then current credit ratings assigned to the Issuer or any successor to the Issuer is not lower primarily as a direct result of such reconstruction, amalgamation, reorganisation, merger, consolidation or disposal or (ii) on terms approved by an Extraordinary Resolution of the Noteholders or (iii) in the case of a Principal Subsidiary, whereby the undertaking and assets of such Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries. For the purposes of this Condition 14(f), a "**substantial part of its business or operations**" shall mean all or a part of the business or operations of the relevant company (as the circumstances may require) which in either case represents over three quarters of the consolidated total assets of the Issuer and its Subsidiaries, taken as a whole, as certified by two Authorised Signatories of the Issuer and calculated on the basis of the then most recent consolidated accounts of the Issuer (whether audited or unaudited) that are available to the public; or
- (g) *Analogous event*: any event occurs that under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs,

then the holder of any Note may, by written notice addressed by the Holder thereof to the Issuer and delivered to the Issuer, declare such Note immediately due and payable, whereupon it shall become immediately due and payable at its Early Termination Amount together with accrued interest (if any) without further action or formality.

15. **Prescription**

Claims for principal in respect of Bearer Notes shall become void unless the relevant Bearer Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest in respect of Bearer Notes shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date. Claims for principal and interest on redemption in respect of Registered Notes shall become void unless the relevant Note Certificates are surrendered for payment within ten years of the appropriate Relevant Date.

16. **Replacement of Notes and Coupons**

If any Note, Note Certificate or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent, in the case of Bearer Notes, or the Registrar, in the case of Registered Notes (and, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent or Transfer Agent in any particular place, the Paying Agent or Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Note Certificates or Coupons must be surrendered before replacements will be issued.

17. **Agents**

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer reserve the right at any time to vary or terminate the appointment of any Agent and to appoint a successor fiscal agent or registrar or Calculation Agent and additional or successor paying agents; **provided, however, that:**

- (a) the Issuer shall at all times maintain a fiscal agent and a registrar; and
- (b) the Issuer shall at all times maintain a paying agent in an EU member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, this Directive; and
- (c) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent; and
- (d) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent and/or a Transfer Agent in any particular place, the Issuer shall maintain a Paying Agent and/or a Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders.

18. **Meetings of Noteholders; Modification and Waiver**

- (a) *Meetings of Noteholders:* The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and shall be convened by them upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more Persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; **provided, however, that** Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, one-quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

- (b) *Modification:* The Notes, these Conditions and the Deed of Covenant may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

19. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

20. **Notices**

- (a) *Bearer Notes:* Notices to the Holders of Bearer Notes shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) and, if the Bearer Notes are admitted to trading on the Luxembourg Stock Exchange and it is a requirement of applicable law or regulations, a leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort* or the *Tageblatt*) or published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) or, in either case, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Holders of Bearer Notes.
- (b) *Registered Notes:* Notices to the Holders of Registered Notes shall be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register and, if the Registered Notes are admitted to trading on the Luxembourg Stock Exchange and it is a requirement of applicable law or regulations, notices to Noteholders will be published on the date of such mailing in a leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort* or the *Tageblatt*) or published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) or, in either case, if such publication is not practicable, in a leading English language daily newspaper having general



circulation in Europe. Any such notice shall be deemed to have been given on the fourth day after the date of mailing.

21. **Currency Indemnity**

If any sum due from the Issuer in respect of the Notes or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

22. **Rounding**

- (a) For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

23. **Governing Law and Jurisdiction**

- (a) *Governing law:* The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by English law.
- (b) *English courts:* The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including any non-contractual obligation arising out of or in connection with the Notes).
- (c) *Appropriate forum:* The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (d) *Rights of the Noteholders to take proceedings outside England:* Condition 23(b) (*English courts*) is for the benefit of the Noteholders only. As a result, nothing in this Condition 23 (*Governing law and jurisdiction*) prevents any Noteholder from taking proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, Noteholders may take concurrent Proceedings in any number of jurisdictions.
- (e) *Process agent:* The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to Wilmington Trust SP Services (London) Limited at 5th Floor, 6 Broad Street Place, London EC2M 7JH, United Kingdom or, if different, its registered office for the time being or at any address of the Issuer in Great Britain at which process may be served on it in accordance with the Companies Act 2006. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer, the Issuer shall, on the written demand of any Noteholder addressed and delivered to the Issuer or to the Specified Office of the Fiscal Agent appoint a further person in England to accept service of process on its behalf and, failing such

appointment within 15 days, any Noteholder shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and to Proceedings elsewhere.

## FORM OF FINAL TERMS

*The Final Terms in respect of each Tranche of Notes will be substantially in the following form, duly supplemented (if necessary), amended (if necessary) and completed to reflect the particular terms of the relevant Notes and their issue. Text in this section appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms.*

**Final Terms dated [•]**

**TDC A/S**

**Issue of**

**[Aggregate Nominal Amount of Tranche] [Title of Notes]**

**under the €4,000,000,000**

**Euro Medium Term Note Programme**

### **PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated [•] [and the supplement to the Base Prospectus dated [•] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive. These Final Terms contain the final terms of the Notes and must be read in conjunction with such Base Prospectus [as so supplemented].

Full information on the Issuer and the offer of the Notes described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and the supplement to the Base Prospectus] [is/are] available for viewing [at [www.TDC.com or www.TDC.dk]] [and] during normal business hours on any day (excluding Saturdays, Sundays and public holidays) at the offices of the Issuer at Teglholmsgade 3, DK-0900 Copenhagen C, Denmark and the offices of the Fiscal Agent Deutsche Bank AG, London Branch at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom and the Registrar Deutsche Bank Luxembourg S.A. at 2 Boulevard Konrad Adenauer, L 1115 Luxembourg, Grand Duchy of Luxembourg [and copies may be obtained from the offices of the Issuer at Teglholmsgade 3, DK-0900 Copenhagen C, Denmark and the offices of the Fiscal Agent Deutsche Bank AG, London Branch at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom and the Registrar Deutsche Bank Luxembourg S.A. at 2 Boulevard Konrad Adenauer, L 1115 Luxembourg, Grand Duchy of Luxembourg].

*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote guidance for completing the Final Terms.*

*When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.*

1. Issuer: [•]
2. [(i) Series Number: [•]]  
[(ii) Tranche Number: [•]]  
*(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*
3. Specified Currency or Currencies: [•]
4. Aggregate Nominal Amount: [•]  
[(i) Series: [•]]  
[(ii) Tranche: [•]]
5. Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (*in the case of fungible issues only, if applicable*)]
6. (i) Specified Denominations: [•]  
  
[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].  
  
*(N.B. If an issue of Notes is (i) NOT admitted to trading on a European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the [€100,000] minimum denomination is not required.)*  
  
(ii) Calculation Amount: [•]
7. (i) Issue Date: [•]  
(ii) Interest Commencement Date: [Specify/Issue Date/Not Applicable]
8. Maturity Date: [Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]  
  
*[If the Maturity Date is less than one year from the Issue Date and either (a) the issue proceeds are received by the Issuer in the United Kingdom, or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, (i) the Notes must have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be sold only to "professional investors" or (ii) another applicable exemption from section 19 of the FSMA must be available.]*
9. Interest Basis: [[•] per cent. Fixed Rate]  
[[Specify reference rate] +/- [•] per cent. Floating Rate]

- [Zero Coupon]  
[Index Linked Interest]  
[Dual Currency]  
[Other (*Specify*)]  
(further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]  
[Index Linked Redemption]  
[Dual Currency]  
[Other (*Specify*)]
11. Change of Interest or Redemption/Payment Basis: [*Specify details of any provision for convertibility of Notes into another interest or redemption/ payment basis*]
12. Put/Call Options: [Investor Put]  
[Issuer Call]  
[(further particulars specified below)]
13. (i) Status of the Notes: Senior
- [(ii) Date [Board] approval for issuance of Notes obtained: [•]]
- (*N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes*)
14. Method of distribution: [Syndicated/Non-syndicated]

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15. **Fixed Rate Note Provisions** [Applicable/Not Applicable]
- (*If not applicable, delete the remaining subparagraphs of this paragraph*)
- (i) Rate[(s)] of Interest: [•] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (*specify*)] in arrear]
- (ii) Interest Payment Date(s): [•] in each year
- (iii) Fixed Coupon Amount[(s)]: [•] per Calculation Amount
- (iv) Broken Amount(s): [•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]
- (v) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA) / other]
- (vi) [Determination Dates: [•] in each year (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)*)]
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/*give details*]
16. **Floating Rate Note Provisions** [Applicable/Not Applicable]
- (*If not applicable, delete the remaining sub-*

paragraphs of this paragraph)

- (i) Interest Period(s): [•]
- (ii) Specified Period: [•]  
  
