

MR01

Particulars of a charge

233380/E13



A fee is payable with this form
Please see 'How to pay' on the
last page

You can use the WebFiling
Please go to www.companieshouse.gov.uk

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where the
instrument Use form MR08



LD2 *L3186NQK* #46
07/02/2014
COMPANIES HOUSE

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery

☒ You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record

1 Company details

Company number 05659973
Company name in full Leek Finance Number Seventeen PLC

For official use
4
→ **Filing in this form**
Please complete in typescript or in
bold black capitals
All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 03/01/2014

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name Capita Trust Company Limited (as Trustee) for
itself and on trust for the other Secured Creditors

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

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4

Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

N/A

5

Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ **Yes**

☐ **No**

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ **Yes** Continue

☐ **No** Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ **Yes**

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ **Yes**

☐ **No**

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Particulars of a charge

8

Trustee statement ①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X

Allen & Cherry LLP

X

This form must be signed by a person with an interest in the charge

MR01

Particulars of a charge



Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name **Tadhg O'Leary**

Company name **Allen & Overy LLP**

Address **One Bishops Square**

Post town

County/Region **London**

Postcode **E 1 6 A D**

Country **United Kingdom**

DX

Telephone **020 3088 2581**



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following

- ☒ The company name and number match the information held on the public Register
- ☒ You have included a certified copy of the instrument with this form
- ☒ You have entered the date on which the charge was created
- ☒ You have shown the names of persons entitled to the charge
- ☒ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☒ You have given a description in Section 4, if appropriate
- ☒ You have signed the form
- ☒ You have enclosed the correct fee
- ☒ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales:
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland:
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland:
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5659973

Charge code: 0565 9973 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st January 2014 and created by LEEK FINANCE NUMBER SEVENTEEN PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 7th February 2014

P.

Given at Companies House, Cardiff on 11th February 2014



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Except for material redacted pursuant
to s 859G of the Companies Act 2006
I certify that this is a copy of
the original document

Name Sandy Tymack
Qualified as Solicitor
Allen Overy LLP
One Bishops Square
London E1 6AD
United Kingdom
Date 05/02/2014

DATED 31 JANUARY 2014

LEEK FINANCE NUMBER SEVENTEEN PLC
AS ISSUER AND CO-OP MULTICURRENCY LOAN PROVIDER

CAPITA TRUST COMPANY LIMITED
AS TRUSTEE

PLATFORM FUNDING LIMITED
AS PRINCIPAL ADMINISTRATOR AND PFL

MORTGAGE AGENCY SERVICES NUMBER SIX LIMITED
AS MAS6 ADMINISTRATOR AND MAS6

MEERBROOK FINANCE NUMBER ONE LIMITED
AS MEERBROOK 1

THE ROYAL BANK OF SCOTLAND PLC
AS RBS INTEREST RATE SWAP COUNTERPARTY AND EXPENSES LOAN PROVIDER

JPMORGAN CHASE BANK, N A
AS BASIS SWAP COUNTERPARTY, CROSS CURRENCY SWAP COUNTERPARTY AND LIQUIDITY
FACILITY PROVIDER

LEEK FINANCE HOLDINGS NUMBER SEVENTEEN LIMITED
AS HOLDINGS

HSBC BANK PLC
AS PRINCIPAL PAYING AGENT, AGENT BANK AND TRANSFER AGENT

HSBC BANK USA, NATIONAL ASSOCIATION
AS U S PAYING AGENT, TRANSFER AGENT AND REGISTRAR

THE CO-OPERATIVE BANK P L C
AS VFN REGISTRAR, CO-OPERATIVE BANK, SENIOR SUBORDINATED LOAN PROVIDER, JUNIOR
SUBORDINATED LOAN PROVIDER, GIC PROVIDER, AND CO-OP MULTICURRENCY LOAN
BORROWER

HOMELoAN MANAGEMENT LIMITED
AS BACK-UP ADMINISTRATOR

CITIBANK N A LONDON BRANCH
AS BACK-UP CASH MANAGER

CAPITA TRUST CORPORATE LIMITED
AS CORPORATE SERVICES PROVIDER

STRUCTURED FINANCE MANAGEMENT LIMITED
AS BACK-UP ADMINISTRATOR FACILITATOR AND BACK-UP CASH MANAGER FACILITATOR

THIRD SUPPLEMENTAL DEED OF CHARGE
RELATING TO A DEED OF CHARGE
DATED 12 APRIL 2006

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THIS THIRD SUPPLEMENTAL DEED OF CHARGE is made by deed on
31 January 2014 (the "**Third Supplemental Deed of Charge**")

BETWEEN:

- (1) **LEEK FINANCE NUMBER SEVENTEEN PLC**, (registered number 05659973) whose registered office is at 5th Floor, 6 St Andrew Street, London EC4A 3AE (the "**Issuer**" and "**Co-op Multi-Currency Loan Provider**"),
- (2) **CAPITA TRUST COMPANY LIMITED**, (registered number 239726) whose principal office is at 4th Floor, 40 Dukes Place, London EC3A 7NH (the "**Trustee**"),
- (3) **PLATFORM FUNDING LIMITED**, (registered number 3456337) whose registered office is at Exchange Tower, 2 Harbour Exchange, London E14 9FR ("**PFL**" and in its capacity as the "**Principal Administrator**"),
- (4) **MORTGAGE AGENCY SERVICES NUMBER SIX LIMITED**, (registered number 4962868) whose registered office is at New Century House, Corporation Street, Manchester, United Kingdom M60 4ES ("**MAS6**" and in its capacity as the "**MAS6 Administrator**") (each of PFL and MAS6 is acting in its capacity as administrator, together the Administrators and each an "**Administrator**"),
- (5) **MEERBROOK FINANCE NUMBER ONE LIMITED**, (registered number 04442594) a company incorporated in England and Wales whose registered office is at 5th Floor, 6 St Andrew Street, London EC4A 3AE ("**Meerbrook 1**"),
- (6) **THE ROYAL BANK OF SCOTLAND PLC**, (registered number SC90312) a company incorporated in Scotland with limited liability acting through its branch at 135 Bishopsgate, London EC2M 3UR ("**RBS**" in its capacities as "**Interest Rate Swap Counterparty**" and "**Expenses Loan Provider**"),
- (7) **JPMORGAN CHASE BANK, N.A.**, organised under the laws of the United States of America as a national banking association acting through its office at 25 Bank Street, Canary Wharf E14 5JP (in its capacity as "**Basis Swap Counterparty**" and "**Cross Currency Swap Counterparty**"),
- (8) **JPMORGAN CHASE BANK, N.A.**, organised under the laws of the United States of America as a national banking association acting through its office at 25 Bank Street, Canary Wharf E14 5JP (in its capacity as "**Liquidity Facility Provider**"),
- (9) **LEEK FINANCE HOLDINGS NUMBER SEVENTEEN LIMITED**, (registered number 05660058) a company incorporated in England and Wales whose registered office is at 5th Floor, 6 St Andrew Street, London EC4A 3AE ("**Holdings**"),
- (10) **HSBC BANK PLC**, (registered number 14259) a bank incorporated under the laws of England and Wales acting through its offices at 8 Canada Square, London E14 5HQ (the "**Principal Paying Agent**", "**Agent Bank**" and "**Transfer Agent**"),
- (11) **HSBC BANK USA, NATIONAL ASSOCIATION**, a Banking Corporation organised under the laws of the United States of America acting through its office at 452 Fifth Avenue, New York, NY 10018-2706 (the "**U.S. Paying Agent**", "**Transfer Agent**" and "**Registrar**"),

- (12) **THE CO-OPERATIVE BANK P.L.C.**, (registered number 990937) whose principal office is at 1 Balloon Street, Manchester, M60 4EP (the "**VFN Registrar**", "**Co-operative Bank**", "**Junior Subordinated Loan Provider**", the "**Senior Subordinated Loan Provider**" and a "**GIC Provider**"), and
- (13) **HOMELoAN MANAGEMENT LIMITED** (registered number 2214839), a private limited company incorporated under the laws of England and Wales whose registered office is at The Bailey, Skipton, North Yorkshire BD23 1DN (the **Back-Up Administrator**),
- (14) **CITIBANK, N.A., LONDON BRANCH**, acting through its offices at Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB (the **Back-Up Cash Manager**),
- (15) **CAPITA TRUST CORPORATE LIMITED** (registered number 05322525), a private limited company incorporated under the laws of England and Wales whose principal office is at 4th Floor, 40 Dukes Place, London EC3A 7NH (in its capacity as **Corporate Services Provider**), and
- (16) **STRUCTURED FINANCE MANAGEMENT LIMITED** (registered number 03853947), a private limited company incorporated under the laws of England and Wales whose registered office is at 35 Great St Helen's, London EC3A 6AP (the **Back-Up Administrator Facilitator** and the **Back-Up Cash Manager Facilitator**)

WHEREAS:

- (A) This Third Supplemental Deed of Charge is supplemental to the deed of charge dated 12 April 2006 (the **Original Deed of Charge**), as supplemented on 6 June 2011 by way of deed and on 11 April 2013 by way of deed (the **Supplemental Deed** and the **Second Supplemental Deed** respectively and together with the Original Deed of Charge, the **Principal Deed of Charge**)
- (B) By virtue of the Principal Deed of Charge the Issuer created security in favour of the Trustee in relation to the £87,000,000 Class A1a Mortgage Backed Floating Rate Notes Due 2037, U S \$235,000,000 Class A1b Mortgage Backed Floating Rate Notes Due 2037, £270,000,000 Class A2a Mortgage Backed Floating Rate Notes Due 2037, U S \$462,000,000 Class A2b Mortgage Backed Floating Rate Notes Due 2037, €365,000,000 Class A2c Mortgage Backed Floating Rate Notes Due 2037, €105,600,000 Class Mc Mortgage Backed Floating Rate Notes Due 2037, £22,000,000 Class Ba Mortgage Backed Floating Rate Notes Due 2037, €39,500,000 Class Bc Mortgage Backed Floating Rate Notes Due 2037 and €48,000,000 Class Cc Mortgage Backed Floating Rate Notes Due 2037 (together the "**Notes**") of the Issuer
- (C) Pursuant to the custody agreement dated on or about 6 June 2011 and entered into by the Issuer, the Trustee and JPMorgan Chase Bank, National Association in its capacity as custodian (the "**Custody Account Agreement**"), the Issuer has established the Custody Account The Issuer charged the Custody Account in favour of the Trustee for the benefit of the Secured Creditors (as such term was amended on the date of the Supplemental Deed), to assign to the Trustee all of its right, title, benefit and interest, present and future, in to and under the Custody Account Agreement and the Co-op Multi-Currency Loan Agreement and grant security over all

its assets and undertakings in favour of the Secured Creditors (as such term was amended on the date of the Supplemental Deed) to secure, amongst other things, its obligations under the VFNs

- (D) The Back-Up Administrator has agreed to enter into this Deed to accede to the provisions of the Deed of Charge as a new Secured Creditor in accordance with the terms of this Deed and the other Secured Creditors party to this Deed acknowledge and agree to such accession
- (E) The Back-Up Cash Manager has agreed to enter into this Deed to accede to the provisions of the Deed of Charge as a new Secured Creditor in accordance with the terms of this Deed, and the other Secured Creditors party to this Deed acknowledge and agree to such accession
- (F) Each of the Corporate Services Provider, the Back-Up Cash Manager Facilitator and the Back-Up Administrator Facilitator has agreed to enter into this Deed to accede to the provisions of the Deed of Charge each as a new Secured Creditor with such accession to take effect from the date hereof in accordance with the terms of this Deed and the other Secured Creditors party to this Deed acknowledge and agree to such accession
- (G) This Third Supplemental Deed of Charge is supplemental to the Principal Deed of Charge

NOW THIS DEED WITNESSES AND IT IS HEREBY AGREED AND DECLARED as follows -

1 INTERPRETATION AND CONSTRUCTION

1 1 Interpretation

Unless defined in this Third Supplemental Deed of Charge or the context requires otherwise, words and expressions used in this Third Supplemental Deed of Charge have the meanings and constructions ascribed to them in the Master Definitions Schedule set out in Schedule 1 to the master framework agreement dated 12 April 2006 as amended and restated on 6 June 2011 and further amended and restated on the date hereof and made between the Issuer and the Trustee (as the same may be amended or supplemented from time to time, the "**Master Framework Agreement**") (the provisions of which the parties hereto acknowledge)

1 2 Construction

The Principal Deed of Charge shall henceforth be read and construed as one document with this Third Supplemental Deed of Charge and this Third Supplemental Deed of Charge shall be a Transaction Document

For the purposes of the Form MR01 to be filed with the registrar of companies in accordance with Sections 895A and 859J of the Companies Act 2006, unless defined in this Third Supplemental Deed of Charge or the context requires otherwise, words and expressions used in this Third Supplemental Deed of Charge have the meanings and constructions ascribed to them in Appendix 1 hereto

2 COMMON TERMS

2 1 Incorporation of Common Terms

The Common Terms apply to this Deed and shall be binding on the parties to this Deed as if set out in full in this Deed

2 2 Conflict

If there is any conflict between the provisions of the Common Terms and the provisions of this Deed, then the provisions of this Deed shall prevail

3 ACCESSION

3 1 Accession of the Back-Up Administrator

3.1 1 The Back-Up Administrator has agreed to become a party to the Deed of Charge on the date of this Deed solely for the purpose of agreeing that, it will be a Secured Creditor (as the Back-Up Administrator from the date hereof, and as the Administrator from the Back-Up Administrator Succession Date) and assume the rights, obligations and liabilities of a Secured Creditor thereunder to the other parties thereto and that, with effect from the latest of (i) the Back-Up Administrator Succession Date and (ii) the Back-Up Cash Manager Replacement Date and (iii) the date on which no Secured Obligations are owing to the Administrators, the Administrators shall cease to be parties thereto

3 1 2 In consideration of the Back-Up Administrator being accepted as a Secured Creditor for the purposes of the Deed of Charge by the parties thereto, the Back-Up Administrator (as the Back-Up Administrator from the date hereof, and as the Administrator from the Back-Up Administrator Succession Date)

(a) confirms that it intends to be a party to the Deed of Charge as a Secured Creditor;

(b) undertakes to perform and comply with and be bound by all of the provisions of the Deed of Charge in its capacity as a Secured Creditor, as if it had been an original party thereto, and

(c) agrees that the Trustee shall be the Trustee for all Secured Creditors upon and subject to the terms set out in the Deed of Charge

3 2 Accession of the Back-Up Cash Manager

3 2 1 The Back-Up Cash Manager has agreed to become a party to the Deed of Charge on the date of this Deed solely for the purpose of agreeing that, it will be a Secured Creditor (as the Back-Up Cash Manager from the date hereof, and as the Cash Manager from the Back-Up Cash Manager Replacement Date) and assume the rights, obligations and liabilities of a Secured Creditor thereunder to the other parties thereto and that, with effect from the latest of (i) the Back-Up Administrator Succession Date and (ii) the Back-Up Cash Manager Replacement Date and (iii) the date on which no Secured Obligations

are owing to the Administrators, the Administrators shall cease to be parties thereto

3 2 2 In consideration of the Back-Up Cash Manager being accepted as a Secured Creditor for the purposes of the Deed of Charge by the parties thereto, the Back-Up Cash Manager (as the Back-Up Cash Manager from the date hereof, and as the Cash Manager from the Back-Up Cash Manager Replacement Date)

- (a) confirms that it intends to be a party to the Deed of Charge as a Secured Creditor,
- (b) undertakes to perform and comply with and be bound by all of the provisions of the Deed of Charge in its capacity as a Secured Creditor, as if it had been an original party, and
- (c) agrees that the Trustee shall be the Trustee for all Secured Creditors upon and subject to the terms set out in the Deed of Charge

3 3 Accession of the Back-Up Administrator Facilitator and the Back-Up Cash Manager Facilitator

3 3 1 Each of the Back-Up Administrator Facilitator and the Back-Up Cash Manager Facilitator has agreed to become a party to the Deed of Charge on the date of this Deed solely for the purpose of agreeing that it will be a Secured Creditor and assume the rights, obligations and liabilities of a Secured Creditor under the Deed of Charge to the other parties thereto

3 3 2 In consideration of the Back-Up Administrator Facilitator and the Back-Up Cash Manager Facilitator being accepted as a Secured Creditor for the purposes of the Deed of Charge by the parties thereto as from the date of this Deed, each of the Back-Up Administrator Facilitator and the Back-Up Cash Manager Facilitator

- (a) confirms that as from the date hereof, it intends to be a party to the Deed of Charge as a Secured Creditor,
- (b) undertakes to perform and comply with and be bound by all of the provisions of the Deed of Charge in its capacity as a Secured Creditor from the date hereof, as if it had been an original party, and
- (c) agrees that the Trustee shall be the Trustee for all Secured Creditors upon and subject to the terms set out in the Deed of Charge

3 4 Accession of the Corporate Services Provider

3 4 1 The Corporate Services Provider has agreed to become a party to the Deed of Charge on the date of this Deed solely for the purpose of agreeing that it will be a Secured Creditor and assume the rights, obligations and liabilities of a Secured Creditor under the Deed of Charge to the other parties thereto

3 4 2 In consideration of the Corporate Services Provider being accepted as a Secured Creditor for the purposes of the Deed of Charge by the parties thereto as from the date of this Deed, the Corporate Services Provider

- (a) confirms that as from the date hereof, it intends to be a party to the Deed of Charge as a Secured Creditor,
- (b) undertakes to perform and comply with and be bound by all of the provisions of the Deed of Charge in its capacity as a Secured Creditor from the date hereof, as if it had been an original party, and
- (c) agrees that the Trustee shall be the Trustee for all Secured Creditors upon and subject to the terms set out in the Deed of Charge

4 SCOPE OF THE DEED OF CHARGE AND NEW SECURITY

4 1 The Issuer, the Back-Up Cash Manager and the Trustee hereby agree that for relevant purposes under the Deed of Charge (but excluding, for the avoidance of doubt, Clause 4 1 of the Original Deed of Charge, Clause 3 1 of the Supplemental Deed, and Clause 4 1 of the Second Supplemental Deed) and the Master Framework Agreement

4 1 1 the Back-Up Administration Agreement and the Replacement Administration Agreement shall be treated as Transaction Documents, and

