

CANARY WHARF FINANCE II PLC
(the "Issuer")

*(incorporated in England and Wales with limited liability
under Registered Number 3929593)*

NOTICE

to the holders of the

£1,215,000,000 Class A1 6.455 per cent. First Mortgage Debentures due October 2033
(ISIN: XS0112279616)

£400,000,000 Class A3 5.952 per cent. First Mortgage Debentures due October 2037
(ISIN: XS0130681512)

£222,000,000 Class A7 Floating Rate First Mortgage Debentures due October 2037
(ISIN: XS0295171341)

£235,000,000 Class B 6.80 per cent First Mortgage Debentures due 2033
(ISIN:XS0112281190)

£104,000,000 Class B3 Floating Rate First Mortgage Debentures due 2037
(ISIN: XS0295172075)

£275,000,000 Class C2 Floating Rate First Mortgage Debentures due 2037
(ISIN: XS0295172406)

£125,000,000 Class D2 Floating Rate First Mortgage Debentures due 2037
(ISIN: XS0295172745)

of the Issuer presently outstanding (together the "Notes")

On 6 December 2010, Standard and Poor's Financial Services LLC ("**S&P**") published its latest criteria for assessing counterparty risk in all new and existing structured finance securities and covered bonds on a global basis, "Counterparty And Supporting Obligations Methodology And Assumptions". Copies of the criteria can be obtained from S&P on request.

With effect from 18 January 2011, S&P placed the Notes on CreditWatch with negative implications. If certain contracts supporting the Notes (the "**Relevant Contracts**") entered into with certain counterparties, in particular the Swap Providers, the Liquidity Facility Provider, and the Account Bank, are not updated to reflect the new criteria within six months, some of the Notes (in particular Class A1, A3, A7, B, and B3 Notes) are likely to have their ratings revised downwards.

We have been engaged in discussions with S&P, the Swap Providers, and the Liquidity Facility Provider over the last few months regarding amending the Relevant Contracts to cater for the new criteria. We are hereby notifying holders of the Notes that due to the consequences of implementing the changes required by the new criteria, the reluctance of

counterparties to engage in making amendments to the Relevant Contracts and the logistical difficulties and significant transactional and legal costs involved in making the changes, we have decided to refrain from making such updates to the Relevant Contracts.

This Notice is given by Canary Wharf Finance II plc.

Capitalised terms not otherwise defined in this notice shall have the meanings given to them in the Sixth Restated Master Definitions Agreement entered into between, amongst others, the Issuer and the Trustee on 17 November 2010.

12 July 2011

Any questions in connection with this notice should be addressed to the following:

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