*(Specified Period and Specified Interest Payment Dates are alternatives. A Specified Period, rather than Specified Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not Applicable")*
- (iii) Specified Interest Payment Dates: [•]  
  
*(Specified Period and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable")*
- (iv) [First Interest Payment Date: [•]]
- (v) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ other (give details)]
- (vi) Additional Business Centre(s): [Not Applicable/give details]
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination / ISDA Determination / other (give details)]
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Fiscal Agent): [[Name] shall be the Calculation Agent (no need to specify if the Fiscal Agent is to perform this function)]
- (ix) Screen Rate Determination:
  - Reference Rate: [For example, LIBOR or EURIBOR]
  - Interest Determination Date(s): [•]
  - Relevant Screen Page: [For example, Reuters LIBOR 01/ EURIBOR 01]
  - Relevant Time: [For example, 11.00 a.m. London time/Brussels time]
  - Relevant Financial Centre: [For example, London/Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro)]
- (x) ISDA Determination:
  - Floating Rate Option: [•]
  - Designated Maturity: [•]

	• Reset Date:	[•]
(xi)	Margin(s):	[+/-][•] per cent. per annum
(xii)	Minimum Rate of Interest:	[•] per cent. per annum
(xiii)	Maximum Rate of Interest:	[•] per cent. per annum
(xiv)	Day Count Fraction:	[•]
(xv)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[•]
17.	<b>Zero Coupon Note Provisions</b>	[Applicable/Not Applicable]
		<i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i)	Accrual Yield:	[•] per cent. per annum
(ii)	Reference Price:	[•]
(iii)	Any other formula/basis of determining amount payable:	[Consider whether it is necessary to specify a Day Count Fraction for the purposes of Condition 10(g)]
18.	<b>Index-Linked Interest Note/other variable-linked interest Note Provisions</b>	[Applicable/Not Applicable]
		<i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i)	Index/Formula/other variable:	[give or annex details]
(ii)	Calculation Agent responsible for calculating the interest due:	[•]
(iii)	Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable:	[•]
(vi)	Interest Determination Date(s):	[•]
(v)	Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	[•] <i>(Need to include a description of market disruptions or settlement disruptions, events and adjustment provisions)</i>
(vi)	Interest or calculation period(s):	[•]
(vii)	Specified Period:	[•]
		<i>(Specified Period and Specified Interest Payment Dates are alternatives. A Specified Period, rather than Specified Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or</i>

*Eurodollar Convention. Otherwise, insert "Not Applicable")*

- (viii) Specified Interest Payment Dates: [•]  
*(Specified Period and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable")*
- (ix) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (x) Additional Business Centre(s): [•]
- (xi) Minimum Rate/Amount of Interest: [•] per cent. per annum
- (xii) Maximum Rate/Amount of Interest: [•] per cent. per annum
- (xiii) Day Count Fraction: [•]

19. **Dual Currency Note Provisions** [Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
- (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due: [•]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [•]
- (iv) Person at whose option Specified Currency(ies) is/are payable: [•]

**PROVISIONS RELATING TO REDEMPTION**

20. **Call Option** [Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Optional Redemption Date(s): [•]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Calculation Amount
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [•] per Calculation Amount



	(b)	Maximum Redemption Amount	[•] per Calculation Amount
	(iv)	Notice period:	[•]
21.	<b>Optional Redemption by the Issuer at any time</b>		[Applicable/Not Applicable]
	<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>		
	(i)	Comparable Issue:	[•]
	(ii)	Comparable Issue Margin:	[•]
	(iii)	Special Calculation Agent:	[•]
22.	<b>Put Option</b>		[Applicable/Not Applicable]
	<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>		
	(i)	Optional Redemption Date(s):	[•]
	(ii)	Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[•] per Calculation Amount
	(iii)	Notice period:	[•]
23.	<b>Final Redemption Amount of each Note</b>		[•] per Calculation Amount
	In cases where the Final Redemption Amount is Index-Linked or other variable-linked:		
	(i)	Index/Formula/variable:	[give or annex details]
	(ii)	Calculation Agent responsible for calculating the Final Redemption Amount:	[•]
	(iii)	Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable:	[•]
	(iv)	Date for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable:	[•]
	(v)	Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	[•] <i>(Need to include a description of market disruptions or settlement disruptions, events and adjustment provisions)</i>

- |        |                                  |                            |
|--------|----------------------------------|----------------------------|
| (vi)   | [Payment Date:                   | [•]]                       |
| (vii)  | Minimum Final Redemption Amount: | [•] per Calculation Amount |
| (viii) | Maximum Final Redemption Amount: | [•] per Calculation Amount |
24. **Early Redemption Amount** [Not Applicable]
- Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):
- (If both the Early Redemption Amount (Tax) and the Early Termination Amount are the principal amount of the Notes/specify the Early Redemption Amount (Tax) and/or the Early Termination Amount if different from the principal amount of the Notes)*

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. **Form of Notes:** [Bearer Notes:]
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Temporary Global Note]
- [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
- [Registered Notes:]
- [Global Registered Note exchangeable for Individual Note Certificates in the limited circumstances described in the Global Registered Note]
- [Global Registered Note [(U.S.\$/Euro [•] nominal amount)] registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))]
26. New Global Note: [Yes] [No] [Not Applicable]
27. Additional Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable/give details.]
- Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub paragraphs 15(ii), 16(vi) and 18(x) relate]*
28. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on [Yes/No. If yes, give details]

which such Talons mature):

29. Other final terms: [Not Applicable/give details (e.g., the 2006 ISDA Definitions (as amended and updated as of the Issue Date (or issue date of the original Notes, in the case of a fungible issue) apply)]
- [(When adding any other final terms consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]

## DISTRIBUTION

30. (i) If syndicated, names and addresses of Managers: [Not Applicable/give names and addresses]
- (ii) Date of [Subscription] Agreement: [•]
- (iii) Stabilising Manager(s) (if any): [Not Applicable/give name]
31. If non-syndicated, name and address of Dealer: [Not Applicable/give name and address]
32. U.S. Selling Restrictions: [Reg. S Compliance Category];
- (In the case of Bearer Notes) - [TEFRA C/TEFRA D/ TEFRA not applicable]
- (In the case of Registered Notes) - Not Applicable
33. Additional selling restrictions: [Not Applicable/give details]

## PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue [and] [admission to trading on [specify relevant regulated market] of the Notes described herein] pursuant to the €4,000,000,000 Euro Medium Term Note Programme of TDC A/S.

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [(Relevant third party information) has been extracted from (specify source). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (specify source), no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of TDC A/S:

By: .....  
Duly authorised

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [Luxembourg/other (*specify*)/None]
- (ii) Admission to trading: [Application is has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the regulated market of the Luxembourg Stock Exchange/*specify relevant regulated market*] with effect from [the Issue Date].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the regulated market of the Luxembourg Stock Exchange/*specify relevant regulated market*] with effect from [the Issue Date].] [Not Applicable.]
- (Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*
- (iii) [Estimate of total expenses related to listing and admission to trading: [•]]

### 2. RATINGS

- Ratings: The [Programme has/Notes to be issued have] been rated:  
[S&P\*: [•]]  
[Moody's\*: [•]]  
[Fitch\*: [•]]  
[[Other]\*: [•]]

*(\* The exact legal name of the rating agency entity providing the rating should be specified-for example "Standard & Poor's Credit Market Services Europe Limited", rather than just "Standard and Poor's" or "S&P".)*

*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]*

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

*[Insert legal name of particular credit rating agency entity providing rating] is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**") and is included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]*

*[Insert legal name of particular credit rating agency entity providing rating] is established in the EEA and has applied for registration under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the [relevant*

competent authority] / [European Securities and Markets Authority.]

*[Insert legal name of particular credit rating agency entity providing rating]* is established in the EEA and is neither registered nor has it applied for registration under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").]

*[Insert legal name of particular credit rating agency entity providing rating]* is not established in the EEA but the rating it has given to the Notes is endorsed by *[insert legal name of credit rating agency]*, which is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").]

*[Insert legal name of particular credit rating agency entity providing rating]* is not established in the EEA but is certified under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").]

*[Insert legal name of particular credit rating agency entity providing rating]* is not established in the EEA and is not certified under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation.]

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency operating in the EEA before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused, or (2) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (3) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.

3. **[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]**

*Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:*

"Save as discussed in ["*Subscription and Sale*"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

*[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*

4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

[(i) Reasons for the offer: [•]

*(See "Use of Proceeds" wording in Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]*

[(ii) Estimated net proceeds: [•]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)]*

[(iii) Estimated total expenses: [•]

*[Include breakdown of expenses]  
(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)]*

5. **[Fixed Rate Notes only – YIELD**

Indication of yield: [•]

Calculated as *[include details of method of calculation in summary form]* on the Issue Date.

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6. **[Floating Rate Notes only – HISTORIC INTEREST RATES**

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].]