4 1 2 the Back-Up Administrator shall be treated as a Secured Creditor (as the Back-Up Administrator from the date hereof, and as the Administrator from the Back-Up Administrator Succession Date)

4 2 The Issuer, the Back-Up Cash Manager and the Trustee hereby agree that for relevant purposes under the Deed of Charge (but excluding, for the avoidance of doubt, Clause 4 1 of the Original Deed of Charge, Clause 3 1 of the Supplemental Deed, and Clause 4 1 of the Second Supplemental Deed) and the Master Framework Agreement

4 2 1 the Back-Up Cash Management Agreement and the Replacement Cash Management Agreement shall be treated as Transaction Documents, and

4 2 2 the Back-Up Cash Manager shall be treated as a Secured Creditor (as the Back-Up Cash Manager from the date hereof, and as the Cash Manager from the Back-Up Cash Manager Replacement Date)

4 3 The Issuer, the Corporate Services Provider and the Trustee hereby agree that for relevant purposes under the Deed of Charge (but excluding, for the avoidance of doubt, Clause 4 1 of the Original Deed of Charge, Clause 3.1 of the Supplemental Deed, and Clause 4 1 of the Second Supplemental Deed) and the Master Framework Agreement

4 3 1 the Corporate Services Agreement shall be treated as a Transaction Document, and

4 3 2 the Corporate Services Provider shall be treated as a Secured Creditor

- 4 4 As continuing security for the payment or discharge of the Secured Obligations the Issuer with full title guarantee (or, in relation to rights or assets situated in or governed by the law of Scotland, with absolute warrandice or, in relation to the rights or assets situated in or governed by the law of Northern Ireland, as beneficial owner or in relation to the Scottish Trust Property, as holder of the beneficial interest therein) hereby grants in favour of the Trustee for itself and on trust for the other Secured Creditors (including, for the avoidance of doubt, the Back-Up Administrator, the Back-Up Cash Manager, the Corporate Services Provider, the Back-Up Administrator Facilitator and the Back-Up Cash Manager Facilitator), the charges and assignments set out in Clause 4 1(a) to (f) of the Original Deed of Charge, but as if Clause 4 1(e) of the Original Deed of Charge included reference to each of the Transaction Documents not listed therein (including, for the avoidance of doubt, the Back-Up Administration Agreement, the Replacement Administration Agreement, the Back-Up Cash Management Agreement, the Replacement Cash Management Agreement and the Corporate Services Agreement)
- 4 5 The execution of this Deed by each Secured Creditor shall constitute notice to each of them of the assignment of all the Issuer's right, title, interest and benefit present and future in, to and under the Transaction Documents to which the Issuer is a party and the execution of this Deed by each of the Secured Creditors shall constitute an express acknowledgement by each of them of such conveyances, transfers, charges and assignments and other Secured Obligations made or granted by Clause 4.4 and each of the Secured Creditors undertakes to the Trustee not to do anything inconsistent with the security given under or pursuant to this Deed or knowingly to prejudice the Secured Obligations in favour of the Trustee constituted hereunder or pursuant hereto or the Charged Property provided that nothing herein shall be construed as limiting the rights or obligations of any Secured Creditors exercisable or to be performed in accordance with and subject to the terms of any of the other Transaction Documents
- 4 6 The provisions of the Original Deed of Charge are deemed to be incorporated in this Deed with all necessary modifications as if they were set out in full in this Deed
- 4 7 The Issuer undertakes to deliver to the Trustee on or before the date of this Deed, a power of attorney in the form set out in Schedule 1 (Security Power of Attorney)

5 AMENDMENT OF THE PRINCIPAL DEED OF CHARGE

The Principal Deed of Charge with effect from the date hereof shall be amended such that Clause 15 1 (*Post-Enforcement Priority of Payments*) is deleted and replaced with the following

"Post-Enforcement Priority of Payments

After an Enforcement Notice is delivered by the Trustee, all monies held in the GIC Accounts (other than amounts credited to the Co-op Collateral Account Ledger and amounts held in the Standby Drawings Account which shall be returned directly to Co-operative Bank and the Liquidity Facility Provider (as applicable)) and the Custody Account and all monies received or recovered by the Trustee and/or any Receiver in respect of the Charged Property (other than any amounts held in respect of Swap Collateral) shall be held by the Trustee upon trust to be applied in payment,

in the amounts required, in the following order of priority (in each case only to the extent that payments or provisions of a higher priority have first been made in full)

- (a) *first, in or towards satisfaction pro rata and pari passu, of:*
 - (i) the remuneration then payable to any Receiver and any costs, charges, liabilities (including in respect of any indemnity payments payable to such Receiver) and expenses then incurred by such Receiver together with interest as provided in the Deed of Charge,
 - (ii) the fees, costs, charges, liabilities (including in respect of indemnity payments payable to the Trustee) and expenses incurred by the Trustee under the provisions of the Trust Deed, the Deed of Charge or any of the other Transaction Documents together with interest and any VAT thereon as provided in the Trust Deed, the Deed of Charge and/or any of the other Transaction Documents,
- (b) *second, pro rata and pari passu*
 - (i) before the occurrence of the Back-Up Cash Manager Replacement Date and/or the Back-Up Administrator Succession Date, in or towards payment of the fees and costs (including any VAT) of each of the Administrators (and any substitute administrator) and the fees, costs, charges and liabilities and expenses of the Paying Agents and Agent Bank, or
 - (ii) after the occurrence of the Back-Up Cash Manager Replacement Date and/or the Back-Up Administrator Succession Date, in or towards payment of the fees and costs (including any VAT) of the Administrator under the Replacement Administration Agreement, the fees and costs (including any VAT) of the Cash Manager under the Replacement Cash Management Agreement, and the fees, costs, charges and liabilities and expenses of the Paying Agents and Agent Bank,
- (c) *third, in or towards payment of interest, principal and other amounts due under the Liquidity Facility Agreement,*
- (d) *fourth, pro rata and pari passu*
 - I following the service of a Non-Payment Notice by the Back-Up Administrator, the Back-Up Administration Fee then due and payable by the Issuer to the Back-Up Administrator and any costs and expenses owed to the Back-Up Administrator under the Back-Up Administration Agreement including any interest

payable thereon, as agreed between the Issuer, the Co-operative Bank and the Back-Up Administrator;

- II in or towards satisfaction of the fees payable to each of the Back-Up Administrator Facilitator and the Back-Up Cash Manager Facilitator and any costs, charges, liabilities and expenses incurred by it;
 - III in or towards satisfaction of the Back-Up Cash Management Fee due and payable by the Issuer to the Back-Up Cash Manager in accordance with the terms of the fee letter entered into between the Back-Up Cash Manager, the Issuer and the Co-operative Bank and any other fees, costs, expenses, charges and liabilities and any interest payable thereon pursuant to the Back-Up Cash Management Agreement, and
 - IV in or towards satisfaction of the fees payable to the Corporate Services Provider and any costs, charges, liabilities and expenses incurred by it,
- (e) *fifth, pro rata*, in or towards payment according to the respective amounts due
- (i) *pro rata and pari passu*, in respect of
 - A interest and principal due on the A1a Notes,
 - B interest and principal due on the A2a Notes, including to the extent funded prior to the delivery of an Enforcement Notice, the Additional Coupon Payment in respect of the A2a Notes,
 - C amounts due to the Cross Currency Swap Counterparty in respect of interest and principal under the Class A1b Dollar Swap Transaction including termination payments (except for such amounts as are payable under item (n) below),
 - D interest and principal due on the A1b Notes (if any) after applying amounts received under the Class A1b Dollar Swap Transaction,
 - E amounts due to the Cross Currency Swap Counterparty in respect of interest and principal under the Class A2b Dollar Swap Transaction including termination payments (except for such amounts as are payable under item (n) below),
 - F interest and principal due on the A2b Notes (if any) after applying amounts received under the

Class A2b Dollar Swap Transaction, including to the extent funded prior to the delivery of an Enforcement Notice, the Additional Coupon Payment in respect of the A2b Notes;

G amounts due to the Cross Currency Swap Counterparty in respect of interest and principal under the Class A2c Euro Swap Transaction including termination payments (except for such amounts as are payable under item (n) below);

H interest and principal due on the A2c Notes (if any) after applying amounts received under the Class A2c Euro Swap Transaction, including to the extent funded prior to the delivery of an Enforcement Notice, the Additional Coupon Payment in respect of the A2c Notes,

I interest and principal due on the J1 VFNs, and

(ii) amounts due to any Interest Rate Swap Counterparty and any Basis Swap Counterparty including termination payments (except for such amounts as are payable under item (n) below),

(f) *sixth*, in or towards payment, *pro rata* and *pari passu* according to the respective amounts due, of

(i) amounts due to the Cross Currency Swap Counterparty in respect of interest and principal under the Class Mc Euro Swap Transaction including termination payments (except for such amounts as are payable under item (n) below),

(ii) interest and principal due on the Mc Notes (if any) after applying amounts received under the Class Mc Euro Swap Transaction; and

(iii) interest and principal due on the J2 VFNs,

(g) *seventh*, in or towards payment, *pro rata* and *pari passu* according to the respective amounts due, of

(i) interest and principal due on the Ba Notes,

(ii) amounts due to the Cross Currency Swap Counterparty in respect of interest and principal under the Class Bc Euro Swap Transaction including termination payments (except for such amounts as are payable under item (n) below),

- (iii) interest and principal due on the Bc Notes (if any) after applying amounts received under the Class Bc Euro Swap Transaction, and
 - (iv) interest and principal due on the J3 VFNs,
- (h) *eighth*, in or towards payment, *pro rata* and *pari passu* according to the respective amounts due, of
 - (i) amounts due to the Cross Currency Swap Counterparty in respect of interest and principal under the Class Cc Euro Swap Transaction including termination payments (except for such amounts as are payable under item (n) below),
 - (ii) interest and principal due on the Cc Notes (if any) after applying amounts received under the Class Cc Euro Swap Transaction, and
 - (iii) interest and principal due on the J4 VFNs,
- (i) *ninth*, in or towards satisfaction of all amounts due and payable in respect of the Expenses Loan;
- (j) *tenth*, in or towards satisfaction of all repayment of all outstanding advances in respect of the Senior Subordinated Loan in respect of principal,
- (k) *eleventh*, in or towards satisfaction of all repayment of all outstanding advances in respect of the Junior Subordinated Loan in respect of principal,
- (l) *twelfth*, *pro rata* and *pari passu*, in or towards payment to Meerbrook 1, MAS6 and PFL in respect of amounts accrued and due under or pursuant to the Deferred Consideration Agreement up to an amount equal to the difference between (i) the highest value which the Required Amount has been since the Closing Date and (ii) the Initial Required Amount,
- (m) *thirteenth*, in or towards satisfaction of amounts due and payable in respect of the Senior Subordinated Loan in respect of interest,
- (n) *fourteenth*, in or towards payment of amounts due to a Swap Counterparty in connection with an early termination of any Swap Agreement where such termination results from a default by the relevant Swap Counterparty or where the relevant Swap Counterparty is the sole Affected Party (as defined in the applicable Swap Agreement) with respect to an Additional Termination Event (as defined in the applicable Swap Agreement) as a result of a ratings downgrade of the Swap

Counterparty to the extent not paid in items (e), (f), (g) or (h) above,

- (o) *fifteenth*, in or towards satisfaction of amounts payable in respect of the Junior Subordinated Loan in respect of interest,
- (p) *sixteenth*, in or towards payment of interest and principal due on the K VFNs;
- (q) *seventeenth*, in or towards payment of interest and principal due on the L VFNs;
- (r) *eighteenth*, in or towards payment of the Additional Coupon Payment,
- (s) *nineteenth*, in or towards payment to Meerbrook 1, MAS6 and PFL in respect of all amounts accrued and due under or pursuant to the Deferred Consideration Agreement to the extent not paid in item (l) above, and
- (t) *twentieth*, the surplus, if any, to the Issuer

6 APPLICATION

Prior to and following enforcement of the Security all amounts at any time held by the Issuer, the Trustee, the Cash Manager, the Administrators, the Back-Up Cash Manager or the Back-Up Administrator in respect of the security created under or pursuant to the Deed of Charge shall be held and/or applied by such person subject to and in accordance with the relevant provisions of the Trust Deed, the Deed of Charge and the Administration Agreement

7. MISCELLANEOUS PROVISIONS

7.1 No Transfer of Obligations

Notwithstanding anything else in this Deed, it is hereby agreed that the Trustee does not assume, nor shall the Trustee be obliged to perform, any obligations of any other party to this Deed and nothing herein shall be construed so as to transfer any of such obligations to the Trustee

7.2 Counterparts

This Deed may be executed in counterparts, each of which when executed and delivered shall be an original, but both counterparts together shall constitute one and the same instrument

7.3 Severability

If any term of this Deed or the applications thereof to any person or circumstances shall to any extent be invalid or unenforceable the same shall be severable and the remainder of this Deed or the application of such term to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected

thereby and each term and provision of this Deed shall be valid and be enforced to the fullest extent permitted by law

7.4 Other

A memorandum of this Deed shall be endorsed by the Trustee on the original of the Original Deed of Charge and by the Issuer on the duplicate of the Original Deed of Charge

8 PRINCIPAL DEED OF CHARGE

Except insofar as supplemented and amended by this Deed, the Principal Deed of Charge shall remain in full force and effect

9 LIMITED RECOURSE

9.1 Each of the Back-Up Administrator, the Back-Up Cash Manager, the Corporate Services Provider, the Back-Up Administrator Facilitator and the Back-Up Cash Manager Facilitator hereby agrees that, notwithstanding any other provision of any Transaction Document, all obligations of the Issuer in respect of the Transaction Documents are limited in recourse to the Charged Property. If

- (a) there is no Charged Property remaining which is capable of being realised or otherwise converted into cash,
- (b) all amounts available from the Charged Property have been applied to meet or provide for the relevant obligations specified in, and in accordance with, the provisions of this Deed, and
- (c) there are insufficient amounts available from the Charged Property to pay in full, in accordance with the provisions of this Deed, the Secured Obligations,

then each of the Back-Up Administrator, the Back-Up Cash Manager, the Corporate Services Provider, the Back-Up Administrator Facilitator and the Back-Up Cash Manager Facilitator shall have no further claim against the Issuer in respect of any amounts owing to them under the Transaction Documents which remain unpaid and such unpaid amounts shall be deemed to be discharged in full and any relevant payment rights shall be deemed to cease

9.2 The provisions of this Clause 9 shall survive the termination of this Deed

10 THIRD PARTY RIGHTS

A person who is not party to this Deed may not enforce any terms of this Deed under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any third party which exists or is available apart from that Act

11 EXECUTION

The parties have executed this Deed as a deed and intend to deliver, and do deliver, this Deed on the date stated at the beginning of this Deed

SCHEDULE 1

SECURITY POWER OF ATTORNEY

THIS POWER OF ATTORNEY is made as a deed on 31 January 2014

BY

- (1) LEEK FINANCE NUMBER SEVENTEEN PLC (registered number 05659973) whose registered office is at 5th Floor, 6 St Andrew Street, London EC4A 3AE (as **Issuer**),

IN FAVOUR OF

- (2) CAPITA TRUST COMPANY LIMITED (registered number 239726) whose principal office is at 4th Floor, 40 Dukes Place, London EC3A 7NH (as **Trustee**), and
(3) any Receiver

1. INTERPRETATION

Unless otherwise defined in this Power of Attorney or the context requires otherwise, words and expressions used in this Power of Attorney have the meanings and constructions ascribed to them in the Master Definitions Schedule set out in Schedule 1 to the Master Framework Agreement which is dated 12 April 2006 and amended and restated on or about the date of this Power of Attorney and made between the Issuer and the Trustee

2. COMMON TERMS

2.1 Incorporation of Common Terms

Except as provided below, the Common Terms apply to this Power of Attorney, where applicable, and shall be binding on the Issuer and the Attorneys (as defined below) as if set out in full in this Power of Attorney

2.2 Amendment to Common Terms

Part 1 (General Legal Terms) and Part 2 (Payment Provisions) of the Common Terms do not apply to this Power of Attorney

3. APPOINTMENT OF ATTORNEYS AND PURPOSES OF APPOINTMENT

3.1 The Issuer appoints the Trustee and any Receiver jointly and severally to be its attorneys (the **Attorneys**) for the following purposes:

- (a) to do any act or thing which the Trustee or such Receiver may, in its absolute discretion, consider appropriate in connection with the exercise of any of the powers of the Trustee or the Receiver under and in accordance with the Relevant Transaction Documents,
- (b) to do any act or thing which the Issuer is obliged to execute or do under any of the Relevant Transaction Documents, and
- (c) to enforce the rights of the Issuer under the Mortgage Sale Agreements

4. SUBSTITUTION

Each of the Attorneys may appoint one or more persons to act as substitute or substitutes (each a Substitute) in its place for all or any of the purposes referred to in this Power of Attorney and may revoke any such appointment at any time

5. DELEGATION

Each of the Attorneys may delegate to one or more persons, all or any of the powers referred to in Clause 3 (Appointment of Attorneys and purposes of appointment) on such terms as it thinks fit and may revoke any such delegation at any time

6. RATIFICATION

The Issuer undertakes to ratify whatever the Attorneys or either of them may lawfully do or cause to be done under the authority or purported authority of this Power of Attorney

7. INDEMNITY

- (a) Any acts done and documents executed or signed by the Attorney or a Substitute in the purported exercise of any power conferred by this Power of Attorney shall for all purposes be valid and binding on the Issuer
- (b) The Issuer irrevocably and unconditionally undertakes to indemnify the Attorney and/or Substitute appointed from time to time by the Attorney and their respective estates against any actions, demands, proceedings, claims, costs, charges, expenses and liabilities arising from the exercise, or the purported exercise, of any of the powers conferred by this Power of Attorney (except in the case of the Attorney's negligence, fraud or wilful default)
- (c) The provisions in this Clause 7 (Indemnity) shall continue in force after the revocation or termination, howsoever arising, of this Power of Attorney

8. SECURITY

This Power of Attorney is given by way of security to secure the obligations of the Issuer under the Deed of Charge

9. NO REVOCATION

9.1 For so long as the obligations referred to in Clause 8 (Security) remain undischarged this Power of Attorney shall not be revoked

- (a) by the Issuer without the consent of each of the Attorneys, or
- (b) if the Issuer becomes Insolvent or by the occurrence of an Insolvency Event in respect of the Issuer

The Issuer has executed this Power of Attorney as a deed and intends to deliver and does deliver this Power of Attorney on the date stated at the beginning of this deed

EXECUTED and DELIVERED)
as a **DEED** by)
LEEK FINANCE NUMBER)
SEVENTEEN PLC acting by)

Director

Director

APPENDIX 1

DEFINITIONS

"3 Month Dollar LIBOR" has the meaning given to it in Condition 5(c)(iv) ("*Interest - Rate of Interest*")

"3 Month EURIBOR" has the meaning given to it in Condition 5(c)(vi) ("*Interest - Rate of Interest*")

"3 Month Sterling LIBOR" has the meaning given to it in Condition 5(c)(ii) ("*Interest - Rate of Interest*")

"A Noteholders" means the persons who for the time being are the A1 Noteholders and the A2 Noteholders

"A1 Noteholders" means the persons who for the time being are holders of the A1 Notes.

"A2 Noteholders" means the persons who for the time being are holders of the A2 Notes

"A Notes" means the A1 Notes and the A2 Notes, issued by the Issuer on the Closing Date, or as the case may be, a specific number thereof, whether represented by definitive or global notes

"A1 Notes" means the A1a Notes and the A1b Notes, issued by the Issuer on the Closing Date, or as the case may be, a specific number thereof, whether represented by definitive or global notes

"A2 Notes" means the A2a Notes, the A2b Notes and the A2c Notes, issued by the Issuer on the Closing Date, or as the case may be, a specific number thereof, whether represented by definitive or global notes

"A2 Relevant Notes" means the A2a Relevant Notes, the A2b Relevant Notes and the A2c Relevant Notes

"A1a Noteholders" means the persons who for the time being are holders of the A1a Notes

"A1a Notes" means the £87,000,000 Class A1a Mortgage Backed Floating Rate Notes due 2037

"A1b Noteholders" means the persons who for the time being are holders of the A1b Notes

"A1b Notes" means the US\$235,000,000 Class A1b Mortgage Backed Floating Rate Notes due 2037

"A2a Noteholders" means the persons who for the time being are holders of the A2a Notes

"**A2a Notes**" means the £270,000,000 Class A2a Mortgage Backed Floating Rate Notes due 2037

"**A2a Relevant Notes**" means the A2a Notes in respect of which a valid Redemption Instruction has been delivered to the relevant clearing system in accordance with Condition 6(f) ("*Investor Redemption Option*")

"**A2b Noteholders**" means the persons who for the time being are holders of the A2b Notes

"**A2b Notes**" means the US\$462,000,000 Class A2b Mortgage Backed Floating Rate Notes due 2037.

"**A2b Relevant Notes**" means the A2b Notes in respect of which a valid Redemption Instruction has been delivered to the relevant clearing system in accordance with Condition 6(f) ("*Investor Redemption Option*")

"**A2c Noteholders**" means the persons who for the time being are holders of the A2c Notes.

"**A2c Notes**" means the €365,000,000 Class A2c Mortgage Backed Floating Rate Notes due 2037

"**A2c Relevant Notes**" means the A2c Notes in respect of which a valid Redemption Instruction has been delivered to the relevant clearing system in accordance with Condition 6(f) ("*Investor Redemption Option*")

"**Account**" means any of the Collection Accounts, the Sundries Accounts, the GIC Accounts, the Standby Drawings Account or the Custody Account

"**Account Bank**" means National Westminster Bank Plc or any successor account bank appointed from time to time by PFL or MAS6 as applicable

"**Account Details**" means the details of each of the Collection Accounts, the Sundries Accounts and the GIC Accounts, set out in Schedule 5 (*Account Details*) to this Agreement

"**Accounts Final Delivery Date**" means six months after the Accounting Reference Date

"**Accounting Reference Date**" means 31 December in each year.

"**Actual Principal Losses**" means, at any time and in relation to any Mortgage, the principal amount of such Mortgage which is not recovered from the proceeds following the sale of the property to which such Mortgage relates or, if later, upon completion of all relevant enforcement procedures

"**Actual Redemption Funds**" means

- (a) prior to delivery of an Enforcement Notice, Applied Principal less Retained Principal, and

(b) following delivery of an Enforcement Notice, Applied Principal

"Additional Coupon Payment" means the amount in Sterling, Euro or Dollars rounding the resultant figure to the nearest penny or cent (as the case may be) half a penny or cent (as the case may be) being rounded upwards determined to be the lesser of,

(a) $0.25\% \times A \times B$, and

(b) $5.00\% \times B$,

where

A is the number of Interest Payment Dates from (but excluding) the Step-Up Date to (and including) the relevant Additional Coupon Payment Date for that particular A Note or A Notes, and

B is the balance of the Principal Amount Outstanding of the relevant A Notes on the Step-Up Date after distributions of Applied Income and Actual Redemption Funds under the Payments Priorities on that date

"Additional Coupon Payment Date" means the Interest Payment Date on which any A Note is redeemed in full

"Administration Agreement" means the administration agreement dated the Closing Date (as may be amended, restated and/or supplemented from time to time), or, if applicable, any relevant replacement agreement such as (as the context requires) the Replacement Administration Agreement and/or Replacement Cash Management Agreement

"Administrator" means the Principal Administrator and MAS6 in its capacity as administrator of the MAS6 Mortgages under the Administration Agreement or any successor administrator appointed in accordance with the Administration Agreement or (after the Back-Up Administrator Succession Date and in relation to the capacity of administrator) the administrator under the Replacement Administration Agreement (or any successor thereof) or (after the Back-Up Cash Manager Replacement Date and in relation to the capacity of cash manager) the cash manager under the Replacement Cash Management Agreement (or any successor thereof), as the context requires

"Administrator Records" means the records to be kept by the Administrator pursuant to clauses 16.1, 16.2 and 16.3 of the Administration Agreement or clauses 13.1, 13.2 and 13.3 of the Replacement Administration Agreement, as applicable

"Agents" means the Agent Bank, the Paying Agents, the Registrar, the VFN Registrar and the Transfer Agents and **"Agent"** means any one of them

"Agent Bank" means HSBC Bank plc as agent bank together with any successor agent bank appointed from time to time in connection with the Notes

"Agreed Currency" means Sterling, Dollars or Euros as the case requires

"Ancillary Rights" means, in relation to an Interest, all ancillary rights, accretions and supplements to such Interest, including any guarantees or indemnities in respect of such Interest

"Annual Redemption Rate" means the rate, expressed as a percentage, determined by the Administrator as being the annual rate at which the Loans are being prepaid

"Applied Income" means, in relation to any Calculation Date, Income Received or, if in a Determination Period following the Back-Up Cash Manager Replacement Date, Calculated Income Received (excluding any Squaring Off Amounts to be applied as Principal Received on that Calculation Date) plus (if in a Determination Period following the Back-Up Cash Manager Replacement Date) any Squaring Off Amounts deemed to be Applied Income in accordance with Schedule 4 of the Replacement Cash Management Agreement, less Income Retained plus Liquidity Shortfall plus Principal Recoveries.

"Applied Principal" means, (i) in respect of the Pre-Enforcement Principal Priority of Payments, in relation to any Calculation Date, Principal Received or, if in a Determination Period following the Back-Up Cash Manager Replacement Date, Calculated Principal Received (excluding any Squaring Off Amounts to be applied as Income Received on that Calculation Date) plus (if in a Determination Period following the Back-Up Cash Manager Replacement Date) any Squaring Off Amounts deemed to be Applied Principal in accordance with Schedule 4 of the Replacement Cash Management Agreement plus Income Retained less Liquidity Shortfall less Principal Recoveries plus the Rounding Balance retained on the preceding Interest Payment Date, if any; and (ii) in respect of the Relevant Notes Redemption Priority of Payments, in relation to the date falling two Business Days before the Investor Redemption Date or the Deferred Investor Redemption Date (as applicable) only, the aggregate of the J VFN Commitments received by the Issuer from the J VFN Holder in accordance with Condition 19 (*Increasing the Principal Amount Outstanding of the J VFN*) of the Notes

"Appointee" means any delegate, agent, nominee or custodian appointed pursuant to the provisions of the Trust Deed.

"Assigned Rights" means the Benefit of the Mortgages, and the Mortgage Asset Agreements assigned or transferred to the Issuer by each of MAS6, Meerbrook 1 and PFL in accordance with the terms of the Mortgage Sale Agreements

"Auditors" means PricewaterhouseCoopers Plc or such other firm of accountants as may be nominated or approved by the Trustee after consultation with the Issuer

"Authorised Investment" means any Sterling denominated interest bearing debt securities which at the time of their purchase have a short-term credit rating of at least the Minimum Short Term Rating and which have a maturity date of 100 days or less and mature on or before the Calculation Date at the end of the Collection Period in which the investment is made or within 100 days, whichever is sooner.

"Authorised Signatory" means (a) in respect of any document to be signed by the Issuer, any director or any other person or persons notified to the Trustee as being an authorised signatory pursuant to Paragraph 4 of Schedule 3 (*Issuer Covenants*) to this

Agreement, and (b) in all other cases, a person who is authorised at law to sign on behalf of a Transaction Party

"Available Drawing Amount" means, as at any Calculation Date, the amount capable of being drawn and re-drawn under the Liquidity Facility Agreement on each Interest Payment Date provided that the amount of the Liquidity Facility which is undrawn will be cancelled if

- (a) on any Interest Payment Date, the Sterling Principal Amount Outstanding of the M Notes is zero and on the immediately preceding Calculation Date the B Condition is true, or
- (b) on any Interest Payment Date, the Sterling Principal Amount Outstanding of the B Notes is zero and on the immediately preceding Calculation Date the C Condition is true

"B Condition" is true on a Calculation Date if on that Calculation Date

$$A + B - C + D - E - F - G < H + I + J,$$

where.

- A is the aggregate outstanding balances of the Mortgages as notified to the Cash Manager by the Administrator and the aggregate outstanding balance of the UK Gilts,
- B is Principal Received,
- C is the greater of (a) zero and (b) the Notional Provisions in relation to such Calculation Date less the aggregate of all amounts (if any) of Income Retained on all preceding Calculation Dates,
- D is Income Received,
- E is Senior Expenses,
- F is M Expenses,
- G is B Expenses,
- H is the aggregate Sterling Principal Amount Outstanding of the A Notes and J1 VFNs,
- I is the aggregate Sterling Principal Amount Outstanding of the M Notes and J2 VFNs, and
- J is 50 per cent of the aggregate Sterling Principal Amount Outstanding of the B Notes and J3 VFNs,

and otherwise is false

"B Expenses" means, in relation to any Calculation Date, the amount determined by the Cash Manager to be owing to the B Noteholders and the J3 VFN Holders in respect of item (ix) of the Regular Pre-Enforcement Interest Priority of Payments on the next following Interest Payment Date.

"B Noteholders" means the persons who for the time being are holders of the B Notes

"B Notes" means the Ba Notes and the Bc Notes, issued by the Issuer on the Closing Date, or as the case may be, a specific number thereof, whether represented by definitive or global notes

"B Relevant Notes" means the Ba Relevant Notes and the Bc Relevant Notes

"Ba Noteholders" means the persons who for the time being are holders of the Ba Notes

"Ba Notes" means the £22,000,000 Class Ba Mortgage Backed Floating Rate Notes due 2037.

"Ba Relevant Notes" means the Ba Notes in respect of which a valid Redemption Instruction has been delivered to the relevant clearing system in accordance with Condition 6(f) ("*Investor Redemption Option*")

"Back-Up Administration Agreement" means the back-up administration agreement entered into by the Issuer with, among others, Homeloan Management Limited on the date hereof, as amended from time to time in connection with the provision of certain back-up services

"Back-Up Administration Fee" has the meaning given to it in the Back-Up Administration Agreement

"Back-Up Administrator" means Homeloan Management Limited (or any successor duly appointed)

"Back-Up Administrator Facilitator" means Structured Finance Management Limited in its capacity as back-up administrator facilitator (or any successor duly appointed)

"Back-Up Administrator Facilitator Fee " means the fee payable to the Back-Up Administrator Facilitator for the assumption of such role and the provision of services from the Back-Up Administrator Succession Date in accordance with the Replacement Administration Agreement as set out in the Back-Up Administrator Facilitator Fee Letter

"Back-Up Administrator Facilitator Fee Letter" means the separate fee letter entered into by the Issuer and the Back-Up Administrator Facilitator pursuant to the Back-Up Administration Agreement in relation to the Back-Up Administrator Facilitator Fee

"Back-Up Administrator Fee Payment Date" means (prior to the Back-Up Administrator Succession Date), the date falling 5 Business Days before a Calculation Date

"Back-Up Administrator Notice" has the meaning given to it in the Back-Up Administration Agreement

"Back-Up Administrator Succession Date" has the meaning given to it in the Back-Up Administration Agreement

"Back-Up Cash Management Agreement" means the back-up cash management agreement entered into by the Issuer with, among others, Citibank N A , London Branch on the date hereof, as amended from time to time in connection with the provision of certain back-up cash management services

"Back-Up Cash Manager" means Citibank N A , London Branch (or any successor duly appointed)

"Back-Up Cash Manager Facilitator" means Structured Finance Management Limited in its capacity as back-up cash manager facilitator (or any successor duly appointed)

"Back-Up Cash Manager Facilitator Fee" means the fee payable to the Back-Up Cash Manager Facilitator for the assumption of such role and the provision of services from the Back-Up Cash Manager Replacement Date in accordance with the Replacement Cash Management Agreement as set out in the Back-Up Cash Manager Facilitator Fee Letter

"Back-Up Cash Manager Facilitator Fee Letter" means the separate fee letter entered into by the Issuer and the Back-Up Cash Manager Facilitator pursuant to the Back-Up Cash Management Agreement in relation to the Back-Up Cash Manager Facilitator Fee

"Back-Up Cash Manager Fee Payment Date" means (prior to the Back-Up Cash Manager Replacement Date) the date falling 5 Business Days before a Calculation Date

"Back-Up Cash Manager Replacement Date" has the meaning given to it in the Back-Up Cash Management Agreement

"Back-Up Mortgage Administration Services" means the services set out in Schedule 1 of the Back-Up Administration Agreement

"Basic Terms Modification" has the meaning given thereto in Condition 12(c) (*"Meetings of Noteholders, Modifications, Waiver and Substitution of Principal Debtor - Quorum"*)

"Basis Swap Counterparty" means JPMorgan Chase Bank, N A. or any successor basis swap counterparty or counterparties from time to time under the Basis Swap Transaction

"Basis Swap Transactions" means the basis swap transactions dated the Closing Date between the Issuer and the Basis Swap Counterparty consisting of an ISDA Master Agreement together with a schedule thereto, a credit support annex and a confirmation documenting the basis swap transaction, as may be amended from time to time

"Bc Noteholders" means the persons who for the time being are holders of the Bc Notes

"Bc Notes" means the £39,500,000 Class Bc Mortgage Backed Floating Rate Notes due 2037

"Bc Relevant Notes" means the Bc Notes in respect of which a valid Redemption Instruction has been delivered to the relevant clearing system in accordance with Condition 6(f) ("*Investor Redemption Option*")

"Benefit" in respect of any Interest held, assigned, conveyed, transferred, charged, sold or disposed of by any person shall be construed so as to include.

- (a) all right, title, interest and benefit, present and future, actual and contingent (and interests arising in respect thereof) of such person in, to, under and in respect of such Interest and all Ancillary Rights in respect of such Interest;
- (b) all monies and proceeds payable or to become payable under, in respect of or pursuant to such Interest or its Ancillary Rights and the right to receive payment of such monies and proceeds and all payments made including, in respect of any bank account, all sums of money which may at any time be credited to such bank account together with all interest accruing from time to time thereon and the debts represented thereby,
- (c) the benefit of all covenants, undertakings, representations, warranties and indemnities in favour of the relevant person contained in or relating to such Interest or its Ancillary Rights,
- (d) the benefit of all powers of and remedies for enforcing or protecting the relevant person's right, title, interest and benefit in, to, under and in respect of such Interest or its Ancillary Rights, including the right to demand, sue for, recover, receive and give receipts for proceeds of and amounts due under or in respect of or relating to any of the same,
- (e) all items expressed to be held on trust for the relevant person under or comprised in any such Interest or its Ancillary Rights, all rights to deliver notices and/or take such steps as are required to cause payment to become due and payable thereunder, all rights of action in respect of any breach thereof and all rights to receive damages or obtain other relief in respect thereof; and
- (f) all causes and rights of action (present and future) against any person relating to any such Interest or its Ancillary Rights

"Block Buildings Policies" means the insurance policies described as such in the Mortgage Sale Agreements and any other insurance contracts of similar effect in replacement, addition or substitution therefor from time to time

"Block Voting Instruction" means, in relation to any Meeting, a document in the English language issued by a Paying Agent

- (a) certifying that certain specified Notes have been deposited (the "**Deposited Notes**") with such Paying Agent (or to its order at a bank or other depositary)

or blocked in an account with a clearing system (the "**Blocked Notes**") and will not be released until the earlier of

- (i) the conclusion of the Meeting, and
 - (ii) the surrender to such Paying Agent, not less than 48 hours before the time fixed for the Meeting (or, if the Meeting has been adjourned, the time fixed for its resumption), of the receipt for the Deposited Notes or the Blocked Notes and notification thereof by such Paying Agent to the Issuer and the Trustee,
- (b) certifying that the depositor of such specified Note or a duly authorised person on its behalf has instructed the relevant Paying Agent that the votes attributable to such specified Notes are to be cast in a particular way on each resolution to be put to the Meeting and that, during the period of 48 hours before the time fixed for the Meeting, such instructions may not be amended or revoked,
- (c) listing the total number and (if Definitive Notes have been issued) the certificate numbers of such specified Notes, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, the resolution, and
- (d) authorising a named individual or individuals to vote in respect of the Deposited Notes in accordance with such instructions

"BNYM" means The Bank of New York Mellon, London Branch, a banking corporation organised under the laws of the State of New York and operating through its branch in London at One Canada Square, London E14 5AL, United Kingdom

"BNYM Deposit Account" means a Sterling denominated account in the name of the Issuer established at The Bank of New York Mellon, London Branch, for the deposit of amounts made pursuant to the BNYM Deposit Agreement.