7. **[Index-linked or other variable-linked notes only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

*Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident. [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information. Include other information concerning the underlying required by Paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.]*

*[(When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*

The Issuer *[intends to provide post-issuance information [specify what information will be reported and where it can be obtained]]* *[does not intend to provide post-issuance information].*

8. **[Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT]**

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.*

*[(When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*

9. **OPERATIONAL INFORMATION**

ISIN Code: [•]

Common Code: [•]

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]

Delivery: Delivery [against/free of] payment

Names and addresses of initial Paying Agent(s): [•]

Names and addresses of additional Paying Agent(s) (if any): [•]

Intended to be held in a manner which would allow Eurosystem eligibility: [Yes][No][Not Applicable]  
[Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,] [include this text for registered notes]] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][include this text if "yes" selected in which case the bearer Global Notes must be issued in NGN form]

## SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

### Clearing System Accountholders

In relation to any Tranche of Notes represented by a Global Note in bearer form, references in the Terms and Conditions of the Notes to "Noteholder" are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary, in the case of a CGN, or a common safekeeper, in the case of an NGN for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper.

In relation to any Tranche of Notes represented by a Global Registered Note, references in the Terms and Conditions of the Notes to "Noteholder" are references to the person in whose name such Global Registered Note is for the time being registered in the Register which, for so long as the Global Registered Note is held by or on behalf of a depositary or a common depositary or a common safekeeper for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or common safekeeper or a nominee for that depositary or common depositary or common safekeeper.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Note or a Global Registered Note (each an "**Accountholder**") must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Issuer to the holder of such Global Note or Global Registered Note and in relation to all other rights arising under such Global Note or Global Registered Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note or Global Registered Note will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by a Global Note or Global Registered Note, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes and such obligations of the Issuer will be discharged by payment to the holder of such Global Note or Global Registered Note.

### Conditions applicable to Global Notes

Each Global Note and Global Registered Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Global Note or Global Registered Note. The following is a summary of certain of those provisions:

*Payments:* All payments in respect of the Global Note or Global Registered Note which, according to the Terms and Conditions of the Notes, require presentation and/or surrender of a Note, Note Certificate or Coupon will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note or Global Registered Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Issuer shall procure that in respect of a CGN the payment is noted in a schedule thereto and in respect of an NGN the payment is entered pro rata in the records of Euroclear and Clearstream, Luxembourg.

*Payment Business Day:* In the case of a Global Note, or a Global Registered Note, shall be, if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

*Payment Record Date:* Each payment in respect of a Global Registered Note will be made to the person shown as the Holder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the "**Record Date**") where "**Clearing System Business Day**" means a day on which each clearing system for which the Global Registered Note is being held is open for business.



*Exercise of put option:* In order to exercise the option contained in Condition 10(e) (*Redemption at the option of Noteholders*) the bearer of the Permanent Global Note or the holder of a Global Registered Note must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Fiscal Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

*Partial exercise of call option:* In connection with an exercise of the option contained in Condition 10(c) (*Redemption at the option of the Issuer*) in relation to some only of the Notes, the Permanent Global Note or Global Registered Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

*Notices:* Notwithstanding Condition 20 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) or a Global Registered Note and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are), or the Global Registered Note is, deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 20 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, except that, for so long as such Notes are admitted to trading on the Luxembourg Stock Exchange and it is a requirement of applicable law or regulations, such notices shall be published in a leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort* or *the Tageblatt*) or published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

## DESCRIPTION OF THE ISSUER

### History and Development

The Issuer is a Danish-based European full-service provider of communications solutions. The Issuer is the leading provider of telecommunications and pay-TV in Denmark, with a market-leading position (both measured by number of customers) in each of its major business segments: landline telephony, internet access, mobility services and pay-TV (source: NITA Report entitled "*Telecom Statistics - First Half of 2011*"). Outside of Denmark, the Issuer has a significant presence in the pan-Nordic telecommunications market.

In 2006, the Issuer embarked on a strategy to concentrate on its core Nordic markets and to become a clear and focused Nordic telecommunications operator through strategic in-country consolidation and divestments of its non-Nordic international assets. Going forward the Issuer's M&A policy is to focus on bolt-on, in-country acquisitions in Denmark and the other Nordic countries.

The Issuer's legal and commercial names are TDC A/S and TDC, respectively. The Issuer was incorporated as an "aktieselskab" (public limited liability company) on 14 November 1990 and is organised under the laws of the Kingdom of Denmark (its Central Business Registration number in Denmark is 1477 3908). The Issuer is headquartered at Teglholmsgade 3, DK-0900 Copenhagen C, Denmark (telephone: +45 66 63 77 77). The Issuer's shares are listed on the Nasdaq OMX Copenhagen Exchange (ISIN DK0060228559).

The objects of the Issuer are to conduct business within communications, services, directories, media, investment, financing, advisory services, trade and any other related business, whether in Denmark or abroad, if appropriate in the form of joint ventures with other Danish or foreign-based companies, as specified in paragraph 3 of the Issuer's Articles of Association. The Issuer's current Articles of Association were adopted by the Issuer's annual general meeting on 9 March 2011.

TDC was partly privatised in 1994 and fully privatised in 1998. TDC's largest shareholder, NTC Holding G.P. & CIE S.C.A. ("**NTC**") is, through its parent company NTC Parent S.à r.l., controlled by investment funds, each of which is advised or managed, directly or indirectly, by Apax Partners LLP, The Blackstone Group, Kohlberg Kravis Roberts & Co. L.P., Permira Advisers KB or Providence Equity Partners Limited (see "*Major Shareholders*" below).

### Recent Events

#### ***Settlement of dispute between Danish Polish Telecommunication Group I/S ("**DPTG**") and Telekomunikacja Polska S.A. ("**TPSA**")***

In relation to the dispute between DPTG and TPSA regarding determination of traffic volumes, which has been ongoing since 2001, a settlement agreement was entered into by the parties on 12 January 2012 according to which, TPSA is to pay EUR 550 million (equivalent to approximately DKK 4.1 billion) to DPTG in full and final settlement of all claims relating to the dispute. As a result of holding a 25% ownership interest in DPTG, the Issuer will receive approximately DKK 1.0 billion, which, after tax, will amount to approximately DKK 770 million. The settlement amount was received on 13 January 2012 (EUR 275 million) and on 19 January 2012 (EUR 275 million).

#### ***Share Buy-Back Programme***

The Board of Directors of the Issuer decided to initiate a share buy-back programme of up to DKK 750,000,000, the purpose of which is to distribute to the shareholders the amounts (less taxes and costs) received from TPSA in connection with the settlement of the dispute between DPTG and TPSA announced by the Issuer on 12 January 2012.

The share buy-back programme was initially scheduled to run from 6 February 2012 to 31 December 2012 during which time the Issuer intended to repurchase shares for an amount of up to DKK 750,000,000. Under the terms of the share buy-back programme, the Issuer is entitled at any time to suspend or stop the share buy-back programme in the event of substantial changes in the Issuer's business or in the market or other extraordinary events and, following the offering of shares by NTC (see "*Offering of TDC Shares by NTC Holding G.P. & CIE S.C.A.*"), the Issuer announced on 13 February 2012 that it

had suspended the share buy-back programme. The Issuer decided to resume the share buy-back programme on 16 February 2012.

#### ***Offering of TDC Shares by NTC Holding G.P. & CIE S.C.A.***

Pursuant to an offering to institutional investors, which was announced on 13 February 2012, approximately 128.7 million existing shares of the Issuer (approximately 15.6% of the Issuer's share capital) have been sold on behalf of certain shareholders of NTC. The Issuer will not receive any proceeds from the sale. Following payment and settlement of the transaction, which is expected to take place on or around 17 February 2012, NTC, which currently owns 59.1% of the outstanding shares of the Issuer (exclusive of treasury shares), will own approximately 43.3% of the Issuer's share capital and voting rights (exclusive of treasury shares). As a result of the offering, Morgan Stanley & Co. International plc. now holds shares in the Issuer amounting to approximately 7.13% of the total share capital and voting rights of the Issuer.

#### **Business Activities of the TDC Group**

##### ***Customers***

As at 31 December 2011, the Issuer and its subsidiaries (the "**TDC Group**") had a total of 9.0 million RGUs, up 1.7 per cent. from 31 December 2010.

As at 31 December 2011, the TDC Group had 8,740,000 domestic RGUs, up from 8,590,000 as at 31 December 2010. This increase was attributable mainly to the acquisition of Onfone (constituting 206,000 RGUs as of 31 December 2011), partly offset by fewer landline voice RGUs, which decreased by 8.2 per cent. during this period due to customer migration from landline to mobile services.

The number of RGUs in Nordic increased by 14.8 per cent. or 34,000 from year-end 2010 to year-end 2011, through growth primarily within mobile RGUs, which increased by 28.4 per cent., but also due to an increase in landline and internet RGUs.