"BNYM Deposit Account Bank" means BNYM

"BNYM Deposit Account Agreement" or **"BNYM Deposit Agreement"** means a bank account agreement dated 11 April 2013 entered into between, *inter alios*, the Issuer, the Trustee and BNYM

"Board Resolution" means, in respect of a company, a resolution of the board of directors of that company, duly passed

"Borrower" means, in relation to a Loan, the person named as such in the relevant Mortgage Conditions and to whom such Loan is advanced together with any person from time to time assuming the obligations of the borrower to repay such Loan or any part of it

"Breach of Duty" means, in relation to any person, a wilful default, fraud, illegal dealing, negligence or breach of any agreement or trust by such person

"Business Day" means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London and New York and a TARGET Settlement Day

"C Condition" is true on a Calculation Date if on that Calculation Date

$$A + B - C + D - E - F - G - H < I + J + K + L,$$

where

A is the aggregate outstanding balances of the Mortgages as notified to the Cash Manager by the Administrator and the aggregate outstanding balance of the UK Gilts,

B is Principal Received,

C is the greater of (a) zero and (b) the Notional Provisions in relation to such Calculation Date less the aggregate of all amounts (if any) of Income Retained on all preceding Calculation Dates,

D is Income Received,

E is Senior Expenses;

F is M Expenses,

G is B Expenses,

H is C Expenses,

I is the aggregate Sterling Principal Amount Outstanding of the A Notes and J1 VFNs,

J is the aggregate Sterling Principal Amount Outstanding of the M Notes and J2 VFNs,

K is the aggregate Sterling Principal Amount Outstanding of the B Notes and J3 VFNs,

L is 50 per cent of the aggregate Sterling Principal Amount Outstanding of the C Notes and the J4 VFNs,

and otherwise is false

"C Expenses" means, in relation to any Calculation Date, the amount determined by the Cash Manager to be owing to the C Noteholders and the J4 VFN Holder in respect of item (x) of the Regular Pre-Enforcement Interest Priority of Payments on the next following Interest Payment Date

"C Noteholders" means the persons who for the time being are holders of the C Notes

"**C Notes**" means the Cc Notes, issued by the Issuer on the Closing Date, or as the case may be, a specific number thereof, whether represented by definitive or global notes

"**C Relevant Notes**" means the C Notes in respect of which a valid Redemption Instruction has been delivered to the relevant clearing system in accordance with Condition 6(f) (*Investor Redemption Option*)

"**CA**" means the Conveyancing Act 1911

"**Calculated Income Received**" has the meaning given to it in Schedule 4 of the Replacement Cash Management Agreement

"**Calculated Principal Received**" has the meaning given to it in Schedule 4 of the Replacement Cash Management Agreement

"**Calculation Date**" means, in relation to any Interest Payment Date, the last day of the calendar month preceding that Interest Payment Date

"**Cash Manager**" means PFL in its capacity as cash manager under the Administration Agreement or (after the Back-Up Cash Manager Replacement Date) the cash manager under the Replacement Cash Management Agreement (or any successor thereof)

"**CCA**" means the Consumer Credit Act 1974

"**CCA Licence**" means a Standard Licence issued by The Director General of Fair Trading under the powers conferred upon him by the CCA

"**Cc Noteholders**" means the persons who for the time being are holders of the Cc Notes.

"**Cc Notes**" means the €48,000,000 Class Cc Mortgage Backed Floating Rate Notes due 2037

"**Certificate of Solvency**" means a certificate in, or substantially in, the form set out in Schedule 6 (*Certificates of Solvency*) to this Agreement

"**Chairman**" means, in relation to any Meeting, the individual who takes the chair in accordance with paragraph 6 (*Chairman*) of the Provisions for Meetings of Noteholders

"**Charged Property**" means all the property of the Issuer which is subject to the Security

"**Class**" means each class of Notes to be issued including the A1a Notes, the A1b Notes, the A2a Notes, the A2b Notes, the A2c Notes, the Mc Notes, the Ba Notes, the Bc Notes, the Cc Notes, the J1 VFNs, the J2 VFNs, the J3 VFNs, the J4 VFNs, the K VFNs, the L VFNs and the N VFNs or any combination of them

"**Class A1b Dollar Swap Transaction**" means the cross currency swap transaction with respect to the A1b Notes dated the Closing Date between the Issuer and the

Cross Currency Swap Counterparty consisting of an ISDA Master Agreement together with a schedule thereto, a credit support annex and a confirmation documenting the currency swap transaction with respect to the A1b Notes, as may be amended from time to time

"Class A2b Dollar Swap Transaction" means the cross currency swap transaction with respect to the A2b Notes dated the Closing Date between the Issuer and the Cross Currency Swap Counterparty consisting of an ISDA Master Agreement together with a schedule thereto, a credit support annex and a confirmation documenting the currency swap transaction with respect to the A2b Notes, as may be amended from time to time

"Class A2c Euro Swap Transaction" means the cross currency swap transaction with respect to the A2c Notes dated the Closing Date between the Issuer and the Cross Currency Swap Counterparty consisting of an ISDA Master Agreement together with a schedule thereto, a credit support annex and a confirmation documenting the currency swap transaction with respect to the A2c Notes, as may be amended from time to time

"Class Bc Euro Swap Transaction" means the cross currency swap transaction with respect to the Bc Notes dated the Closing Date between the Issuer and the Cross Currency Swap Counterparty, consisting of an ISDA Master Agreement together with a schedule thereto, a credit support annex and a confirmation documenting the currency swap transaction with respect to the Bc Notes, as may be amended from time to time

"Class Cc Euro Swap Transaction" means the cross currency swap transaction with respect to the Cc Notes dated the Closing Date between the Issuer and the Cross Currency Swap Counterparty consisting of an ISDA Master Agreement together with a schedule thereto, a credit support annex and a confirmation documenting the currency swap transaction with respect to the Cc Notes, as may be amended from time to time

"Class Mc Euro Swap Transaction" means the cross currency swap transaction with respect to the Mc Notes dated the Closing Date between the Issuer and the Cross Currency Swap Counterparty consisting of an ISDA Master Agreement together with a schedule thereto, a credit support annex and a confirmation documenting the currency swap transaction with respect to the Mc Notes, as may be amended from time to time

"Clearing Systems" means each of Euroclear, Clearstream, Luxembourg and/or DTC

"Clearstream, Luxembourg" means Clearstream Banking, société anonyme, Luxembourg

"Closing Certificates" means the closing certificates executed by the Issuer and Britannia on the Closing Date

"Closing Conditions Precedent" means the conditions precedent set out in Schedule 5 to the Subscription Agreement

"Closing Date" means 12 April 2006

"CLPA" means the Conveyancing and Law of Property Act 1881 and **"CLPAs"** means the CLPA and CA

"Collection Accounts" means together

- (a) the collection account with account number [REDACTED]4516 named the "Platform Funding Limited re Leek 7 (LFL4) Collection Account",
- (b) the collection account with account number [REDACTED]9267 named the "Platform Funding Limited re Leek 7 (LFL5) Collection Account",
- (c) the collection account with account number [REDACTED]4970 named the "Platform Funding Limited re Leek 17 Collection Account", and
- (d) the collection account with account number [REDACTED]2080 named the "Mortgage Agency Services No 6 Limited re Leek 17 Collection Account",

each with sort code [REDACTED] at National Westminster Bank plc, or any other replacement collection account established from time to time.

"Collection Period" means the period commencing on (but excluding) a Calculation Date and ending on (and including) the next Calculation Date, provided that the first Collection Period shall commence on (but exclude) 28 March 2006 and end on (and include) the first Calculation Date

"Common Depository" means HSBC Bank plc

"Common Terms" means the provisions set out in Schedule 2 (*Common Terms*) to this Agreement

"Companies Act" means the Companies Act 2006 (as amended from time to time)

"Conditions" means the terms and conditions to be endorsed on the Notes, in or substantially in the form set out in Schedule 2 (*Terms and Conditions of the Notes*) to the Trust Deed, as any of them may from time to time be modified in accordance with the Trust Deed and any reference to a particular numbered **"Condition"** shall be construed in relation to the Notes accordingly

"Co-op Collateral Account Ledger" means the ledger of such name maintained by the Principal Administrator (in its capacity as cash manager) in accordance with the provisions of the Administration Agreement to record the crediting of Co-op Collateral Amounts to and debit of any withdrawals of GIC Provider Defaulted Amounts from the BNYM Deposit Account if a GIC Provider Non Payment Event occurs

"Co-op Collateral Amount" means an amount equal to the amount deposited in the BNYM Deposit Account by Co-operative Bank in its capacity as GIC Provider to collateralise its obligations under the Co-op GIC Agreement (if any) and recorded on the Co-op Collateral Account Ledger

"Co-op Collateral Excluded Amounts" means an amount equal to Co-op Collateral Amounts less GIC Provider Defaulted Amounts

"Co-op Covenants" means the covenants given by Co-operative Bank under the Administration Agreement and the Mortgage Sale Agreements

"Co-op Dollar Loan" means the Dollar denominated tranche of the loan facility made by the Issuer to Co-operative Bank in accordance with the Co-op Multi-Currency Loan Agreement

"Co-op Dollar Repayment Amount" means the payments received from Co-operative Bank on the relevant Additional Coupon Payment Date on the Co-op Dollar Loan pursuant to the terms of the Co-op Multi-Currency Loan Agreement

"Co-op Euro Loan" means the Euro denominated tranche of the loan facility made by the Issuer to Co-operative Bank in accordance with the Co-op Multi-Currency Loan Agreement

"Co-op Euro Repayment Amount" means the payments received from Co-operative Bank on the relevant Additional Coupon Payment Date on the Co-op Euro Loan pursuant to the terms of the Co-op Multi-Currency Loan Agreement

"Co-op GIC Account" means a Sterling denominated account with account number ■0306, in the name of the Issuer established at Co-operative Bank for the deposit of amounts made pursuant to the Co-op GIC Agreement.

"Co-op GIC Agreement" means a guaranteed investment contract dated the Closing Date, as amended and restated on the VFN Issue Date, between, *inter alios*, the Issuer and Co-operative Bank (as may be further amended, restated or supplemented from time to time)

"Co-op GIC Limit" means

- (a) for so long as Co-operative Bank is rated at least the GIC Minimum Rating, an unlimited amount,
- (b) for so long as Co-operative Bank is rated below the GIC Minimum Rating
 - (i) the maximum amount of any guarantee of the obligations of Co-operative Bank in respect of the Co-op GIC Account provided by an entity who is rated the GIC Minimum Rating, or
 - (ii) the maximum amount of the Co-op Collateral Amount,in each case in respect of the obligations of Co-operative Bank in respect of the Co-op GIC Account, or
- (c) if no such guarantee or collateral amount referred to in paragraph (b) is in force, zero

"Co-op Group" means Co-operative Bank or any subsidiary of Co-operative Bank

"Co-op Multi-Currency Loan Agreement" means the multi-currency loan agreement made between the Issuer and Co-operative Bank on or about the VFN Issue Date

"Co-op Sterling Loan" means the Sterling denominated tranche of the loan facility made by the Issuer to Co-operative Bank in accordance with the Co-op Multi-Currency Loan Agreement

"Co-op Sterling Repayment Amount" means the payments received from Co-operative Bank on the relevant Additional Coupon Payment Date on the Co-op Sterling Loan pursuant to the terms of the Co-op Multi-Currency Loan Agreement

"Co-operative Bank" means The Co-operative Bank p l c

"Corporate Services Agreement" means the corporate services agreement dated the date hereof between the Issuer, the Trustee, Holdings, the Share Trustee, the Co-operative Bank and the Corporate Services Provider

"Corporate Services Provider" means Capita Trust Corporate Limited, as corporate services provider under the corporate services agreement dated the date hereof between the Issuer, the Trustee, Holdings, the Share Trustee, the Co-operative Bank and Capita Trust Corporate Limited, or any successor or replacement corporate services provider

"Covenant to Pay" means the covenants of the Issuer contained in clause 5 (*Covenant to Repay Principal*) and clause 6 (*Covenant to Pay Interest*) of the Trust Deed

"Cross Currency Swap Agreements" means the Class Alb Dollar Swap Transaction, the Class A2b Dollar Swap Transaction, the Class A2c Euro Swap Transaction, the Class Mc Euro Swap Transaction, the Class Bc Euro Swap Transaction and the Class Cc Euro Swap Transaction

"Cross Currency Swap Counterparty" means JPMorgan Chase Bank, N A or any successor currency swap counterparty or counterparties from time to time under the Cross Currency Swap Agreements

"Cut-Off Date" means 28 March 2006

"Custody Account" means the securities custody account in the name of the Issuer for the deposit of the UK Gilts in accordance with the terms of the Custody Account Agreement

"Custody Account Agreement" means the custody account agreement dated the VFN Issue Date entered into between, *inter alios*, the Issuer and the Custody Account Provider (as may be amended, restated or supplemented from time to time)

"Custody Account Provider" means JP Morgan Chase Bank, N A or any successor custody account provider from time to time

"Declarations of Trust" means the PFL Declaration of Trust and the MAS6 Declaration of Trust

"Deed of Consent" has the meaning given to it in the Mortgage Sale Agreements

"Deed of Charge" means the deed of charge dated the Closing Date as supplemented by a supplemental deed of charge dated each of the VFN Issue Date, 11 April 2013 and the date hereof between, *inter alios*, the Issuer and the Trustee (as may be amended, restated or supplemented from time to time)

"Deed of Postponement" has the meaning given to it in the Mortgage Sale Agreements

"Deferred Consideration Agreement" means the deferred consideration agreement dated the Closing Date between the Issuer, MAS6, Meerbrook I and PFL as may be amended, restated or supplemented from time to time

"Deferred Investor Redemption Date" has the meaning given to it in Condition 6(f)(vii)

"Definitive Notes" means a Note in definitive registered form issued by the Issuer in accordance with the Paying Agency Agreement and the Trust Deed in exchange for a Global Note, such Note in definitive form being in the form or substantially in the form set out in Parts C and D of Schedule 1 to the Trust Deed

"Definitive Registered Regulation S Note" means a Note in definitive registered form issued upon the exchange of a Regulation S Global Note.

"Definitive Registered Rule 144A Note" means a Note in definitive registered form issued upon the exchange of a Rule 144A Global Note

"Determination Period" has the meaning given to it in Clause 9.7 of the Replacement Cash Management Agreement

"Dispute" means a dispute arising out of or in connection with any Transaction Document (including a dispute regarding the existence, validity or termination of any Transaction Document or the consequences of its nullity)

"Dollar" or **"U.S.\$"** means the lawful currency of the United States of America.

"Dollar Interest Amount" has the meaning given thereto in Condition 5(d) (*"Interest -Determination of Rates of Interest and Calculation of Interest Amounts"*)

"Dollar Interest Determination Date" has the meaning given to it in Condition 5(c) (*"Interest -Rate of Interest"*)

"Dollar LIBOR Screen Rate" has the meaning given to it in Condition 5(c)(iv) (*"Interest -Rate of Interest"*)

"Dollar Notes" means the A1b Notes and the A2b Notes

"Dollar Relevant Notes" means the A2b Relevant Notes

"Dollar Swap Rate" means the rate of exchange for converting Sterling to Dollars and vice versa in the Cross Currency Swap Agreements, being £1 = U S \$1.74070.

"Dovedale Termination Date" means the date on which the notes issued by Dovedale Finance No 1 P L C (the **"Dovedale Notes"**) are redeemed following the delivery of a notice of early redemption to the holders of the Dovedale Notes

"DPA" means the Data Protection Act 1998

"DPA Registration" means a registration with the Data Protection Commissioner under the DPA or any previous and subsisting registration under the Data Protection Act 1998

"DTC" means The Depository Trust Company

"EMU" means European Economic and Monetary Union

"Encumbrance" means

- (a) a mortgage, standard security, charge, pledge, lien or other encumbrance securing any obligation of any person,
- (b) any arrangement under which money or claims to, or the benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person, or
- (c) any other type of preferential arrangement (including any title transfer and retention arrangement) having a similar effect

"Enforcement Notice" has the meaning given thereto in Condition 10(a) (*"Events of Default"*)

"English Loan" means a Loan secured by an English Mortgage

"English Mortgage" means a Mortgage over an English Property and **"English Mortgages"** means more than one of them

"English Property" means a Property located in England or Wales

"EU Insolvency Regulation" means the European Regulation on Insolvency Proceedings

"EURIBOR Screen Rate" has the meaning given to it in Condition 5(c)(vi) (*"Interest - Rate of Interest"*)

"Euro" or **"€"** means the single currency introduced in the member states of the European Community which adopted the single currency in accordance with the Treaty of Rome of 25 March 1957, as amended by, *inter alia*, the Single European Act 1986 and the Treaty of European Union of 7 February 1992 establishing the European Union and the European Council of Madrid of 16 December 1995

"Euro Commencement Date" means the date on which the United Kingdom becomes a Participating Member State

"Euro Interest Amount" has the meaning given thereto in Condition 5(d) (*"Interest - Determination of Rates of Interest and Calculation of Interest Amounts"*)

"Euro Interest Determination Date" has the meaning given to it in Condition 5(c), (*"Interest -Rate of Interest"*)

"Euro Notes" means the A2c Notes, the Mc Notes, the Bc Notes and the Cc Notes

"Euro Relevant Notes" means the A2c Relevant Notes, the M Relevant Notes, the Bc Relevant Notes and the C Relevant Notes

"Euro Swap Rate" means the rate of exchange for converting Sterling to Euros and vice versa in the Cross Currency Swap Agreements, being €1 = £0 69690

"Euroclear" means Euroclear Bank S A /N V , as operator of the Euroclear System

"Event of Default" has the meaning given thereto in Condition 10(a) (*"Events of Default"*)

"Exchange Act" means the United States Securities Exchange Act of 1934, as amended

"Exchange Date" means the first day following the expiry of forty days after the date of issue of each Original Note

"Exercise Notice" has the meaning given to it in the Post-Enforcement Call Option Deed

"Exercise Price" has the meaning given to it in the Post-Enforcement Call Option Deed

"Expenses Loan" means each loan in Sterling advanced to the Issuer by the Expenses Loan Provider from time to time pursuant to the Expenses Loan Agreement

"Expenses Loan Advance" means any amounts advanced to the Issuer by the Expenses Loan Provider pursuant to the Expenses Loan Agreement and includes, for the avoidance of doubt, the Initial Expenses Loan Advance and any Subsequent Expenses Loan Advances each as defined in the Expenses Loan Agreement

"Expenses Loan Agreement" means the expenses loan agreement dated on or about the Closing Date between the Issuer, the Trustee and the Expenses Loan Provider as may be amended, restated or supplemented from time to time.