##### ***Business Lines***

The TDC Group's main business lines are as follows:

##### ***Consumer***

For the year ended 31 December 2011, Consumer's revenue was DKK 9,024 million, constituting 33 per cent. of the TDC Group's total external revenue excluding eliminations. As at 31 December 2011, Consumer had 1,996 full-time employee equivalents. Consumer is the leading provider of landline and mobile services to residential and SoHo (Small Office/Home Office, which refers to a category of business which is defined by, among other things, having fewer than two employees and with limited revenue (of less than DKK 30,000) during the last year) customers in Denmark. The Consumer division services the mass to premium market through the TDC brand and offers landline services including PSTN and VoIP telephony, xDSL broadband, TVoIP, CPE and various value added services, for example, music and security services, whereas the mobile communications services consist of subscription and prepaid voice and data services, mobile broadband and content. Using the TDC brand, Consumer also provides the broadband-based multi-play products, TDC HomeTrio (Digital IP TV, internet access and landline telephony) and TDC HomeDuo (internet access and landline telephony). Consumer also comprises the fixed-mobile convergence product Duét, TDC Shops, Customer Centre including directory services, Telmore A/S ("**Telmore**"), Fullrate A/S ("**Fullrate**"), M1 A/S ("**M1**") and Onfone ApS ("**Onfone**"). Telmore offers mobile voice, mobile broadband and ADSL products (Telmore has ceased to offer broadband to new customers, but has continued to provide broadband to its pre-existing broadband customers). Fullrate offers self-service xDSL broadband, TVoIP, VoIP, mobile voice and mobile broadband products. M1 offers SIM-only products and its commercial strategy is based on competitive price plans. Onfone offers mobile voice and mobile broadband, also based on competitive price plans. Onfone was acquired in May 2011.

##### ***Business***

For the year ended 31 December 2011, Business had a total revenue of DKK 7,517 million, constituting 27 per cent. of the TDC Group's total external revenue excluding eliminations. As at 31 December 2011

Business had 1,344 full-time employee equivalents. Business provides telecommunications solutions for the TDC Group's business customers in Denmark. Business has a market leading position in the Danish business market (source: NITA Report entitled "*Telecom Statistics - First Half of 2011*") and provides telecommunications solutions for small, medium and large businesses and organisations, as well as the public sector in Denmark. Its activities include broadband solutions, landline telephony, mobile services, convergence products (combined landline and mobile telephony), and fibre access. Business also provides terminal equipment and systems integration services through its subsidiary NetDesign A/S ("**NetDesign**"), which is a Danish systems integrator of IP-based communications solutions offering networks, security, video conferencing and telephony systems tailored to business customers and other organisations.

#### *Nordic*

For the year ended 31 December 2011, Nordic had a total revenue of DKK 4,487 million, constituting 16 per cent. of the TDC Group's total external revenue excluding eliminations. At year-end 2011, Nordic had 1,473 full-time employee equivalents. Nordic provides landline telephony, mobile telephony (through MVNO and service provider agreements), internet and network, including IP-VPN services (IP-based Virtual Private Network, which is a network that enables organisations to use a shared network to connect remote sites or users together) and system integration services (only in Sweden) to the public sector and large and mid-size enterprises in Sweden, Norway and Finland primarily based on a direct sales model. Through TDC Hosting A/S, TDC Hosting AB and TDC Hosting OY, Nordic also offers hosting and information technology operations solutions in Denmark, Sweden and Finland, with a primary focus on providing managed hosting, co-location and shared hosting to small and medium sized businesses.

#### *Wholesale*

For the year ended 31 December 2011, Wholesale's revenue was DKK 2,153 million, constituting 8 per cent. of the TDC Group's total external revenue excluding eliminations. As at 31 December 2011, Wholesale had 190 full-time employee equivalents. Wholesale provides landline telephony, mobile services (including convergence), and internet and network services for external service providers and brand partners, as well as national and international traffic and roaming for other network operators. As a content provider service, Wholesale handles sales, consulting and business development within mobile data services, for example mobile payment, barcodes, telematics and mobile marketing. Wholesale also provides a variety of access services such as full and shared unbundled access to the local loop, BSA and resale of ISDN and xDSL services. Furthermore, Wholesale offers infrastructure services, including traditional leased lines, IP-VPN, dedicated fibre, including national and international Network Capacity Services, wavelengths and IP connectivity, and sells co-location to approximately 1,200 TDC telephone exchanges.

#### *YouSee A/S (subsidiary)*

For the year ended 31 December 2011, YouSee's revenue was DKK 4,259 million, constituting 15 per cent. of the TDC Group's total external revenue excluding eliminations. As at 31 December 2011, YouSee had 1,218 full-time employee equivalents. YouSee is the leading Danish cable-TV provider in terms of market share, and offers individual households and organised customers (such as antenna and housing associations) home entertainment and telecommunications solutions. YouSee offers cable TV, mobile broadband and telephony and add on services, through a fully digitalised hybrid fiber coaxial-cable network.

#### *Operations & Headquarters*

For the year ended 31 December 2011, Operations & Headquarters had a total revenue of DKK 287 million, constituting 1 per cent. of the TDC Group's total external revenue excluding eliminations. As at 31 December 2011, Operations & Headquarters had 3,596 full-time employee equivalents. Operations operates TDC's Danish fixed-line and mobile networks and is responsible for fault correction, installation and network, and information technology, and supports TDC's other business divisions by operating support and back-office functions. Operating expenses in Operations corresponding to other segments use of the infrastructure and supply functions are allocated to the relevant business lines (except for YouSee A/S ("**YouSee**") and Nordic, which are billed at arms' length). Operations' revenue generated from third parties mainly relates to police assignments, operation of mobile sites and supply chain management. Headquarters provides internal services for the TDC Group's domestic business lines. Headquarters also

undertakes the TDC Group's staff functions including finance, legal and regulatory, human resources and communications.

### **The TDC Group's Network**

The TDC Group operates an extensive telecommunications network in Denmark. The backbone network has high-capacity transmission capabilities and is fully digitalised. The landline access network reaches almost 100 per cent. of Denmark's population. The mobile access network includes GSM, UMTS and LTE. LTE was launched in Q4 2011, and at year end covered 28 per cent. of the population. The TDC Group also operates its own landline network in the Nordic region, covering mainly large and medium-sized towns, which includes fibre based backbone (fibre cable and a pan-Nordic SDH network delivering landline point-to-point capacity), PSTN/ISDN and IP/Ethernet networks.

### **Intellectual Property**

TDC owns or has the right to use the various brands, including property rights, used within its operation.

### **Property, Plant and Equipment**

Operations & Headquarters manages the majority of the TDC Group's office premises and floor space in Denmark. However, some of the TDC Group's Danish operations, such as Telmore, manage their own premises.

The TDC Group's principal properties consist of numerous telecommunications installations, including exchanges of various sizes, transmission equipment, cable networks, base stations for mobile networks and equipment for radio communications, most of which are located in Denmark. The TDC Group also has numerous computer installations, which are located principally in Copenhagen and Aarhus.

### **Insurance and Operational Risk Management**

#### *Insurance*

The Issuer and its Danish and foreign subsidiaries maintain insurance covering property/business interruption, professional liability/general and product liability, terrorism insurance, directors and officers liability and crime insurance. Furthermore, the Issuer and its Danish subsidiaries maintain insurances covering workers compensation, group accident insurance, motor vehicle insurance, business travel insurance and expatriate insurance. Based on its risk analysis, the Issuer's policy has been to not insure its underground, air and sea cables.

The Issuer believes that its current insurance policies provide adequate coverage for its business, including protection for the nature and amount of risks the Issuer faces. The Issuer's foreign subsidiaries have motor vehicle and personnel-related insurance in place locally. These are not controlled by the Issuer's central risk management function.

#### *Operational Risk Management*

The Issuer has a central risk management function and a corporate security function which handle operational risk management in TDC. Additionally, each TDC subsidiary has appointed employees responsible for security and insurance issues who work closely together with the central Risk Management function. The risk management activities are governed largely by a corporate insurance policy and a corporate security policy.

The aim of the central risk management and corporate security functions is to systematically identify and reduce risks relating to TDC's assets, activities, and employees. It is the Issuer's policy to continuously reduce risks in general and to transfer catastrophe risks to insurance companies.