"Expenses Loan Condition" is true if, on the immediately preceding Calculation Date, the aggregate principal balance of Loans which are greater than three months in arrears expressed as a percentage of the aggregate principal balance of the Loans exceeds 15 per cent

"Expenses Loan Facility" means the loan facility described in clause 3 of the Expenses Loan Agreement to be made available to the Issuer by the Expenses Loan Provider upon and subject to the terms of the Expenses Loan Agreement

"Expenses Loan Notice" means a notice from the Issuer to the Expenses Loan Provider requesting an Expenses Loan Advance in the form set out in Schedule 1 to the Expenses Loan Agreement

"Expenses Loan Period" means the period from and including the Closing Date, to but excluding the Calculation Date relating to the Interest Payment Date falling in September 2006

"Expenses Loan Provider" means RBS or any successor expenses loan provider pursuant to the terms of the Expenses Loan Agreement

"Extraordinary Resolution" means a resolution passed at a meeting duly convened and held in accordance with the Provisions for Meetings of Noteholders by a majority of not less than 75 per cent, of the votes cast, and, for the avoidance of doubt, the A Noteholders shall be treated as one Class, the M Noteholders shall be treated as one Class, the B Noteholders shall be treated as one Class and the C Noteholders shall be treated as one Class, each for the purposes of voting of an Extraordinary Resolution of Noteholders

"Feasibility Obligations" has the meaning given to it in Clause 4 1(c) (*Back-Up Mortgage Administration Services*) of the Back-Up Administration Agreement

"Final Discharge Date" means the date on which the Trustee is satisfied that all the Secured Obligations and/or all other moneys and other liabilities for the time being due or owing by the Issuer have been paid or discharged in full

"Final Optional Redemption Notice Date" means the date falling 40 calendar days after the Investor Redemption Calculation Date

"Final Pre-Enforcement Interest Priority of Payments" has the meaning given thereto in Condition 3(i) (*"Status, Ranking and Security – Priority of Payments Prior to Enforcement – Income Receipts"*)

"Final Repayment Date" means, the earlier to occur of (i) the date upon which all (but not part only) of the Notes are redeemed in full and (ii) the date on which the mortgage assets and UK Gilts securing the Notes or which are designated to fund amounts due in respect of the Notes are liquidated, distributed or otherwise disposed of in full (in accordance with the terms of the Transaction Documents), and the proceeds thereof are available to be distributed in full (in accordance with the terms of the Transaction Documents, and whether so distributed to the Noteholders or to any other person)

"Financial Statements" means statements identified in accordance with generally accepted accounting principles by the auditors of the entity to which the statement applies, as financial statements (including, without limitation, a balance sheet, profit and loss account (or other form of income statement), and statement of cash-flow).

"First Supplemental Trust Deed" means the first supplemental trust deed between the Issuer, Trustee and Co-operative Bank in its capacity as VFN Holder

"Fitch" means Fitch Ratings Ltd

"Fixed Reverting to Base Rate Tracker Mortgages" means those Mortgages where the applicable rate of interest is a fixed rate for a specific period reverting to a rate of interest calculated by reference to a variable rate of interest based on the Bank of England's base rate plus a margin

"Fixed Reverting to LIBOR Mortgages" means those Mortgages where the applicable rate of interest is a fixed rate for a specific period reverting to a rate of interest calculated by reference to LIBOR plus a margin

"Fixed Reverting to MAS6 VR LIBOR Mortgages" means those MAS6 Mortgages where the applicable rate of interest is a fixed rate for a specific period reverting to a rate of interest calculated by reference to LIBOR plus MAS6 VR plus an additional margin

"Floating Charge" means the floating charge created by the Issuer in favour of the Trustee pursuant to clause 5 (*Creation of Floating Charge*) of the Deed of Charge

"Force Majeure Event" means an event beyond the reasonable control of the person affected including, without limitation, strike, lock-out, labour dispute, act of God, war, riot, civil commotion, malicious damage, accident, breakdown of plant or machinery, computer software, hardware or system failure, fire, flood and/or storm and other circumstances affecting the supply of goods or services.

"Further Advances" means any discretionary further advances (including any Retentions) made by PFL or MAS6 (as applicable) to Borrowers and purchased by the Issuer which are secured on the relevant property but excluding amounts debited to a Borrower's account in respect of third party expenses incurred in connection with its Mortgage

"FSA" or "FCA" means the Financial Conduct Authority.

"FSMA" means the Financial Services and Markets Act 2000

"GIC Accounts" means the Co-op GIC Account and the BNYM Deposit Account (it nevertheless being acknowledged that the BNYM Deposit Account is a deposit account and not a guaranteed investment contract account)

"GIC Agreements" means the Co-op GIC Agreement and the BNYM Deposit Agreement (it nevertheless being acknowledged that the BNYM Deposit Agreement is a deposit account agreement and not a guaranteed investment contract).

"GIC Minimum Rating" means

- (a) a short-term, unsecured and unsubordinated debt obligations rating of P-1 from Moody's,
- (b) a short-term issuer default rating of F1 from Fitch,
- (c) a long-term, unsecured and unsubordinated debt obligations of A2 by Moody's, and
- (d) a long-term issuer default rating of A by Fitch,

or such other ratings as would be required to maintain the then current rating of the Notes,

"GIC Providers" means together, Co-operative Bank and The Bank of New York Mellon, London Branch, each a **"GIC Provider"** (it nevertheless being acknowledged that The Bank of New York Mellon is providing a deposit account, and not a guaranteed investment contract account)

"GIC Provider Defaulted Amount" means an amount equal to the amount which would have been paid by Co-operative Bank in its capacity as Co-op GIC Provider but for the occurrence of a GIC Provider Non Payment Event

"GIC Provider Non Payment Event" means any failure to pay an amount in accordance with clause 4 (*Withdrawal*) of the Co-op GIC Agreement in the event the same has not been rectified within one Business Day

"Gilt Coupon" means, as at any Calculation Date, the interest received on the UK Gilts during the preceding Collection Period

"Gilts Redemption Amount" means, as at any Interest Payment Date, the aggregate principal amount received in respect of any UK Gilts that were redeemed during the preceding Interest Period.

"Global Amendment and Restatement Deed" means the global amendment and restatement agreement dated on or about the VFN Issue Date between the Transaction Parties

"Global Notes" means the Regulation S Global Notes and the Rule 144A Global Notes

"Governmental Authority" shall mean any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government or financial regulation

"Holdings" means Leek Finance Holdings Number Seventeen Limited

"Income Received" means

- (a) in relation to any Calculation Date, the amount received in respect of the Mortgages and otherwise during the Collection Period ending on that Calculation Date which is determined to be of an income nature (such determination to be made, in relation to the Mortgages only, by the Administrator in accordance with the Administration Agreement) and includes interest amounts accrued but not yet paid pursuant to the GIC Agreements (other than interest amounts on the Co-op Collateral Amount) and the Custody Agreement, the Required Amount, the amount, if any, retained by the Issuer, the Co-op GIC Account on the previous Interest Payment Date in accordance with item (xviii) of the Regular Pre-Enforcement Interest Priority of Payments, the Gilt Coupon and amounts received or to be received on or prior to the next Interest Payment Date under the Swap Agreements (but disregarding any payments made or to be made pursuant to the Cross Currency Swap

Agreements and excluding amounts paid as collateral in respect of the Swap Agreements (and any income thereon)),

- (b) any GIC Provider Defaulted Amounts in replacement of the Income Received that has not been paid by Co-operative Bank in its capacity as GIC Provider as a result of a GIC Provider Non Payment Event,
- (c) to the extent any Multi-Currency Repayment Amounts exceed the aggregate of the corresponding Additional Coupon Payment, an amount equal to such excess,
- (d) in respect of the calculation of the amount of Income Received on the first Calculation Date only, the amount attributable to the Initial Expenses Amount standing to the credit of the Co-op GIC Account and the Initial Required Amount, as reduced by the amounts calculated in accordance with items B and C in the definition of Principal Received, and
- (e) in respect of the calculation of the amounts of Income Received on the Investor Redemption Date only, the amounts (if any) applied to item (E) of the Relevant Notes Redemption Priority of Payments

"Income Retained" means, in relation to any Calculation Date, the greater of (i) zero and (ii) the lesser of Income Surplus and Uncovered Shortfall as at such date

"Income Surplus" means, in relation to any Calculation Date, the greater of (i) zero and (ii) $A - B - C - D - E$ where

- A is equal to Income Received,
- B is equal to Senior Expenses,
- C if (i) the M Condition is false or (ii) the Sterling Principal Amount Outstanding of the A Notes and J1 VFNs is zero or (iii) the Note Principal Payments due on the next following Interest Payment Date will reduce the Sterling Principal Amount Outstanding of the A Notes and J1 VFNs to zero, is equal to M Expenses and otherwise, is equal to zero,
- D if (i) the B Condition is false or (ii) the Sterling Principal Amount Outstanding of the A Notes, J1 VFNs, M Notes and J2 VFNs is zero or (iii) the Note Principal Payments due on the next following Interest Payment Date, as applicable, will reduce the Sterling Principal Amount Outstanding of the A Notes, J1 VFNs, M Notes and J2 VFNs to zero, is equal to B Expenses and otherwise, is equal to zero, and
- E if (i) the C Condition is false or (ii) the Sterling Principal Amount Outstanding of the A Notes, J1 VFNs, M Notes, J2 VFNs, B Notes and J3 VFNs is zero or (iii) the Note Principal Payments due on the next following Interest Payment Date, as applicable, will reduce the Sterling Principal Amount Outstanding of the A Notes, J1 VFNs, M Notes, J2 VFNs, B Notes and J3 VFNs to zero, is equal to C Expenses and otherwise, is equal to zero

"Independent Dealers" means Barclays Bank, BNP Paribas, Credit Suisse, Deutsche Bank, Goldman Sachs, Morgan Stanley, RBS, Bank of America, Citigroup and any affiliate of any of the foregoing, but in no event must any of the Independent Dealers be the Investor Redemption Option Guarantor or any affiliate of the J VFN Holder and provided that such Independent Dealer has a minimum rating if rated by Moody's of at least an A2 senior unsecured debt rating, and if rated by Fitch a senior unsecured debt rating of at least A

"Initial Expenses Amount" means the fees, costs and expenses incurred by the Issuer in connection with each of the series of transactions contemplated by the Transaction Documents up to and on the Closing Date, as such fees, costs and expenses may, in the absence of invoices at the time of drawing, be reasonably determined by the Issuer to be due

"Initial Required Amount" means an amount funded by the Sub Loan Drawing equal to 2.00 per cent, of the sum of the aggregate initial Sterling Principal Amount Outstanding of the Notes on the Closing Date.

"Insolvency Act" means the Insolvency Act 1986 as amended from time to time

"Insolvency Event" in respect of a company means

- (a) the initiation of or consent to Insolvency Proceedings by such company or any other person or the presentation of a petition for the making of an administration order (other than in the case of the Issuer) and, in the opinion of the Trustee, such proceedings not being disputed in good faith with a reasonable prospect of success, or
- (b) the making of an administration order in relation to such company, or
- (c) an encumbrancer (excluding, in relation to the Issuer, the Trustee or any receiver or manager appointed by the Trustee) taking possession of the whole or any substantial part of the undertaking or assets of such company, or
- (d) a distress, diligence, execution or other process being levied or enforced upon or sued out against the whole or any substantial part of the undertaking or assets of such company (excluding, in relation to the Issuer, by the Trustee or any receiver appointed by the Trustee) and such order, appointment, possession or process (as the case may be) not being discharged or otherwise ceasing to apply within 30 days, or
- (e) the making of an arrangement, composition, reorganisation with or conveyance to or assignment for the creditors of such company generally or the making of an application to a court of competent jurisdiction for protection from the creditors of such company generally, or
- (f) the passing by such company of an effective resolution or the making of an order by a court of competent jurisdiction for the winding up or dissolution of such company (except, in the case of the Issuer, a winding up for the purpose of a merger, reorganisation or amalgamation the terms of which have

previously been approved either in writing by the Trustee or by an Extraordinary Resolution), or

- (g) the appointment of an Insolvency Official in relation to such company or in relation to the whole or any substantial part of the undertaking or assets of such company (excluding, in relation to the Issuer, an administrative receiver or other receiver or manager appointed by the Trustee pursuant to the Deed of Charge)

"Insolvency Official" means, in respect of any company, a liquidator, provisional liquidator, administrator, administrative receiver, receiver or manager, nominee, supervisor, trustee in bankruptcy, conservator, guardian or other similar official in respect of such company or in respect of all (or substantially all) of the company's assets or in respect of any arrangement or composition with creditors

"Insolvency Proceedings" means the winding-up, dissolution or administration (whether by court action or otherwise) of a company or corporation and shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such company or corporation is incorporated or of any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration (whether by court action or otherwise), arrangement, adjustment, protection or relief of debtors

"Insolvent" means, in relation to any person, that such person

- (a) ceases or threatens to cease to carry on its business or a substantial part of its business, or
- (b) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act or Article 103 of the Insolvency (Northern Ireland) Order 1989, or
- (c) becomes unable to pay its debts as they fall due, or
- (d) the value of its assets falls to less than the amount of its liabilities, or
- (e) otherwise becomes insolvent

"Instruments" means the Global Notes and the Definitive Notes and **"Instrument"** means any one of them

"Insurance Policies" means the Block Buildings Policies and/or the LA Indemnity Policies and/or the Title Insurance Policies and/or the MIG Policies each of which is in favour of MAS6 or PFL (as applicable), and in each case any other insurance contracts in replacement, addition or substitution thereof from time to time which relate to the Loans and **"Insurance Policy"** means any one of them

"Interest" means any asset, agreement, property or right

"Interest Amount" has the meaning given thereto in Condition 5(d) (*"Interest - Determination of Rates of Interest and Calculation of Interest Amounts"*)

"Interest Determination Date" has the meaning given thereto in Condition 5(c) (*"Interest — Rate of Interest"*)

"Interest Payment Date" has the meaning given thereto in Condition 5(b) (*"Interest - Interest Payment Dates and Interest Periods"*)

"Interest Period" means each period from (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date and in relation to the first Interest Period from (and including) the Closing Date and ending on (but excluding) the first Interest Payment Date,

"Interest Rate Swap Counterparty" means RBS or any successor interest rate swap counterparty from time to time

"Interest Rate Swap Transactions" means the series of swap transactions novated to the Issuer on the Closing Date consisting of an ISDA Master Agreement together with a schedule thereto, a credit support annex and a confirmation documenting the interest rate swap transaction, as may be amended from time to time

"Investment Company Act" means the United States Investment Company Act of 1940, as amended

"Investor Redemption Calculation Date" means the Interest Payment Date immediately preceding the Investor Redemption Date

"Investor Redemption Date" means the Interest Payment Date falling in June 2016

"Investor Redemption Notice" has the meaning given thereto in Condition 6(f)(iii)

"Investor Redemption Option" means the redemption option under Condition 6(f) (*Investor Redemption Option*)

"Investor Redemption Price" means, in respect of a Class of Notes on the Investor Redemption Calculation Date, one minus the ratio (calculated to six decimal places with the mid-point rounded up) between (i) the Tranche Principal Deficiency Ledger of the Tranche to which such Class of Notes belongs, and (ii) the Sterling Tranche Amount of the Tranche to which such Class of Notes belongs.

"ISDA" means the International Swaps and Derivatives Association, Inc

"ISDA Master Agreement" means the 1992 ISDA Master Agreement (Multicurrency Cross Border), as published by ISDA.

"Issue Price" means, in respect of the Notes, an amount equal to 100 per cent, of the aggregate Principal Amount Outstanding of such Notes on the Closing Date

"Issuer" means Leek Finance Number Seventeen PLC

"Issuer Covenants" means the covenants and undertakings set out in Schedule 3 (*Issuer Covenants*) to this Agreement

"Issuer's Jurisdiction" means England and Wales or such other jurisdiction in which the Issuer is incorporated and/or subject to taxation as substituted pursuant to Condition 12 (*"Meetings of Noteholders, Modification, Waiver and Substitution of Principal Debtor"*)

"Issuer/Trustee Power of Attorney" means the power of attorney executed by the Issuer in the form set out in Part 2 of Schedule 9 (*Powers of Attorney*) to this Agreement

"Issuer/Administrators Power of Attorney" means the power of attorney executed by the Issuer in the form set out in Part 1 of Schedule 9 (*Powers of Attorney*) to this Agreement

"J VFN" means each of the J1 VFNs, J2 VFNs, J3 VFNs and J4 VFNs.

"J VFN Commitments" means the J1 VFN Commitment, the J2 VFN Commitment, the J3 VFN Commitment and the J4 VFN Commitment and **"J VFN Commitment"** means any one of them, as the context requires

"J VFN Holder" means the holder of the J VFNs

"J1 VFN" means the up to £338,700,000 Class J1 variable funding note due 2037.

"J1 VFN Commitment" has the meaning given thereto in Condition 19(a) (*J1 VFN*)

"J2 VFN" means the up to £73,600,000 Class J2 variable funding note due 2037

"J2 VFN Commitment" has the meaning given thereto in Condition 19(b) (*J2 VFN*)

"J3 VFN" means the up to £49,600,000 Class J3 variable funding note due 2037

"J3 VFN Commitment" has the meaning given thereto in Condition 19(c) (*J3 VFN*)

"J4 VFN" means the up to £33,500,000 Class J4 variable funding note due 2037.

"J4 VFN Commitment" has the meaning given thereto in Condition 19(d) (*J4 VFN*)

"J1 VFN Holder" means the holder of the J1 VFN.

"J2 VFN Holder" means the holder of the J2 VFN.

"J3 VFN Holder" means the holder of the J3 VFN.

"J4 VFN Holder" means the holder of the J4 VFN

"Joint Lead Managers" means JPMorgan and RBS

"JPMorgan" means J P Morgan Securities Ltd

"Junior Subordinated Loan" means the junior Sterling subordinated loan made available to the Issuer by the Junior Subordinated Loan Provider pursuant to the Junior Subordinated Loan Agreement on the Closing Date

"Junior Subordinated Loan Agreement" means a junior subordinated loan agreement dated the Closing Date between the Issuer, the Junior Subordinated Loan Provider and the Trustee

"Junior Subordinated Loan Provider" means Co-operative Bank

"K VFN" means the up to £149,712,861 Class K variable funding notes due 2037

"K VFN Holder" means the holder of the K VFNs

"K VFN Interest Payment Date" means each Interest Payment Date falling immediately after a Collection Period in which the Gilt Coupon is paid to the Issuer

"K VFN Interest Period" means, in respect of the K VFN, each period from (and including) a K VFN Interest Payment Date and ending on (but excluding) the next K VFN Interest Payment Date and in relation to the first K VFN Interest Period from (and including) the VFN Issue Date and ending on (but excluding) the first K VFN Interest Payment Date

"K VFN Principal Amount" means, on any Calculation Date, if a positive number, the difference between the Gilt Coupon and the interest due on the K VFN on the immediately following Interest Payment Date, otherwise zero

"Kensington" means Kensington Mortgage Company Limited

"Kensington Mortgage Sale Agreement" means the mortgage sale agreement dated 21 November 2005 between MAS6 and Kensington

"L VFN" means the up to £13,907,300 Class L variable funding notes due 2037

"L VFN Holder" in means the holder of the L VFNs

"LA Indemnity Policies" means the insurance policies described as such in the Mortgage Sale Agreements

"Leek 4" means Leek Finance Number Four Limited

"Leek 4 Mortgage Sale Agreement" means the mortgage sale agreement made between, *inter alia*, Leek 4 and Leek 7 and dated 17 April 2002

"Leek 4 Origination and Sale Agreement" means the origination and sale agreement made between, *inter alia* Leek 4 and PFL and dated 30 March 2001

"Leek 5" means Leek Finance Number Five Limited

"Leek 5 Mortgage Sale Agreement" means the mortgage sale agreement made between, *inter alia*, Leek 5 and Leek 7 and dated 17 April 2002

"Leek 5 Origination and Sale Agreement" means the origination and sale agreement made between, *inter alia*, Leek 5 and PFL and dated 18 September 2001, as amended and restated on 4 April 2002

"Leek 7" means Leek Finance Number Seven PLC

"Leek 7 Mortgages" means the mortgages purchased by Leek 7 from each of Leek 4 and Leek 5 pursuant to the Leek 4 Mortgage Sale Agreement and the Leek 5 Mortgage Sale Agreement, respectively

"Leek 7 Mortgage Sale Agreement" means the mortgage sale agreement made between, *inter alia*, Leek 7 and Meerbrook 1 and dated 13 February 2006

"Leek 17" means Leek Finance Number Seventeen PLC

"Lending Criteria" means the lending criteria set out in the Mortgage Sale Agreements

"Liabilities" means, in respect of any person or the Security, any losses, liabilities, damages, costs properly incurred, awards, expenses (including reasonable legal fees) and penalties incurred by that person or in respect of the Security

"LIBOR" means

- (a) the rate per annum of the offered quotation for deposits in Sterling for a period comparable to that Interest Period which appears on the page reference "LIBOR01" on the Reuters monitor at or about 11 00 a.m. on the first day of that Interest Period, or
- (b) if no such offered quotation appears on the page reference LIBOR or on the Reuters monitor, the arithmetic mean (rounded upward to the nearest 1/16th of one per cent.) of the rates quoted by the Reference Banks to leading banks in the London interbank market at or about 11 00 a.m. on the first day of that Interest Period for the offering of deposits in Sterling for a period comparable to that Interest Period.

"LIBOR Discount Mortgages" means those Mortgages where the applicable rate of interest is calculated at a discount for a fixed period reverting to a rate of interest calculated by reference to LIBOR plus a margin

"LIBOR Mortgages" means those Mortgages where the applicable rate of interest is calculated by reference to LIBOR plus a margin or margins

"LIBOR-Linked Mortgages" means those Mortgages where the rate of interest applicable thereto is calculated by reference to LIBOR

"Liquidity Drawing Amount" means in relation to any drawing under the Liquidity Facility on an Interest Payment Date an amount equal to the lesser of (i) the Available Drawing Amount and (ii) the sum of (A) the greater of (a) A - B and (b) zero and (B) the greater of (a) C + D + E - F and (b) zero, where

- A is equal to the amount determined by the Agent Bank to be owing in respect of item (vi) of the Regular Pre-Enforcement Interest Priority of Payments on the next following Interest Payment Date,

- B is equal to the greater of (x) Applied Income minus the amount notified to the Cash Manager to be owing in respect of items (i), (ii), (iii), (iv) and (v) of the Regular Pre-Enforcement Interest Priority of Payments on the next following Interest Payment Date and (y) zero;
- C if the M Condition is false, is equal to M Expenses and if the M Condition is true, is equal to zero,
- D if the B Condition is false, is equal to B Expenses and if the B Condition is true, is equal to zero,
- E if the C Condition is false, is equal to C Expenses and if the C Condition is true, is equal to zero, and
- F is equal to the greater of (x) Applied Income minus Senior Expenses and (y) zero

"Liquidity Facility" means the 364-day committed Sterling revolving liquidity facility available to the Issuer pursuant to the Liquidity Facility Agreement

"Liquidity Facility Agreement" means the agreement dated the Closing Date between the Issuer, the Liquidity Facility Provider, PFL and the Trustee as may be amended, restated or supplemented from time to time.

"Liquidity Facility Provider" means JPMorgan Chase Bank, N.A. or any successor liquidity facility provider pursuant to the terms of the Liquidity Facility Agreement

"Liquidity Shortfall" means in relation to any Calculation Date the lesser of

- (a) Principal Received, and
- (b) the greater of
 - (i) zero, and
 - (ii) $A + B + C + D - E$ where
 - A is equal to the Senior Expenses,
 - B if (x) the M Condition is false, or (y) the Sterling Principal Amount Outstanding of the A Notes and J1 VFNs is zero or (z) the Note Principal Payments due on the next following Interest Payment Date will reduce the Sterling Principal Amount Outstanding of the A Notes and J1 VFNs to zero, is equal to M Expenses and otherwise, is equal to zero,
 - C if (x) the B Condition is false, or (y) the Sterling Principal Amount Outstanding of the A Notes, J1 VFNs, M Notes and J2 VFNs is zero, or (z) the Note Principal Payments due on the next following Interest Payment Date will reduce the Sterling Principal Amount Outstanding of the A Notes, J1 VFNs, M Notes and J2 VFNs to zero, is equal to B Expenses and otherwise, is equal to zero,

D if (x) the C Condition is false, or (y) the Sterling Principal Amount Outstanding of the A Notes, J1 VFNs, M Notes, J2 VFNs, B Notes and J3 VFNs is zero, or (z) the Note Principal Payments due on the next following Interest Payment Date will reduce the Sterling Principal Amount Outstanding of the A Notes, J1 VFNs, M Notes, J2 VFNs, B Notes and J3 VFNs to zero, is equal to C Expenses and otherwise, is equal to zero, and

E is equal to Income Received

"List of Documents" means the list of documents set out in Schedule 10 (*The List of Documents*) to this Agreement

"Loan" means, in relation to each Mortgage, the aggregate Sterling advances made by the relevant originator to the relevant Borrower by way of loan and from time to time outstanding

"Loan Files" means the customer file or files relating to each Mortgage comprised in the Portfolios maintained by the Mortgage Lender or its agents on its behalf, but excluding the Title Deeds

"Loan Principal Received" means, in relation to any Calculation Date and any Mortgage, the amount received in respect of that Mortgage during the preceding Collection Period which is determined by the Cash Manager (prior to the occurrence of the Back-Up Cash Manager Replacement Date) and the Administrator (after the occurrence of the Back-Up Cash Manager Replacement Date) in accordance with the Administration Agreement to be of a principal nature

"London Business Day" means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for business (including dealings in foreign exchange and foreign currency deposits) in the City of London

"London Stock Exchange" means the London Stock Exchange plc

"LPA" means the Law of Property Act 1925

"M Condition" is true on a Calculation Date if on that Calculation Date.

$A + B - C + D - E - F < G + H$, where

A is the aggregate outstanding balances of the Mortgages as notified to the Cash Manager by the Administrator and the aggregate outstanding balance of the UK Gilts,

B is Principal Received,

C is the greater of (a) zero and (b) the Notional Provisions in relation to such Calculation Date less the aggregate of all amounts (if any) of Income Retained on all preceding Calculation Dates,

D is Income Received,

- E is Senior Expenses;
- F is M Expenses,
- G is the aggregate Sterling Principal Amount Outstanding of the A Notes and J1 VFNs, and
- H is 50 per cent of the aggregate Sterling Principal Amount Outstanding of the M Notes and J2 VFNs,

and otherwise is false

"M Expenses" means, in relation to any Calculation Date, the amount determined by the Cash Manager to be owing to the M Noteholders and the J2 VFN Holders in respect of item (viii) of the Regular Pre-Enforcement Interest Priority of Payments on the next following Interest Payment Date

"M Relevant Notes" means the M Notes in respect of which a valid Redemption Instruction has been delivered to the relevant clearing system in accordance with Condition 6(f) (*Investor Redemption Option*)

"M Noteholders" means the persons who for the time being are holders of the M Notes

"M Notes" means the Mc Notes, to be issued by the Issuer on the Closing Date, or as the case may be, a specific number thereof, whether represented by definitive or global notes

"Managers" means the Joint Lead Managers, ABN AMRO Bank N V, Barclays Bank PLC, Dresdner Bank AG London Branch and HSBC Bank plc, each a **"Manager"**.

"MAS6" means Mortgage Agency Services Number Six Limited

"MAS6 Declaration of Trust" means the declaration of trust declared by MAS6 in favour of, *inter alios*, the Issuer and the Trustee over the Collection Account and the Sundries Account which relate to the MAS6 Mortgages

"MAS6 Mortgages" means the mortgages purchased by the Issuer from MAS6 pursuant to the MAS6 Mortgage Sale Agreement

"MAS6 Mortgage Sale Agreement" means the mortgage sale agreement entered into, on or about the Closing Date, by the Issuer, MAS6, Co-operative Bank and the Trustee

"MAS6 Power of Attorney" has the meaning given to it in the MAS6 Mortgage Sale Agreement

"MAS6 VR" means a margin added to the applicable rate of interest in respect of certain MAS6 Mortgages which is currently 1 per cent

"Master Framework Agreement" means the master framework agreement dated the Closing Date, as amended and restated on the VFN Issue Date, between the Issuer and the Trustee as may be amended, restated or supplemented from time to time

"Maturity Date" has the meaning given to it in Condition 6(a) (*Redemption, Purchase and Cancellation - Final Redemption*)

"Maturity Redemption Amount" means, in respect of a Class of Relevant Notes, the Principal Amount Outstanding of the Class of Relevant Notes as at the Investor Redemption Calculation Date minus the corresponding Relevant Note Class Principal Deficiency Ledger

"Maximum Required Amount" means £27,689,978 35 or such other higher or lower amount agreed by the Issuer with the Rating Agencies from time to time

"Mc Noteholders" means the persons who for the time being are holders of the Mc Notes

"Mc Notes" means the €105,600,000 Class Mc Mortgage Backed Floating Rate Notes due 2037

"Meerbrook 1" means Meerbrook Finance Number One Limited

"Meerbrook 1 Deed of Release" means the deed of release entered into between Meerbrook 1 and The Royal Bank of Scotland plc dated the Closing Date.

"Meerbrook 1 Mortgage Sale Agreement" means the mortgage sale agreement entered into, on or about the Closing Date, by the Issuer, Meerbrook 1, Co-operative Bank and the Trustee

"Meerbrook 1 Mortgages" means the mortgages purchased by Meerbrook 1 from PFL pursuant to the Meerbrook 1 Origination and Sale Agreement

"Meerbrook 1 Origination and Sale Agreement" means the origination and sale agreement made between, *inter alia*, Meerbrook 1 and PFL and dated 11 July 2003, as amended and restated on 16 December 2003, 20 September 2004 and 19 December 2005

"Meeting" means a meeting of Noteholders (whether originally convened or resumed following an adjournment).

"MHA Documentation" has the meaning given to it in the PFL Mortgage Sale Agreement and the Meerbrook 1 Mortgage Sale Agreement

"MIG Policies" means the insurance policies described as such in the Mortgage Sale Agreements

"Minimum Denomination" means

- (a) in respect of the Sterling Notes (other than the K VFNs, the L VFNs and the N VFNs), £100,000,

- (b) in respect of the Dollar Notes, US\$100,000,
- (c) in respect of the Euro Notes, €100,000, and
- (d) in respect of the K VFNs, the L VFNs and the N VFNs, £100

"Minimum Short Term Rating" means in respect of any person, such person's short term unsecured, unsubordinated and unguaranteed debt obligations being rated·

- (a) in the case of Fitch, F1, and
- (b) in the case of Moody's, P-1

or such other ratings as would be required to maintain the then current ratings of the Notes

"Moody's" means Moody's Investors Service Ltd

"Mortgages" means the mortgages purchased by the Issuer from MAS6, Meerbrook 1 and PFL pursuant to the Mortgage Sale Agreements, and a **"mortgage"** means, in relation to each Loan, the first charge by way of legal mortgage in England and Wales or the first legal charge or mortgage in Northern Ireland or the first ranking Standard Security in Scotland over the relevant Property securing such Loan

"Mortgage Asset Agreement" means any agreement in relation to a Mortgage (including, without limitation, the Benefit of each Loan, the relevant Related Security, the Third Party Building Policies and each Insurance Policy in respect of such Mortgage) the Benefit of which has been assigned or transferred by either MAS6, Meerbrook 1 or PFL to the Issuer in accordance with the terms of the relevant Mortgage Sale Agreement and **"Mortgage Asset Agreements"** means all of them

"Mortgage Assets" means the Benefit of each Loan, the relevant Related Security, the Third Party Building Policies and each Insurance Policy in respect of such Mortgage

"Mortgage Conditions" means, in respect of a Loan, the terms and conditions regulating it

"Mortgage Pool" means the portfolio of Mortgages

"Mortgagee" means, in relation to a Mortgage, the person or persons in whom the powers, rights and benefits of the mortgagee or heritable creditor are from time to time conferred

"Mortgage Sale Agreements" means the MAS6 Mortgage Sale Agreement, the Meerbrook 1 Mortgage Sale Agreement and the PFL Mortgage Sale Agreement

"Most Senior Class" means

- (a) the A Notes and J1 VFNs, or

- (b) if no A Notes or J1 VFNs are then outstanding, the M Notes and J2 VFNs (if, at the relevant time, any M Notes and J2 VFNs are then outstanding), or
- (c) if no M Notes or J2 VFNs are then outstanding, the B Notes and J3 VFNs (if, at the relevant time, any B Notes and J3 VFNs are then outstanding), or
- (d) if no B Notes or J3 VFNs are then outstanding, the C Notes and J4 VFNs (if, at the relevant time, any C Notes and J4 VFNs are then outstanding), or
- (e) if no C Notes or J4 VFNs are then outstanding the K VFNs (if at the relevant time, any K VFNs are then outstanding), or
- (f) if no K VFNs are then outstanding, the L VFNs (if at the relevant time, any L VFNs are then outstanding), or
- (g) if no L VFNs are then outstanding, the N VFNs (if at the relevant time, any N VFNs are then outstanding)

"Multi-Currency Repayment Amounts" means the Co-operative Bank Sterling Repayment Amount, the Co-op Dollar Repayment Amount and the Co-op Euro Repayment Amount

"N VFN" means the up to £2,000,000 Class N variable funding notes due 2037

"N VFN Holder" means the holder of the N VFNs.

"Nominee Declaration of Trust" means the declaration of trust dated 3 March 2006 and made by the Share Trustee in relation to the holding by the Share Trustee of one "ordinary share of £1 00 in the Issuer

"Non-Payment Notice" means a notice served by the Back-Up Administrator on the Co-operative Bank and the Issuer (copied to the Cash Manager) pursuant to clause 7 9 of the Back-Up Administration Agreement

"Non-Principal Amortisation Amount" means, as at a Calculation Date, £4,251,358 93 (being, the amount equal to the current balances plus accrued interest less the principal balances of the Loans as at 28 March 2006) applied *pro rata* in relation to the number of days in each Collection Period ending on each such Calculation Date, on the Calculation Dates during the first calendar year after the Closing Date and, to the extent not applied in such period, then applied on each succeeding Calculation Date until applied in full, and thereafter, zero

"Northern Irish Loan" means a Loan secured by a Northern Irish Mortgage.

"Northern Irish Mortgages" means the Mortgages over Northern Irish Properties and Northern Irish Mortgage means any one of them

"Northern Irish Property" means a Property located in Northern Ireland

"Note Principal Payment" has the meaning given thereto in Condition 6(c) (*"Redemption, Purchase and Cancellation - Note Principal Payments, Principal Amount Outstanding and Pool Factor"*)

"Note Redemption Amount" means the product (calculated to six decimal places with the mid point rounded up) of (i) the Principal Amount Outstanding of a Note on the Investor Redemption Calculation Date and (ii) the Investor Redemption Price

"Noteholders" means the holders from time to time of the Notes

"Notes" means, subject to Condition 3 ("*Status, Ranking and Security*") any of the A Notes, the M Notes, the B Notes, the C Notes, the J1 VFNs, the J2 VFNs, the J3 VFNs, the J4 VFNs, the K VFNs, L VFNs and the N VFNs and Note means any one of them

"Notice" means any notice delivered under or in connection with any Transaction Document

"Notice of Assignment" means notices in, or substantially in, the forms set out in Part 1 Sections A and C of Schedule 7 (*Schedule Related to the Declarations of Trust*) to this Agreement

"Notices Condition" means Condition 15 ("*Notices*").

"Notices Details" means the provisions set out in Schedule 4 (*Notice Details*) to this Agreement

"Notional Provisions" means, in relation to any Calculation Date, the aggregate amount of provisions (if any) which the Administrator determines in accordance with the Administration Agreement should be made in relation to the Mortgages

"Obligations" means all the legal obligations of the Issuer created by or arising under the Notes and the Transaction Documents

"Obligee" shall have the meaning given to that expression in Paragraph 2 (*Further Assurances*) of the Common Terms.