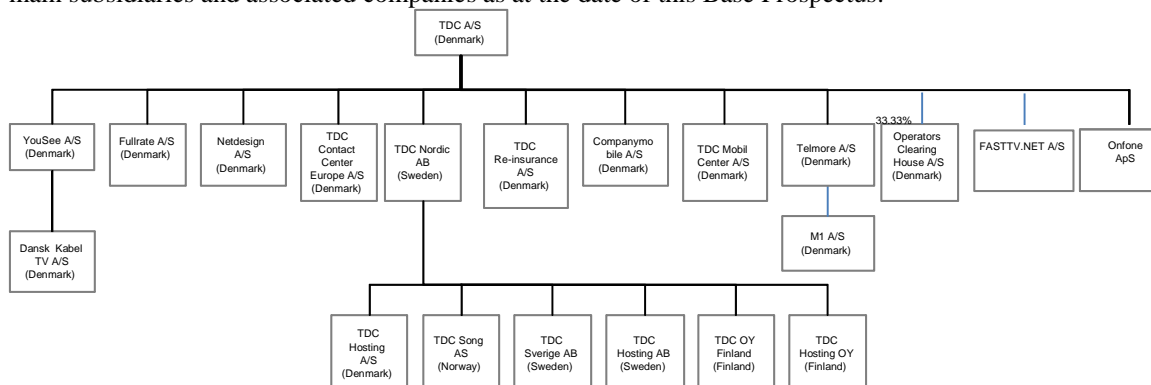
As part of the risk management strategy, a comprehensive annual risk survey program is conducted in close cooperation with external risk engineers. Insurance coverage is based on identified risk scenarios and insurance conditions available from insurance markets in Denmark and abroad.

The amount of self-retention of risk in TDC's insurance programs has been determined based on the risk assessment related to each individual area and the subsequent level of insurance premiums.

## Organisational structure

NTC is the Issuer's largest shareholder (see "*Major Shareholders*" below). The Issuer also has several subsidiaries, including YouSee.

The diagram below shows a simplified legal structure of the TDC Group, reflecting an overview of TDC's main subsidiaries and associated companies as at the date of this Base Prospectus:



## Capital Structure

The Issuer's nominal share capital is DKK 825,000,000 divided into shares of a nominal value of DKK 1 or any multiple thereof. Each share entitles a shareholder to one vote. All of the Issuer's shares are listed on the Nasdaq OMX Copenhagen Exchange (ISIN DK0060228559). Under the Issuer's current Articles of Association, the Board of Directors of the Issuer is authorised, until 18 March 2014, to increase the Issuer's share capital by up to DKK 108,229,770.

## Major Shareholders

The Issuer's ownership base exceeded 42,000 shareholders at year-end 2011 and includes Danish and international institutional investors as well as Danish retail investors and TDC employees.

The ultimate holding company of the Issuer's largest shareholder, NTC Holding GP & Cie S.C.A., is NTC Parent S.à r.l.

Through a number of holding companies, NTC Holding GP & Cie S.C.A. is ultimately controlled by investment funds, each of which is advised or managed, directly or indirectly, by: Apax Partners Worldwide LLP: 15.7%, The Blackstone Group International Limited: 23.5%, Kohlberg Kravis Roberts & Co. L.P.: 19.6%, Permira Advisers KB: 19.4%, and Providence Equity Partners Limited: 17.7%.

At year-end 2011, the ownership and distribution of the Issuer's outstanding shares and the voting rights was:<sup>1</sup>

- NTC Holding G.P & CIE S.C.A, Luxembourg: 59.1 per cent.<sup>2</sup>
- Singapore Investment Corporation Pte Ltd, Singapore: 5.1 per cent.<sup>3</sup>
- Other: 34.2 per cent.
- Not registered: 1.6 per cent.

<sup>1</sup> Source: VP Securities and major shareholders. See "*Offering of TDC Shares by NTC Holding G.P. & CIE S.C.A.*" above for information on changes to the ownership of the Issuer's outstanding shares.

<sup>2</sup> Including 31,500,000 over-allotment shares returned to NTC pursuant to a stock lending agreement, cf. the Issuer's announcement 2-2011 of 14 January 2011.

<sup>3</sup> See TDC's Annual Report 2011.

All the members of the Issuer's Board of Directors act in the interests of the Issuer. The members of the Board of Directors who are also partners of the investment funds, which ultimately own the majority shareholder of the Issuer, do not represent those investment funds on the Board of Directors.

### **Administrative, Management and Supervisory Bodies**

The Issuer's Board of Directors has 15 members, 11 elected by the Annual General Meeting and 4 elected by the employees of the Issuer.

As at the date of this Base Prospectus, the members of the Board of Directors are:

<u>Name and Role</u>	<u>Principal Outside Activities</u>
Vagn Sørensen is the Chairman of the Board of Directors	<p>Chairman of the Boards of Directors of FLSmith &amp; Co. A/S, FLSmith A/S, KMD A/S, KMD Equity Holding A/S, KMD Holding A/S, British Midland Ltd., Select Service Partner Ltd. and one subsidiary thereof and Scandic Hotels AB.</p> <p>Vice Chairman of the Board of Directors of DFDS A/S.</p> <p>Member of the Boards of Directors of Air Canada, Braganza AS, Lufthansa Cargo AG, Royal Caribbean Cruises Ltd., C.P. Dyvig &amp; Co. A/S, Det Rytmiske Musikhus' Fond and Koncertvirksomhedens Fond.</p> <p>Executive Manager of GFKJUS 611 ApS and VOS Invest ApS.</p> <p>Senior Adviser to Morgan Stanley and EQT Partners.</p>
Pierre Danon is the Vice Chairman of the Board of Directors	<p>Chairman of the Boards of Directors of Numericable &amp; Completel, and Voila.</p> <p>Non-executive Director at Ciel Investment Limited and Standard Life plc.</p> <p>Senior Adviser to JP Morgan.</p>
Stine Bosse is a member of the Board of Directors	<p>Chairman of the Boards of Directors of Flügger A/S, The Royal Danish Theatre, BØRNEfonden (the Childrens' Fund), Copenhagen Art Festival and Concito.</p> <p>Member of the Boards of Directors of Nordea Bank A/S, Amlin plc, Aker ASA and Icopal A/S.</p> <p>Member of INSEAD Danish Council. Danish member of the ChildFund Alliance. UN member of the Millennium Development Goals Advocacy Group for the fight against global poverty, disease and hunger.</p>
Angus Porter is a member of the Board of Directors	<p>Chief Executive Officer of the Professional Cricketers' Association in England.</p> <p>Non-executive Director at Direct Wines Limited.</p>
Lars Rasmussen is a member of the Board of Directors	<p>President and Chief Executive Officer of Coloplast A/S with management assignments in six of its wholly-owned subsidiaries.</p> <p>Member of the Boards of Directors of Højgaard Holding</p>

<u>Name and Role</u>	<u>Principal Outside Activities</u>
Søren Thorup Sørensen is a member of the Board of Directors	<p>A/S and MT Højgaard A/S.</p> <p>Member of the Central Board of Directors of the Confederation of Danish Industry.</p> <p>Chairman of the Boards of Directors of K &amp; C Holding A/S, Toginfo A/S, EP af 27. april 2006 A/S, KIPAL 2007 ApS and Kirkbi Anlæg A/S.</p> <p>Member of the Boards of Directors of Falck Holding A/S, Falck A/S, Falck Danmark A/S, Topdanmark A/S, Topdanmark Forsikring A/S, LEGO A/S, Koldingvej 2, Billund A/S, Kirkbi Real Estate Investment A/S, Kirkbi AG, Interlego AG, LEGO Juris A/S and Kirkbi Invest A/S.</p> <p>Chief Executive Officer of Kirkbi A/S and Kirkbi Invest A/S.</p>
Kurt Björklund is a member of the Board of Directors	<p>Co-Managing Partner in Permira.</p> <p>Member of the Board of Directors of Permira Holdings Limited and member of the Executive Group and Investment Committee.</p>
Lawrence Guffey is a member of the Board of Directors	<p>Senior Managing Director in Blackstone's Corporate Private Equity Group.</p> <p>Member of the Boards of Directors of Axtel SA de CV, Deutsche Telekom AG, Paris Review, the Literary Foundation and the Humanities Advisory Board at Rice University.</p>
Henrik Kraft is a member of the Board of Directors	<p>Partner of KKR.</p> <p>Manager of NTC Parent S.à.r.l. and NTC Holding G.P. S.à.r.l.</p> <p>Director of Ambea Holding AB, Ambea AB and Carema Hold-ing AB.</p> <p>Chairman of the Supervisory Board of Versatel AG. Member of the Audit Committee of Versatel AG. Chairman of the Human Resources and Nomination Committee of Versatel AG.</p>
Gustavo Schwed is a member of the Board of Directors	<p>Managing Director of Providence Equity.</p> <p>Member of the Boards of Directors of Decision Resources Group and Grupo TorreSur.</p> <p>Member of the Board of Managers at Swarthmore College.</p>
Andrew Sillitoe is a member of the Board of Directors	<p>Partner of Apax Partners LLP and member of the Executive Committee and Investment Committee.</p>



<u>Name and Role</u>	<u>Principal Outside Activities</u>
	Member of the Board of Directors of Apax Europe VI No. 2 Nominees Ltd., Apax Europe VI Nominees Ltd., Apax Europe VII Nominees Ltd., Apax PP Nominees Ltd., Apax WW No 2 Nominees Ltd., Apax WW Nominees Ltd. and Apax US VII Nominees Ltd.
Lotte Broder Jørgensen is an employee elected member of the Board of Directors	Customer Adviser at TDC A/S.
Steen M. Jacobsen is an employee elected member of the Board of Directors	Specialist Technician at TDC A/S. Member of the Boards of Directors of TDC Pensionskasse and Tegholm Park A/S.
Jan Bardino is an employee elected member of the Board of Directors	IT Project Manager at TDC A/S.
Bo Magnussen is an employee elected member of the Board of Directors	Senior Clerk at TDC A/S. Chairman of Lederforeningen at TDC (Association of Managers and Employees in Special Positions of Trust).