"Obligor" shall have the meaning given to that expression in Paragraph 2 (*Further Assurances*) of the Common Terms

"Obtained Consents" means, in relation to a Transaction Party, the consents which such Transaction Party has received from any other party or the licences, approvals or authorisations of any Governmental Authority in connection with such Transaction Party's entry into or performance of Transaction Documents to which it is a party

"Offering Circular" means the offering circular dated 6 April 2006 prepared in connection with the issue by the Issuer of the Notes

"Officer's Certificate" means a certificate in, or substantially in, the form set out in the Signing and Closing Agenda

"Official List" means the official list as defined in Section 74 of the Financial Services and Markets Act 2000

"Original Noteholder" means the holders from time to time of the Original Notes

"Original Notes" means the A Notes, the M Notes, the B Notes and the C Notes

"Originator" means PFL (in respect of all Mortgages other than the MAS6 Mortgages).

"Originator Power of Attorney" has the meaning given to it in the PFL Mortgage Sale Agreement and the Meerbrook 1 Mortgage Sale Agreement

"outstanding" means, in relation to the Notes, all of the Notes other than

- (a) those which have been redeemed in full in accordance with the Conditions;
- (b) those in respect of which the date for redemption, in accordance with the provisions of the Conditions, has occurred and for which the redemption moneys (including all interest accrued thereon to such date for redemption) have been duly paid to the Trustee or the Principal Paying Agent in the manner provided for in the Paying Agency Agreement (and, where appropriate, notice to that effect has been given to the Noteholders in accordance with the Notices Condition) and remain available for payment in accordance with the Conditions,
- (c) those which have been purchased and surrendered for cancellation as provided in Condition 6 (*Redemption, Purchase and Cancellation*) and notice of the cancellation of which has been given to the Trustee;
- (d) those which have become void under the Conditions,
- (e) those mutilated or defaced Notes which have been surrendered or cancelled and in respect of which replacement Notes have been issued pursuant to the Conditions;
- (f) any Global Note, to the extent that it shall have been exchanged for the related Definitive Notes pursuant to the provisions contained therein and the Conditions, and
- (g) the Principal Amount Outstanding of (and without prejudice to the status for any other purpose of the relevant Notes) those Notes which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to the Conditions,

provided that for each of the following purposes, namely

- (i) the right to attend and vote at any meeting of Noteholders,
- (ii) the determination of how many and which Notes are for the time being outstanding for the purposes of Condition 12 (*Meeting of Noteholders, Modification, Waiver and Substitution of Principal Debtor*), Condition 10 (*Events of Default*) and the percentages referred to in Condition 11 (*Enforcement*) and the Provisions for Meetings of Noteholders, and

- (iii) any discretion, power or authority, whether contained in the Trust Deed or provided by law, which the Trustee is required to exercise in or by reference to the interests of the Noteholders or any of them,

those Notes (if any) which are for the time being held by any person (including but not limited to the Issuer or Co-operative Bank for the benefit of the Issuer or Co-operative Bank shall (unless and until ceasing to be so held) be deemed not to remain outstanding

"Participating Member State" means at any time any member state of the European Union that adopts or has adopted the euro as its lawful currency in accordance with the Treaty

"Paying Agency Agreement" means the agreement named "Paying Agency and Agent Bank Agreement" dated the Closing Date, as amended and restated on the VFN Issue Date, between, amongst others, the Issuer, the Principal Paying Agent, the U S Paying Agent, the Agent Bank, the Transfer Agents, the Registrar, the VFN Registrar and the Trustee as may be amended, restated or supplemented from time to time

"Paying Agents" means the Principal Paying Agent and the U S Paying Agent together with any successor or additional paying agents appointed from time to time in connection with the Notes under the Paying Agency Agreement and **"Paying Agent"** means any one of them

"Paying Transaction Party" means any Transaction Party which is under an obligation created by a Transaction Document to make a payment to a Receiving Transaction Party

"Payments Priorities" means the Pre-Enforcement Payment Priorities, the Relevant Notes Redemption Priority of Payments and the Post-Enforcement Priority of Payments

"Perfection Acts" has the meaning given to it in the Mortgage Sale Agreements.

"PFL" means Platform Funding Limited

"PFL Declaration of Trust" means the declaration of trust declared by PFL in favour of the Issuer and the Trustee over the Collection Accounts and the Sundries Account which relate to the PFL Mortgages

"PFL Mortgage Sale Agreement" means the mortgage sale agreement entered into on the Closing Date, by the Issuer, PFL, Co-operative Bank and the Trustee

"PFL Mortgages" means the mortgages purchased by the Issuer from PFL pursuant to the PFL Mortgage Sale Agreement and the mortgages purchased by the Issuer from Meerbrook 1 pursuant to the Meerbrook 1 Mortgage Sale Agreement

"Pool Factor" means

- (a) in respect of the Sterling Notes, the fraction of which the numerator is the Principal Amount Outstanding of a Note and the denominator is 100,000,

- (b) in respect of the Dollar Notes, the fraction of which the numerator is the Principal Amount Outstanding of a Note and the denominator is 100,000, and
- (c) in respect of the Euro Notes, the fraction of which the numerator is the Principal Amount Outstanding of a Note and the denominator is 100,000

"Portfolio" means those Loans listed in Annexure 1 (*The Portfolio*) of each Mortgage Sale Agreement and includes any Retentions and Further Advances in respect of such Loans as at their respective Cut-Off Date

"Post-Enforcement Call Option" means the option granted to Holdings by the Trustee on or about the Closing Date to acquire all (but not some only) of the Notes pursuant to the terms of the Post-Enforcement Call Option Deed

"Post-Enforcement Call Option Deed" means the deed between the Trustee and Holdings dated the Closing Date in relation to the Post-Enforcement Call Option.

"Post-Enforcement Priority of Payments" has the meaning given thereto in Condition 3(j) (*"Priority of Payments following Enforcement"*)

"Potential Event of Default" means any event which may become (with the passage of time, the giving of notice, the making of any determination or any combination thereof) an Event of Default

"Powers of Attorney" means the Trustee/Administrators Power of Attorney, the Issuer/Trustee Power of Attorney and the Issuer/Administrators Power of Attorney

"Pre-Enforcement Interest Priority of Payments" means the Regular Pre-Enforcement Interest Priority of Payments and on the Final Repayment Date the Final Pre-Enforcement Interest Priority of Payments

"Pre-Enforcement Payment Priorities" means the Pre-Enforcement Interest Priority of Payments and the Pre-Enforcement Principal Priority of Payments

"Pre-Enforcement Principal Priority of Payments" has the meaning given thereto in Condition 6(b) (*Redemption, Purchase and Cancellation - Mandatory Redemption in Part*)

"Preliminary Offering Circular" means the preliminary offering circular dated 16 March 2006 prepared in connection with the issue by the Issuer of the Notes

"Principal Administrator" means PFL in its capacity as administrator of the Mortgages other than the MAS6 Mortgages under the Administration Agreement or any successor principal administrator appointed in accordance with the Administration Agreement or (after the Back-Up Administrator Succession Date and in relation to the capacity of administrator) the administrator under the Replacement Administration Agreement (or any successor thereof) or (after the Back-Up Cash Manager Replacement Date and in relation to the capacity of cash manager) the cash manager under the Replacement Cash Management Agreement (or any successor thereof)

"Principal Amount Outstanding" means, (i) on any date in relation to a Note (other than a J VFN), the principal amount outstanding of that Note as at the Closing Date less the aggregate of all Note Principal Payments that have become due and payable in respect of that Note (whether or not paid) on or prior to that date **provided that**, for the purposes of Condition 5 (*Interest*), Condition 6 (*Redemption, Purchase and Cancellation*) and Condition 10 (*Events of Default*), all Note Principal Payments that have become due and not been paid shall not be so deducted, and (ii) in relation the J1 VFN, J2 VFN, J3 VFN and/or J4 VFN, on the date which the Relevant J VFN is funded, the Principal Amount Outstanding of the A2 Relevant Notes, M Relevant Notes, the B Relevant Notes and/or the C Relevant Notes (as applicable) on that date, prior to any redemption pursuant to Condition 6(f) (*Investor Redemption Option*) and, on any subsequent date, shall be the principal amount outstanding of the Relevant J VFN on the date on which it was funded less the aggregate amount of all Note Principal Payments in respect of such J VFN which have been made since the original date on which it was funded

"Principal Paying Agent" means HSBC Bank plc as principal paying agent, together with any successor principal paying agent appointed from time to time in connection with the Notes under the Paying Agency Agreement

"Principal Received" means, in relation to the Mortgages and as at a Calculation Date, the amount (subject to cash available) determined by the Administrator to be equal to

$A+B+C+D+E+F$

where

- A is the aggregate amount of Loan Principal Received as at such Calculation Date,
- B is the Liquidity Shortfall satisfied from Principal Received on the preceding Calculation Date and any Liquidity Shortfall for any Calculation Date (the "**relevant Calculation Date**") before the preceding Calculation Date to the extent that (a) such Liquidity Shortfall was taken into account as reducing Principal Received on the relevant Calculation Date (the amount of the said reduction being X) and (b) compensating amounts of income (equal in aggregate to X) have not been treated as Principal Received on Calculation Dates subsequent to the relevant Calculation Date,
- C is the Non-Principal Amortisation Amount (if any) as at such Calculation Date,
- D is any Principal Received on the preceding Calculation Date that has not been paid away subsequently, including any amount set aside as Retained Principal,
- E is any GIC Provider Defaulted Amounts in replacement of the Principal Received that has not been paid by Co-operative Bank in its capacity as GIC Provider as a result of a GIC Provider Non Payment Event, and

F in the case of the first Calculation Date after the Closing Date only, is an amount equal to the aggregate amount by which the gross proceeds of the Notes (having in part been exchanged into Sterling pursuant to the Cross Currency Swap Agreements) exceed the aggregate amount of the initial purchase prices paid by the Issuer to PFL, MAS6 and Meerbrook 1 for the Mortgages

"Principal Recoveries" means, in relation to any Calculation Date, the greater of (i) zero and (ii) $A - B - C$

Where

A is the sum of the aggregate of all amounts of Income Retained on all preceding Calculation Dates (or, if none, zero),

B is the sum of Principal Recoveries on all preceding Calculation Dates (or, if none, zero), and

C is the Principal Shortfall as at such Calculation Date

"Principal Shortfall" means in relation to any Calculation Date, the aggregate of Actual Principal Losses which have arisen up to and including such Calculation Date and the amount of the Notional Provisions in relation to such Calculation Date.

"Proceedings" means any proceedings relating to a Dispute

"Property" means, in relation to a Loan, the related freehold or long leasehold residential property (if in England, Wales or Northern Ireland) or the heritable or long leasehold (having an unexpired term of at least 21 years) residential property (if located in Scotland) financed by such Loan and **"Properties"** means any one or more Property

"Provisional Cut-Off Date" means 31 December 2005

"Provisions for Meetings of Noteholders" means the provisions contained in Schedule 3 to the Trust Deed

"Proxy" means, in relation to any Meeting, a person appointed to vote under a Block Voting Instruction other than

(a) any such person whose appointment has been revoked and in relation to whom the relevant Paying Agent has been notified in writing of such revocation at least 48 hours before the time fixed for such Meeting, and

(b) any such person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the Meeting when it is resumed

"Prudent Mortgage Lender" means a reasonably prudent mortgage lender underwriting mortgage loans to Borrowers of the type contemplated in the relevant Lending Criteria on terms similar to those set out in the relevant Lending Criteria

"Put Option" has the meaning given to it in each Mortgage Sale Agreement

"QIB" or **"Qualified Institutional Buyer"** means a person who is a qualified institutional buyer as defined in Rule 144A under the Securities Act

"Qualified Purchaser" means a qualified purchaser within the meaning of Section 2(a)(51)(A) of the Investment Company Act.

"Qualifying Noteholder" means

- (a) a person which is beneficially entitled to interest in respect of the Note and is
 - (i) a company resident in the United Kingdom for United Kingdom tax purposes,
 - (ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which will bring into account payments of interest in respect of the Note in computing the chargeable profits (for the purposes of section 19 of the Corporation Tax Act 2009 ("**CTA 2009**") of that company, or
 - (iii) a partnership each member of which is
 - (A) a company resident in the United Kingdom, or
 - (B) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which will bring into account in computing its chargeable profits (for the purposes of section 19 of the CTA 2009) the whole of any share of a payment of interest in respect of the Note that falls to it by reason of Part 17 of the CTA 2009 as amended; or
- (b) a person which falls within any of the other descriptions in section 935 or 936 of the Income Tax Act 2007 as amended ("**ITA 2007**") and satisfies any conditions set out therein in order for the interest to be an excepted payment for the purposes of section 930 ITA 2007

"Quarterly Investor Report" means the report so named to be given by the Cash Manager to the Trustee and the Joint Lead Managers substantially in the form set out in Part 1 of Schedule 8 (*Rating Agency Report - Quarterly Investor Report*) to this Agreement

"Quarterly Administrator's Report" means the report so named to be given by the Administrator to the Issuer and (prior to the Back-Up Cash Manager Replacement Date) the Back-Up Cash Manager, the Back-Up Cash Manager Facilitator, the Back-Up Administrator Facilitator and the Trustee and (after the Back-Up Cash Manager Replacement Date) the Cash Manager, substantially in the form set out in the Administration Agreement

"Rate Fixing Dates" means the first London Business Day of the relevant month

"Rate of Interest" has the meaning given thereto in Condition 5(c) (*Rate of Interest*)

"Rating" means the rating of each Class of Notes given by each of the Rating Agencies and **"Ratings"** means all of such Ratings

"Rating Agency Report" means, together, the Quarterly Investor Report and the Quarterly Administrator's Report

"Rating Agencies" means Fitch and Moody's.

"RBS" means The Royal Bank of Scotland plc

"Reasonable, Prudent Mortgage Administrator" means a reasonable, prudent mortgage administrator operating in the UK residential mortgage administration outsourcing industry and who follows generally accepted good practice within that industry.

"Receiver" means any person (being a licensed insolvency practitioner), who is appointed by the Trustee to be a receiver of the Charged Property to act jointly, or jointly and severally, as the Trustee shall determine

"Receiving Transaction Party" means, where one Transaction Party is required by a Transaction Document to make payment to another Transaction Party, the Transaction Party that is to receive such payment

"Reconciliation Amount" has the meaning given to it in the Mortgage Sale Agreements

"Record Date" means the seventh Business Day before the due date for the relevant payment

"Redemption Instruction" has the meaning given to it in Condition 6(f) (*"Investor Redemption Option"*).

"Reference Banks" means RBS, Lloyds TSB Bank Plc, Barclays Bank Plc and HSBC Bank plc or such other four major banks in the London interbank market as may be approved by the Trustee from time to time

"Register" means the register on which the names and addresses of the holders of the Notes (other than the VFNs) and the particulars of the Notes (other than the VFNs) shall be entered and kept by the Issuer at the Specified Office of the Registrar

"Registers of Northern Ireland" means the Land Registry of Northern Ireland and/or Registry of Deeds, Belfast

"Registers of Scotland" means the Land Register of Scotland and/or the General Register of Sasines

"Registrar" means the party responsible for the registration of the Original Notes, which at the Closing Date is HSBC Bank USA, National Association

"Regular Pre-Enforcement Interest Priority of Payments" has the meaning given thereto in Condition 3(h) (*"Status, Ranking and Security – Priority of Payments Prior to Enforcement – Income Receipts"*)

"Regulated Mortgage Asset Agreement" means any Mortgage Asset Agreement which is a "regulated agreement" as that expression is defined in the CCA

"Regulated Mortgage Contract" means a credit agreement which constitutes a "regulated mortgage contract" as defined in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544), as amended from time to time

"Regulation S" means Regulation S of the Securities Act

"Regulation S Global Notes" means the Notes initially offered and sold outside the United States to non-U.S. persons pursuant to Regulation S under the United States Securities Act of 1933, as amended, and represented by a global note in fully registered form in the form or substantially in the form set out in Part B of Schedule 1 to the Trust Deed

"Regulation S Note" means a Regulation S Global Note or a Definitive Registered Regulation S Note.

"Regulatory Direction" means a direction or requirement of any Governmental Authority (including, for the avoidance of doubt, any Tax Authorities) with whose direction or requirements an entity is accustomed to comply.

"Related Security" means, in relation to a Loan, the Mortgage relating thereto and all other collateral security for all principal moneys payable under such Loan including any relevant guarantees, Deeds of Consent, Deeds of Postponement, MHA Documentation and any rights against any person or persons in connection with the origination and completion of such Loan

"Relevant Days" means 365 days (or 366 days if the last day of the relevant period falls in a leap year)

"Relevant Event" means the occurrence of any of the following events or circumstances

- (a) the service of an Enforcement Notice by the Trustee,
- (b) the termination of the appointment of PFL as the Principal Administrator under the Administration Agreement,
- (c) MAS6 and/or PFL and/or the Issuer and/or the Trustee is obliged to perfect the legal title to any of the Loans or their Related Security by an order or decree of a court of competent jurisdiction, by applicable law or by a regulatory authority,
- (d) the security under the Deed of Charge or any material part of it is in material jeopardy in the reasonable opinion of the Trustee, and the Trustee decides to take such action to materially reduce such jeopardy,

- (e) the commencement of Insolvency Proceedings in relation to MAS6 or PFL,
- (f) MAS6 or PFL calls for perfection of title by serving a notice to that effect on the Issuer and the Trustee, or
- (g) 50 years from the date of any of the Mortgage Sale Agreements expires

"Relevant Expenses" means the aggregate of the Senior Expenses, plus the M Expenses (unless the M Condition is true), plus the B Expenses (unless the B Condition is true), plus the C Expenses (unless the C Condition is true)

"Relevant Fraction" means

- (a) for all business other than voting on an Extraordinary Resolution, 5 per cent,
- (b) for voting on any Extraordinary Resolution other than one relating to a Basic Terms Modification, one more than 50 per cent, and
- (c) for voting on any Extraordinary Resolution relating to a Basic Terms Modification, 75 per cent,

provided that in the case of a Meeting which has resumed after adjournment for want of a quorum, it means

- (i) for all business other than voting on an Extraordinary Resolution relating to a Basic Terms Modification, the fraction of the aggregate principal amount of the outstanding Notes represented or held by the Voters actually present at the Meeting, and
- (ii) for voting on any Extraordinary Resolution relating to a Basic Terms Modification, 25 per cent

"Relevant GIC Account" means the GIC Account into which the Cash Manager is obliged, pursuant to the Administration Agreement, to deposit cash amounts received by the Issuer

"Relevant Information" means any information provided to the Managers which has been expressly authorised in writing by the Issuer for use in connection with the offering or sale of the Notes

"Relevant J VFN" means in respect of the

- (a) A2 Notes, the J1 VFNs,
- (b) M Notes, the J2 VFNs,
- (c) B Notes, the J3 VFNs, and
- (d) C Notes, the J4 VFNs

"Relevant J VFN Holder" means in respect of the

- (a) the J1 VFNs, the J1 VFN Holder,

- (b) the J2 VFNs, the J2 VFN Holder,
- (c) the J3 VFNs, the J3 VFN Holder, and
- (d) the J4 VFNs, the J4 VFN Holder.