The members of the Executive Committee are stated in the table below. In accordance with the Danish Companies Act and the Articles of Association of the Issuer, the members of the Executive Committee are appointed by the Board of Directors. In accordance with the Danish Companies Act and the Articles of Association of the Issuer, the Executive Committee is in charge of the day-to-day management of the Issuer. The day-to-day management does not cover matters of material importance to the Issuer. Such matters require submission by the Executive Committee to the Board of Directors for approval, unless Board approval cannot be obtained without considerable inconvenience to the Issuer's business.

<u>Name and Role</u>	<u>Principal Outside Activities</u>
Henrik Poulsen is the President and Chief Executive Officer of TDC A/S	Member of the Boards of Directors of Chr. Hansen Holding A/S, the Denmark-America Foundation, and Falck A/S.
Pernille Erenbjerg is a Senior Executive Vice President and Chief Financial Officer	Member of the Board of Directors of the Royal Danish Theatre.
Eva Berneke is a Senior Executive Vice President, President of Wholesale	Member of the Boards of Directors of Copenhagen Business School, LEGO A/S and Schibsted ASA. Member of the Danish Council for Technology and Innovation.
Niels Breining is a Senior Executive Vice President, TDC A/S and CEO of YouSee A/S	Chairman of the Media Council of the Confederation of Danish Industry.
Carsten Dilling is a Senior Executive Vice President, Chief Operating Officer, President of Operations	Chairman of the Boards of Directors of Traen A/S and Traen Holding A/S. Executive manager in CDI Consult ApS.
Miriam Hvidt is a Executive Vice President, Stakeholder Relations	N/A
Anders Jensen is a Senior Executive Vice President, President of Consumer	N/A
Inger Ørum Kirk is a Senior Executive Vice President, People & Culture	Chairman of the Board of Directors of the Danish Post and

<u>Name and Role</u>	<u>Principal Outside Activities</u>
	Tele museum.
Martin Lippert is a Senior Executive Vice President, President of Business	Member of the Board of Directors of Halberg A/S, including three subsidiaries thereof.
Jens Munch-Hansen is a Senior Executive Vice President, President of Nordic	Member of the Board of Directors of Scan Jour A/S.

The Board of Directors has set up an Audit Committee, a Compensation Committee and a Nomination Committee.

The Audit Committee consists of Søren Thorup Sørensen (Chairman), Vagn Sørensen, Lawrence Guffey and Andrew Sillitoe. The Audit Committee assists the Board of Directors with activities including: (i) monitoring the financial reporting process, (ii) monitoring the efficiency of TDC's internal control system and any internal auditing and risk management systems, (iii) monitoring the statutory audit of the annual report, (iv) appointing TDC's independent auditors and monitoring and checking the independence of the auditors, including in particular the delivery of non-audit services to TDC. In 2011, the Audit Committee held three meetings.

The Compensation Committee consists of Vagn Sørensen (Chairman), Pierre Danon, Lars Rasmussen, Henrik Kraft and Gustavo Schwed. The Compensation Committee approves the compensation and other terms of employment for the members of TDC's Executive Committee as well as the framework of the TDC Group's incentive programme. This includes determination of targets for the annual bonus to the members of the Executive Committee and approval of payment of such bonus. The Compensation Committee also proposes to the Board of Director the size of the Board of Directors' fee, which is approved at the Annual General Meeting. In 2011, the Compensation Committee held three meetings.

The Nomination Committee consists of the same members as the Compensation Committee and is also chaired by Vagn Sørensen. The Nomination Committee assists the Board of Directors with activities including: (i) identification of and recommendation to the Board of Directors of candidates for the Board of Directors; (ii) recommendation to the Board of Directors of candidates for the Executive Committee based on proposals made by the Chief Executive Officer, and (iii) review of and recommendation to the Board of Directors concerning adoption of TDC's position on the Recommendations for Corporate Governance issued by the Committee on Corporate Governance and the Guidelines for responsible ownership and good corporate governance issued by the Danish Venture Capital and Private Equity Association. In 2011, the Nomination Committee held three meetings.

The business address of all the above mentioned members is Headquarters, TDC A/S, Teglgolmsgade 3, DK-0900 Copenhagen C, Denmark.

There are no conflicts of interest between the duties of the persons listed above to the Issuer and their private interests or other duties.

## TAXATION

*The following is a general description of certain EU and Danish tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.*

### **Danish Taxation**

*The following is a summary description of the taxation in Denmark of the Notes according to the Danish tax laws in force at the date hereof and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the Notes, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as professional dealers in securities) may be subject to special rules. Potential investors are under all circumstances strongly recommended to contact their own tax advisor to clarify the individual consequences of their investment in, holding of and disposal of the Notes. The Issuer makes no representations regarding the tax consequences of purchase, holding or disposal of the Notes.*

#### **Taxation at source**

Under existing Danish tax laws no general withholding tax or coupon tax will apply to payments of interest or principal or other amounts due on the Notes, other than in certain cases on payments in respect of controlled debt in relation to the Issuer. This will not have any impact on holders of Notes who are not "affiliated" with the Issuer pursuant to section 3B of the Danish Tax Control Act (Consolidated Act no. 1126 of 24 November 2005) (i.e., they control or are controlled by the Issuer or are controlled by the same group of shareholders as the Issuer).

#### **Resident holders of Notes**

Under existing Danish tax laws, private individuals, including persons who are engaged in financial trade, and companies, funds and similar entities, who are domiciled in Denmark for tax purposes, are (save for certain exceptions) liable to pay tax on capital gains on the Notes and on payments of interest under the Notes.

#### **Non-resident holders of Notes**

Under the Danish tax laws, payments of interest or principal amounts to any non-resident holders of Notes are not subject to taxation in Denmark, no withholding tax will be payable with respect to such payments and any capital gain realised upon the sale, exchange or retirement of a Note will not be subject to taxation in Denmark, other than in certain cases on payments in respect of controlled debt in relation to the Issuer as referred to under "Taxation at source" above.

This tax treatment applies solely to holders of Notes who are not subject to full tax liability in Denmark or included in a Danish joint taxation scheme and do not carry on business in Denmark through a permanent establishment.

### **Luxembourg Taxation**

*The following is a general description of certain Luxembourg tax considerations relating to the Notes. It specifically contains information on taxes on the income from the Notes withheld at source and provides an indication as to whether the Issuer assumes responsibility for the withholding of taxes at the source. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Luxembourg or elsewhere. Prospective purchasers of the Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes, payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of Luxembourg. This summary is based upon the law as in effect on the date of this Base Prospectus. The information contained within this section is limited to withholding taxation issues, and*

*prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.*

### **Withholding Tax**

All payments of interest and principal by the Issuer in the context of the holding, disposal, redemption or repurchase of the Notes can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Luxembourg law, subject however to:

- (i) the application of the Luxembourg laws of 21 June 2005 implementing the EU Savings Tax Directive in the form of interest payments and ratifying several agreements concluded with certain dependent or associated territories and providing for the possible application of a withholding tax (35 per cent. from 1 July 2011) on interest paid to certain non Luxembourg resident investors (individuals and certain types of entities called "residual entities" within the meaning of article 4.2 of the EU Savings Tax Directive) in the event of the Issuer appointing a paying agent in Luxembourg within the meaning of the above-mentioned directive (see section "*EU Savings Tax Directive*" below) or agreements;
- (ii) the application as regards Luxembourg resident individuals of the Luxembourg law of 23 December 2005 which has introduced a 10 per cent. withholding tax on savings income (i.e., with certain exemptions, savings income within the meaning of the Luxembourg laws of 21 June 2005 implementing the EU Savings Tax Directive).

Pursuant to the law of 23 December 2005 as amended by the law of 17 July 2008, Luxembourg resident individuals can opt to self declare and pay a 10 per cent. tax on interest payments made by paying agents located in a Member State of the European Union other than Luxembourg, a Member State of the European Economic Area or in a State or territory which has concluded an agreement directly relating to the EU Savings Tax Directive.

The 10 per cent. withholding tax as described above or the 10 per cent tax are final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

Responsibility for the withholding of tax in application of the above-mentioned Luxembourg laws of 21 June 2005 and 23 December 2005 is assumed by the Luxembourg paying agent within the meaning of these laws and not by the Issuer.

### **EU Savings Tax Directive**

On 3 June 2003, the EU Council of Economic and Finance Ministers adopted a directive regarding the taxation of savings income (the "**EU Savings Tax Directive**"). The EU Savings Tax Directive is, in principle, applied by Member States as from 1 July 2005 and has been implemented in Luxembourg by the laws of 21 June 2005. Under the EU Savings Tax Directive, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income, within the meaning of the EU Savings Tax Directive, paid by a paying agent within the meaning of the EU Savings Tax Directive to an individual resident or certain types of entities called "residual entities", within the meaning of the EU Savings Tax Directive (the "**Residual Entity**" or "**Residual Entities**"), established in that other Member State (or certain dependent or associated territories). For a transitional period, however, Austria and Luxembourg are permitted to apply an optional information reporting system whereby if a beneficial owner, within the meaning of the EU Savings Tax Directive, does not comply with one of two procedures for information reporting, the relevant Member State will levy a withholding tax on payments to such beneficial owner. The withholding tax system applies for a transitional period during which the rate of the withholding is 35 per cent. as from 1 July 2011. The transitional period is to terminate at the end of first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

Also with effect from 1 July 2005, a number of non-EU countries (Switzerland, Andorra, Liechtenstein, Monaco and San Marino) and certain dependent or associated territories (Jersey, Guernsey, Isle of Man, Montserrat, British Virgin Islands, Netherlands Antilles, Aruba, Turk and Caicos, Anguilla and the Cayman Islands) have agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a paying agent (within the meaning of the EU Savings Tax

Directive) within its jurisdiction to, or collected by such a paying agent for, an individual resident or a Residual Entity established in a Member State. In addition, Luxembourg has entered into reciprocal provision of information or transitional withholding arrangements with those dependent or associated territories in relation to payments made by a paying agent (within the meaning of the EU Savings Tax Directive) in a Member State to, or collected by such a paying agent for, an individual resident or a Residual Entity established in one of those territories.

The European Commission has announced on 13 November 2008 proposals to amend the EU Savings Tax Directive. If implemented, the proposed amendments would, *inter alia*, (i) extend the scope of the EU Savings Tax Directive to payments made through certain intermediate structures (whether or not established in an EU Member State) for the ultimate benefit of EU resident individuals, and (ii) provide for a wider definition of interest subject to the EU Savings Tax Directive. The European Parliament approved an amended version of this proposal on 24 April 2009. Investors who are in any doubt as to their position should consult their professional advisers.

## SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of BNP Paribas, Danske Bank A/S, Deutsche Bank AG, London Branch, J.P. Morgan Securities Ltd., Morgan Stanley & Co. International plc, Nordea Bank Danmark A/S and Skandinaviska Enskilda Banken AB (publ) as Dealers. The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in a Dealer Agreement dated 10 February 2011 (the "**Dealer Agreement**") and made between the Issuer and the Dealers. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

**United States of America:** *Regulation S Category 2; TEFRA D or TEFRA C as specified in the relevant Final Terms or neither if TEFRA is specified as not applicable in the relevant Final Terms.*

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

Each Dealer has severally agreed that, and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche, as certified to the Fiscal Agent or the Issuer by such Dealer (or, in the case of a sale of a Tranche of Notes to or through more than one Dealer, by each of such Dealers as to the Notes of such Tranche purchased by or through it, in which case the Fiscal Agent or the Issuer shall notify each such Dealer when all such Dealers have so certified) within the United States or to, or for the account or benefit of, U.S. persons, and such Dealer will have sent to each dealer to which it sells Notes during the distribution compliance period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

### **Public Offer Selling Restriction Under the Prospectus Directive**

In relation to each Relevant Member State, each Dealer has severally represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) *Qualified investors:* at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) *Fewer than 100 offerees:* at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to

obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

- (c) *Other exempt offers*: at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

**provided that** no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

### **United Kingdom**

Each Dealer has severally represented, warranted and agreed that, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that:

- (a) *No deposit-taking*: in relation to any Notes having a maturity of less than one year:
- (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
  - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
    - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
    - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "**FSMA**") by the Issuer;
- (b) *Financial promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) *General compliance*: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended) and, accordingly, each Dealer has undertaken that, and each further Dealer appointed under the Programme will be required to undertake that, it will not offer or sell any Notes directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For the purposes of this paragraph, "**Japanese Person**" shall mean any resident of Japan, as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Control Law (Law No. 228 of 1949, as amended).

## **Denmark**

Each Dealer has severally represented and agreed that, and each further Dealer appointed under the Programme will be required to represent and agree that, it has not offered or sold and will not offer, sell or deliver any of the Notes directly or indirectly in Denmark by way of public offering, unless in compliance with the Danish Securities Trading Act (Consolidated Act No. 883 of 9 August 2011 as amended, in Danish: *Værdipapirhandelsloven*) and Executive Orders issued thereunder, as amended.

## **General**

Each Dealer has severally represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed "*General*" above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification may be set out in the relevant Final Terms (in the case of a supplement or modification relevant only to a particular Tranche of Notes) or in a supplement to this Base Prospectus.



## **GENERAL INFORMATION**

### **Authorisation**

1. The update of the Programme was authorised by a resolution of the Board of Directors of the Issuer passed on 3 February 2011. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes and the relating to them.

### **Legal and Arbitration Proceedings**

2. The Issuer is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this Base Prospectus which may have or have in such period had a significant effect on the financial position or profitability of the Issuer.

### **Significant/Material Change**

3. Since 31 December 2011 there has been no material adverse change in the prospects of the Issuer and since 31 December 2011 there has been no significant change in the financial or trading position of the Issuer.

### **Auditors**

4. The auditors of the Issuer are PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab, state-authorised public accountants, who have audited the Issuer's accounts, without qualification, in accordance with International and Danish auditing standards for the financial years ended on 31 December 2011 and 31 December 2010. The auditors of the Issuer have no material interest in the Issuer. PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab are members of the "FSR - Danish Auditors", the Danish Association of Approved Auditors.

### **Documents on Display**

5. For the period of 12 months following the date of this Base Prospectus, copies of the following documents will be available for inspection, free of charge, during normal business hours on any day (excluding Saturdays, Sundays and public holidays) at the offices of the Issuer at Teglholmsgade 3, DK-0900 Copenhagen C, Denmark and the offices of the Fiscal Agent Deutsche Bank AG, London Branch at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom and the Registrar Deutsche Bank Luxembourg S.A. at 2 Boulevard Konrad Adenauer, L 1115 Luxembourg, Grand Duchy of Luxembourg and can be obtained, free of charge, from the Issuer at Teglholmsgade 3, 0900 Copenhagen C, Denmark (telephone: +45 66 63 76 80; fax: +45 33 15 75 70; email: investorrelations@tdc.dk):
  - (a) the Articles of Association (with an English translation thereof) of the Issuer;
  - (b) the consolidated audited financial statements of the Issuer in respect of the financial years ended 31 December 2011 and 31 December 2010, in each case together with the audit reports in connection therewith;
  - (c) this Base Prospectus;
  - (d) the Agency Agreement;
  - (e) the Deed of Covenant;
  - (f) the Dealer Agreement; and
  - (g) the Issuer-ICSDs Agreement entered into between the Issuer and Euroclear and Clearstream, Luxembourg with respect to the settlement in Euroclear and/or Clearstream,

Luxembourg of Notes in New Global Note form or to be held under the New Safekeeping Structure).

6. In accordance with Danish company law, the Issuer's audited annual reports and those of its Danish subsidiaries, including the financial statements and the independent accountants' opinion contained therein, their respective memorandums of association and articles of association are also available from the Danish Commerce and Companies Agency.
7. This Base Prospectus and the documents specified above as containing information incorporated by reference in this Base Prospectus will also be available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

#### **Material Contracts**

8. Save as disclosed in this Base Prospectus, the Issuer has not entered into any contracts in the last two years outside the ordinary course of its business which could result in the Issuer being under an obligation or entitlement that is material to its ability to meet its obligations in respect of the Notes.

#### **Clearing of the Notes**

9. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L 1855 Luxembourg, Grand Duchy of Luxembourg.
10. The appropriate common code and the International Securities Identification Number (ISIN) in relation to the Notes of each Tranche will be specified in the relevant Final Terms. The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

#### **Dealers Transacting with the Issuer**

11. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to the Issuer and its affiliates in the ordinary course of business.

#### **Use of Proceeds**

12. The net proceeds of the issue of each Tranche of Notes will be used by the Issuer for the general corporate and financing purposes of the TDC Group.

## GLOSSARY OF TECHNICAL TERMS

*The following explanations are not intended as technical definitions, but to assist the general reader to understand certain terms as used in this Base Prospectus:*

**"3G"** means third-generation mobile networks that can deliver voice, data and multimedia content at high speed.

**"ADSL"** means Asymmetric Digital Subscriber Line, which is based on DSL technology.

**"ARPU"** means the Average Revenue Per User and is calculated per month. TDC calculates ARPU for a given product group as its total revenue divided by the average RGUs in the period. ARPU includes gross traffic revenue unless otherwise stated.

**"Broadband"** means data communication forms of a certain bandwidth that depending on the relevant context is perceived to be significantly high or 'wide' in terms of information-carrying capacity. The most common broadband technologies are cable modem, DSL, mobile broadband and optical fibre. TDC applies NITA's definition in which broadband implies bandwidths higher than 144 kbps.

**"BSA"** or **"bitstream access"** means the situation where a provider installs a high-speed access link at the customer's premises and then makes this access link available to third parties, to enable them to provide high-speed services to customers.

**"Coax"** means a technology based on coaxial cables - electrical cables with an inner conductor surrounded by a flexible, tubular insulating layer, surrounded by a tubular conducting shield. Coax is used to transmit, among other things, radio frequency signals and distributing cable television signals.

**"CPE"** or **"customer premises equipment"** means equipment that is implemented or installed at a customer's premises. CPE includes the hardware required to handle TV as well as telephony and data traffic. Products handling telephony traffic range from large PABXs for the largest business corporations, to single telephones sold to small business customers and retail customers. Products handling data traffic consist mainly of routers, switches, DSL modems and other bridging equipment used to create LAN and WAN solutions.

**"DSL"** or **"digital subscriber line"** means a technology that enables a local-loop copper pair to transport high-speed data between an exchange building and the customers' premises.

**"DTH"** or **"direct-to-home"** refers to digital TV transmitted directly to households via satellite.

**"DTT"** means digital terrestrial television, which is a digital signal broadcast to standard aerials that are utilised to replace the, in Denmark, discontinued analogue signal.

**"Dual-play"** means the bundling of telephony and internet through one access channel only. Dual-play bundles are included as two customers in the total customer figures. All Fullrate xDSL customers are included as dual-play customers. A dual-play subscription must entail both services.

**"Ethernet"** means a type of networking technology for LANs and is increasingly used in the IP-networks.

**"Fibre optics communication"** or **"fibre"** means a technology used to transmit telephone signals, internet communications, and cable television signals. Due to much lower loss of intensity and interference, optical fibre has large advantages over existing copper wire in long-distance and high-demand applications.

**"GSM"** or **"global system for mobile communications"** means a comprehensive digital network for the operation of all aspects of a mobile telephone system.

**"IP"** or **"internet protocol"** means a standard protocol whereby internet-user data is divided into packets to be sent onto the correct network pathway. In addition, IP gives each packet an assigned number so that the message completion can be verified. Before packets are delivered to their destination, the protocol carries unifying procedures so that they are delivered in their original form.

"**IP-VPN**" means IP-based Virtual Private Network, which is a network that enables organisations to use a shared network to connect remote sites or users together.

"**ISDN**" or "**integrated services digital network**" means a means of providing more channels of 64 kbps over the existing regular phone line, which can be used for either integrated voice and data or solely data transmission. An ISDN modem is necessary to connect to the network. The ISDN technology enables 2-30 channels at the same line.

"**kbps**" means kilobits per second.

"**LAN**" or "**local area network**" refers to a short-distance data communications network (typically within a company) used to link computers, which allows data and printer sharing.

"**LTE**" or "**long term evolution**" means a set of enhancements to UMTS designed to increase capacity and speed on mobile telephone networks.

"**MNO**" or "**mobile network operator**" means a company that has frequency allocation(s), as opposed to a MVNO, and all the required infrastructure to run an independent mobile network.

"**MVNO**" or "**mobile virtual network operators**" means a mobile operator that does not have frequency allocation. MVNOs have business arrangements with MNOs to buy traffic and data for sale to their own customers.

"**OTT**" or "**over the top**" refers to online delivery of video and audio without the internet service provider being involved in the control or distribution of the content itself.

"**OPEX**" means operational expenditure.

"**PABX**" or "**private automatic branch exchange**" is an automatic telephone switching system within a private enterprise. Originally, such systems - called private branch exchanges (PBX) - required the use of a live operator. As today almost all private branch exchanges are automatic, the abbreviation PBX has been extended to PABX.

"**Prepaid**" means when the customer pays for a specified amount of credit for services upfront. The credit then diminishes as the customer uses the service. TDC considers online systems with prepayment characteristics to be mobile voice subscriptions, as users create accounts and generally remain subscribers longer. As a result, customers at Telmore and M1 are considered as mobile voice subscriptions.

"**PSTN**" or "**public switched telephone network**" means the telecommunications network based on copper lines carrying analogue voice and data - traditional landline telephony.

"**RGU**" means the total number of customer relationships that generate revenue for TDC, including customers with subscription and customers without subscriptions calculated according to the following general principles: Landline customers who have generated revenue within the last 3 months; prepaid cards used at least once within the last 3 months; dial-up internet customers who accessed the internet at least once within the last 3 months. TDC's RGU statement includes the number of main products sold by TDC's residential, business and wholesale segments. The number of customers is not equal to the number of subscribers. An enterprise with 100 mobile voice subscriptions from TDC will be included as 100 RGUs in the RGU statement. As regards wholesale customers, a broadband provider with 20,000 BSA connections from TDC will be included as 20,000 RGUs. For other networks and data connections, the RGU category that is part of TDC's RGU base includes ULL, leased lines, fibre and data connection. Mobile broadband RGUs include mobile data cards and mobile broadband subscriptions. Dual- and triple-play bundles are included as two and three RGUs, respectively, in the total RGU figures. A YouSee TV customer subscribing to the digital TV add-on product YouSee Plus will be included as two TV RGUs. The term "RGU" does not reflect the number of actual end-users, e.g., an ISDN30 connection counts only as one RGU in TDC's customer base even though this product may involve 30 end-users.

"**SDH**" or "**Synchronous Digital Hierarchy**" means a standard technology for synchronous data transmission on optical media and provides faster and less-expensive network interconnection than traditional PDH (Plesiochronous Digital Hierarchy) equipment. In digital telephone transmission, synchronous means that the bits from one call are carried within one transmission frame. Plesiochronous means "almost synchronous" or a call that must be extracted from more than one transmission frame.

"**SHDSL**" or "**Symmetric High-speed Digital Subscriber Line**" means DSL technology with symmetric data transmission.

"**Triple-play**" means the bundling of telephony, internet and TV services through one access channel only. Triple play bundles are included as three customers in the total customer figures. A triple-play subscription must entail all three services.

"**TV**" means television.

"**TVoIP**" or "**TV over internet protocol**" means a system through which digital TV service is delivered using the internet and internet broadband access networks instead of being delivered through the traditional radio frequency broadcast, satellite signal or cable TV formats. TVoIP can be either IP TV or Web TV.

"**ULL**" or "**unbundled local loop**" means copper lines to which competing carriers have been granted access by the incumbent operator, allowing such alternative carriers to offer data transmission capacity and/or telephony to end users. (ULL is often referred to as raw copper.) Full ULL is used for customers without PSTN/ISDN subscription (wholesale or retail at TDC), shared ULL is used for customers with PSTN/ISDN subscriptions.

"**UMTS**" or "**universal mobile telecommunications systems**" means a 3G network designed to provide a wide range of voice, high-speed data and multimedia services.

"**VDSL**" means a DSL technology that provides faster data transmission than other DSL technologies over copper wires.

"**VoD**" or "**video-on-demand**" refers to transmission delivery of video (films or other video content) to a single user on request.

"**VoIP**" or "**voice over internet protocol**" means a telephone call over the internet. VoIP can be either with quality of service, i.e., guarantee of call quality comparable to PSTN, achieved through prioritising the traffic. Alternatively, VoIP can be computer to computer calls, with unprioritised traffic. This traffic is generally of a lower quality and is affected by general network usage and will be interrupted by network congestion. TDC VoIP is with quality of service.

"**WAN**" or "**wide area network**" refers to a long-distance data communications network and is a geographically dispersed collection of LANs. The internet, for instance, is a WAN, but a network between a company's divisions can also be a WAN.

"**xDSL**" means a family of technologies that provides digital data transmission over copper wires. See also ADSL, VDSL and SHDSL.

## **REGISTERED OFFICE OF THE ISSUER**

**TDC A/S**  
Teglholmsgade 3  
DK-0900 Copenhagen C  
Denmark

## **ARRANGER**

**Deutsche Bank AG, London Branch**  
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London EC2N 2DB  
United Kingdom

## **DEALERS**

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Denmark

**Deutsche Bank AG, London Branch**  
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**J.P. Morgan Securities Ltd.**  
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United Kingdom

**Morgan Stanley & Co. International plc**  
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