"Relevant Margin" has the meaning given thereto in Condition 5(c) (*"Interest - Rate of Interest"*)

"Relevant Note Class Principal Deficiency Ledger" means, in respect of a Class of Relevant Notes on the Investor Redemption Calculation Date, an amount denominated in the currency of such Class of Relevant Notes (converted at the Euro Swap Rate or Dollar Swap Rate, as appropriate), being the product of the Tranche Principal Deficiency Ledger and the Relevant Note Class Ratio

"Relevant Note Class Ratio" means, in respect of a Class of Relevant Notes, an amount equal to (i) the Sterling Principal Amount Outstanding of the Class of Relevant Notes divided by (ii) the corresponding Sterling Tranche Amount

"Relevant Notes" has the meaning given to it in Condition 6(f) (*"Investor Redemption Option"*)

"Relevant Notes Redemption Priority of Payments" has the meaning given thereto in Condition 6(f)(ix)

"Relevant Period" means, in relation to an Interest Determination Date, the length in months of the related Interest Period

"Relevant Purchaser" has the meaning given to it in the Meerbrook 1 Mortgage Sale Agreement, the MAS6 Mortgage Sale Agreement or the PFL Mortgage Sale Agreement

"Relevant Transaction Documents" means, in respect of any Transaction Party, the Transaction Documents to which such Transaction Party is a party or Transaction Documents that contain provisions that otherwise bind or confer rights upon such Transaction Party

"Replacement Administration Agreement" means the replacement administration agreement entered into in accordance with clause 5 of the Back-Up Administration Agreement between, amongst others, Homeloan Management Limited, and the Issuer

"Replacement Cash Management Agreement" means the replacement cash management agreement entered into in accordance with clause 5 of the Back-Up Cash Management Agreement between, amongst others, Citibank N A., London Branch, and the Issuer

"Replacement Cash Manager" means Citibank N A , London Branch, in its capacity as cash manager under the Replacement Cash Management Agreement

"Replacement Instruments" means the Global Notes and Definitive Notes which have been authenticated and delivered by the Registrar under the terms of the Paying Agency Agreement, as a replacement for any Global Notes, Definitive Notes which

have been mutilated or defaced or which are alleged to have been destroyed and **"Replacement Instrument"** means any one of them

"Required Amount" means the lower of (a) the amount (if any) of Applied Income on each Interest Payment Date to be paid into or applied to the Relevant GIC Account after prior payment in full of items (i) to (x) (inclusive) of the Regular Pre-Enforcement Interest Priority of Payments and (b) the Maximum Required Amount

"Required Filings" means in respect of the Issuer:

- (a) the filing of the Offering Circular with the Company Announcements Office of the Stock Exchange,
- (b) the registration of a correctly completed Form 395 and an original executed copy of the Deed of Charge with the Registrar of Companies,
- (c) the registration of correctly completed Forms 395 and 398 and a certified copy of any Scottish Sub-Security granted pursuant to clause 4.2 (*Creation of Fixed Security*) of the Deed of Charge with the Registrar of Companies, and
- (d) the registration of a correctly completed Form 402 and an original executed copy of the Deed of Charge with the Registrar of Companies for Northern Ireland,

each in accordance with any relevant Requirement of Law

"Requirement of Law" in respect of any person shall mean

- (a) any law, treaty, rule, requirement or regulation;
- (b) a notice by an order of any court having jurisdiction,
- (c) a mandatory requirement of any regulatory authority having jurisdiction, or
- (d) a determination of an arbitrator or Governmental Authority,

in each case applicable to or binding upon that person or to which that person is subject

"Retained Principal" means, in relation to any Calculation Date, the sum of (i) the Rounding Balance, and (ii) such amount up to 10.0 per cent, of the aggregate outstanding balance of the Mortgages as at the Closing Date as the Administrator determines on such Calculation Date should be retained for the purpose of purchasing Further Advances and Retentions

"Retentions" means an amount or amounts to be advanced but retained as at the relevant cut-off date pending satisfaction of certain conditions (as described in the relevant letter of offer).

"Right to Buy Loan" has the meaning given to it in each Mortgage Sale Agreement

"Rights" has the meaning given to it in each Mortgage Sale Agreement

"Rounding Balance" has the meaning given to it in Condition 6(b) (*"Mandatory Redemption in Part"*)

"Rule 144A" means Rule 144A under the Securities Act, as amended.

"Rule 144A Global Notes" means the Notes initially offered and sold inside the United States to persons who are both (i) "qualified institutional buyers" (as defined in and in reliance on, Rule 144A) and (ii) "qualified purchasers" for the purposes of the Investment Company Act of 1940, as amended, in transactions made in accordance with Rule 144A, and represented by a global note in fully registered form in the form or substantially in the form set out in Part A of Schedule 1 to the Trust Deed

"Rule 144A Note" means a Rule 144A Global Note or a Definitive Registered Rule 144A Note.

"Scottish Declarations of Trust" means the declarations of trust in respect of the Scottish Loans and their Related Security made by PFL in favour of the Issuer on the Closing Date in relation to the Scottish Mortgages pursuant to the PFL Mortgage Sale Agreement and, with the consent of Meerbrook 1, pursuant to the Meerbrook 1 Mortgage Sale Agreement

"Scottish Loan" means a Loan secured by a Scottish Mortgage.

"Scottish Mortgages" means the Mortgages secured by way of Standard Security over residential properties located in Scotland

"Scottish Properties" means those Properties located in Scotland

"Scottish Sub-Security" means any Standard Security or assignation in security granted by the Issuer in favour of the Trustee pursuant to clause 4.2 (*Creation of Fixed Security*) of the Deed of Charge

"Scottish Trust Property" has the meaning given to it in each Scottish Declaration of Trust

"Screen" means the display designated as the British Bankers Association's Interest Settlement Rate as quoted on the page reference "LIBOR01" on the Reuters monitor, or

- (a) such other page as may replace page reference "LIBOR01" on the Reuters monitor on that service for the purpose of displaying such information, or
- (b) if that service ceases to display such information, such page as displays such information on such service (or, if more than one, that one previously approved in writing by the Trustee) as may replace the Screen

"SEC" means the United States Securities and Exchange Commission

"Second Supplemental Deed of Charge" means the second supplemental deed of charge relating to a deed of charge dated 12 April 2006 between the Issuer, Trustee, Principal Administrator, MAS6, Meerbrook 1, RBS, JP Morgan Chase Bank N A , Leek Finance Holdings Number Seventeen Limited, HSBC Bank plc, HSBC Bank USA, National Association and Co-operative Bank

"Second Supplemental Trust Deed" means the second supplemental trust deed relating to a trust deed dated 12 April 2006 between the Issuer and the Trustee

"Secured Creditors" means the Noteholders, the Trustee, MAS6, Meerbrook 1, PFL, any Receiver, the Paying Agents, the Agent Bank, the Administrators, the Liquidity Facility Provider, the Expenses Loan Provider, the Corporate Services Provider, the Back-Up Administrator Facilitator, the Back-Up Cash Manager Facilitator, the Senior Subordinated Loan Provider, the Junior Subordinated Loan Provider, the Back-Up Cash Manager, the Back-Up Administrator, and any Swap Counterparty

"Secured Obligations" means

- (a) all monies and liabilities whatsoever which from time to time become due, owing or payable by the Issuer
 - (i) to the order of the Trustee and/or any Receiver under the Deed of Charge, the Trust Deed or the Conditions at the times and in the manner provided herein or therein;
 - (ii) under or in respect of the Notes, and
 - (iii) to the Trustee on any account whatsoever, whether as principal or surety and whether or not directly with another, and
- (b) all monies and liabilities whatsoever which from time to time become due, owing or payable by the Issuer to each of the other Secured Creditors in accordance respectively with each of the other Transaction Documents

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

"Security" means all assets, rights and amounts secured pursuant to the Deed of Charge

"Security Protection Notice" means a notice in, or substantially in, the form set out in Part 2 of Schedule 7 (*Schedule Related to the Declarations of Trust*) to this Agreement

"Senior Expenses" means, in relation to any Calculation Date, the amount determined by the Cash Manager to be owing in respect of items (i) to (vii) (inclusive) of applicable the Pre-Enforcement Interest Priority of Payments on the next following Interest Payment Date

"Senior Subordinated Loan" means the senior subordinated loan made to the Issuer by the Senior Subordinated Loan Provider under the Senior Subordinated Loan Agreement

"Senior Subordinated Loan Agreement" means a senior subordinated loan agreement dated the Closing Date between the Issuer, the Senior Subordinated Loan Provider and the Trustee.

"Senior Subordinated Loan Provider" means Co-operative Bank

"Service Specification" has the meaning given to it in the relevant Administration Agreement

"Services" has the meaning given to it in the relevant Administration Agreement

"Share Declaration of Trust" means the charitable share declaration of trust dated 3 March 2006 and made by the Share Trustee in relation to the holding by the Share Trustee of the entire issued share capital of Holdings

"Share Trustee" means, acting in such capacity, Capita Trust Nominees No. 1 Limited

"Signing and Closing Agenda" means the agenda so named and dated the Closing Date setting out, amongst other things, procedures for the Closing Date

"Specified Offices" means the specified offices set out in Condition 18(c) ("*Specified offices of the Agent*")

- (a) the office specified against its name in the Notices Condition, or
- (b) such other office as such Agent may specify in accordance with clause 14.9 (*Changes in Specified Offices*) of the Paying Agency Agreement

"SPV Criteria" means criteria established from time to time by the Rating Agencies for a single purpose company in the Issuer's jurisdiction

"Squaring Off Amount" has the meaning given to it in Schedule 4 of the Replacement Cash Management Agreement

"Stabilisation Manager" means JPMorgan

"Standard Documentation" has the meaning given to it in each of the Mortgage Sale Agreements

"Standard Security" has the meaning given to it in the PFL Mortgage Sale Agreement and the Meerbrook 1 Mortgage Sale Agreement

"Standby Drawings Account" means an account opened in the name of the Issuer with the Liquidity Facility Provider in accordance with the terms of the Liquidity Facility Agreement

"Step-Up Date" means the Interest Payment Date falling in June 2011

"Sterling" or "£" denotes the lawful currency of the United Kingdom.

"Sterling Interest Amount" has the meaning given thereto in Condition 5(d) (*"Interest -Determination of Rates of Interest and Calculation of Interest Amounts"*)

"Sterling Interest Determination Date" has the meaning given to it in Condition 5(c), (*"Interest - Rate of Interest"*)

"Sterling LIBOR Screen Rate" has the meaning given to it in Condition 5(c)(11) (*"Interest -Rate of Interest"*)

"Sterling Notes" means the A1a Notes, the A2a Notes, the Ba Notes and the VFNs

"Sterling Principal Amount Outstanding" means, on any date in relation to (i) a Sterling Note, the Principal Amount Outstanding of that Sterling Note, (ii) a Dollar Note, the Principal Amount Outstanding of that Dollar Note converted into Sterling at the Dollar Swap Rate, and (iii) a Euro Note, the Principal Amount Outstanding of that Euro Note converted into Sterling at the Euro Swap Rate

"Sterling Tranche Amount" means, in respect of a Class of Notes, an amount equal to the aggregate of the Sterling Principal Amount Outstanding of all Classes of Notes constituting a Tranche

"Stock Exchange" means the London Stock Exchange plc.

"Sub-Administrator" means WMS

"Sub Loan Drawing" means each of the tranches drawn under the Senior Subordinated Loan and the Junior Subordinated Loan, respectively, and which together equal to 2.00 per cent of the sum of the aggregate Sterling Principal Amount Outstanding of the Notes at the Closing Date.

"Subscription Agreement" means the subscription agreement between the Issuer, the Managers and Co-operative Bank dated 6 April 2006

"Substituted Obligor" means a single purpose company incorporated in any jurisdiction that meets the SPV Criteria

"Sum" has the meaning given to it in Paragraph 20.3 (*Currency Indemnity*) of the Common Terms in this Master Framework Agreement

"Supplemental Deed of Charge" means the supplemental deed of charge relating to a deed of charge dated 12 April 2006 between the Issuer, Trustee, Principal Administrator, MAS6, Meerbrook 1, RBS, JP Morgan Chase Bank N A, Leek Finance Holdings Number Seventeen Limited, HSBC Bank plc, HSBC Bank USA, National Association and Co-operative Bank

"Sundries Accounts" means together

- (a) the account with account number [REDACTED]4508 named the "Platform Funding Limited re Leek 7 (LFL4) Sundries Account",
- (b) the account with account number [REDACTED]9275 named the "Platform Funding Limited re Leek 7 (LFL5) Sundries Account",

- (c) the account with account number [REDACTED]4989 named the "Platform Funding Limited re Leek 17 Sundries Account", and
- (d) the account with account number [REDACTED]2072 named the "Mortgage Agency Services No 6 Limited re Leek 17 Sundries Account",

each with sort code [REDACTED] at National Westminster Bank plc, or any other replacement sundries account established from time to time

"Swap Agreements" means, together, the Basis Swap Transactions, the Cross Currency Swap Agreements and the Interest Rate Swap Transactions or any replacement thereof

"Swap Counterparty" means the Basis Swap Counterparty, the Interest Rate Swap Counterparty and the Cross Currency Swap Counterparty, or any of them as the context may require

"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

"Tax" shall be construed so as to include any present or future tax, levy, impost, duty, charge, fee, deduction or withholding of any nature whatsoever (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) imposed or levied by or on behalf of the Issuer's Jurisdiction or any sub-division of it or by any authority in it having power to tax, and **"Taxes"**, **"taxation"**, **"taxable"** and comparable expressions shall be construed accordingly

"Tax Authority" means any government, state, municipality or any local, federal or other fiscal, revenue, customs or excise authority, body or official anywhere in the world including, without limitation, H M Revenue and Customs

"Tax Credit" means any credit received by a Transaction Party from a Tax Authority in respect of any Tax paid by such Transaction Party

"Tax Deduction" means any deduction or withholding for or on account of Tax

"Tax Payment" means any payment of or on account of Tax or (as the case may be and where the context requires) shall have the meaning given to it in Paragraph 22.3 (*Tax gross-up*) of Schedule 2 (*Common Terms*) of this Agreement

"Third Party Buildings Policies" means the insurance policy described as such in the Mortgage Sale Agreements

"Third Supplemental Deed of Charge" means the third supplemental deed of charge relating to a deed of charge dated 12 April 2006 between the Issuer, Trustee, Principal Administrator, MAS6, Meerbrook 1, RBS, JP Morgan Chase Bank N A, Leek Finance Holdings Number Seventeen Limited, HSBC Bank plc, HSBC Bank USA, National Association, Co-operative Bank, the Corporate Services Provider, the Back-

Up Administrator Facilitator, the Back-Up Cash Manager Facilitator, Homeloan Management Limited and Citibank N A , London Branch

"Title Deeds" has the meaning given to it each Mortgage Sale Agreement

"Title Insurance Policies" means the insurance policies described as such in the Mortgage Sale Agreements

"Total Principal Deficiency Ledger" means, on the Investor Redemption Calculation Date, the greater of (i) zero and (ii) A-B-C-D, where:

- A is the Sterling Principal Amount Outstanding of the Notes (other than the VFNs),
- B is the aggregate principal balance of the Mortgages (as notified to the Cash Manager by the Administrator) and the principal balance of the UK Gilts,
- C is Retained Principal, and
- D is the Required Amount,

where A, C and D are determined as at the Investor Redemption Calculation Date (after taking into account distributions of the Pre-Enforcement Payments Priorities and B is determined as at the Calculation Date immediately preceding the Investor Redemption Calculation Date

"Tranche" means, in respect of the Notes, the Classes of Notes ranking *pro rata* and *pari passu* in the Pre-Enforcement Income Priority of Payments.

"Tranche Principal Deficiency Ledger" means, in respect of a Tranche, the lesser of (i) the extent to which the aggregate of the Total Principal Deficiency Ledger exceeds the Sterling Principal Amount Outstanding of all Classes of Notes that rank more junior to the Tranche (if any) excluding any VFNs and (ii) the Sterling Tranche Amount

"Transaction" means each of the transactions in the series of transactions contemplated by the Transaction Documents

"Transaction Documents" means the Mortgage Sale Agreements, the Scottish Declarations of Trust, the Paying Agency Agreement, the Administration Agreement, the Back-Up Cash Management Agreement, the Back-Up Administration Agreement, the Replacement Cash Management Agreement, the Replacement Administration Agreement, the Cross Currency Swap Agreements, the Deed of Charge, the Notes, the Trust Deed, the Subscription Agreement, the GIC Agreements, the Declarations of Trust, the Master Framework Agreement, the Liquidity Facility Agreement, the Senior Subordinated Loan Agreement, the Junior Subordinated Loan Agreement, the Expenses Loan Agreement, the Basis Swap Transactions, the Interest Rate Swap Transactions, the Post-Enforcement Call Option Deed, the Deferred Consideration Agreement, the First Supplemental Trust Deed, the Second Supplemental Trust Deed, the Supplemental Deed of Charge, the Second Supplemental Deed of Charge, the Third Supplemental Deed of Charge, the Corporate Services Agreement, the Custody Account Agreement and the Co-op Multi-Currency Loan Agreement

"Transaction Party" means any person who is a party to a Transaction Document

"Transfer Agents" means HSBC Bank plc and HSBC Bank USA, National Association, together with any successor transfer agents appointed from time to time in connection with the Notes under the Paying Agency Agreement

"Transfers" has the meaning given to it in each of the Mortgage Sale Agreements.

"Treaty" means the Treaty establishing the European Communities as amended by the Treaty on European Union

"Trust Deed" means the deed so named dated the Closing Date between the Issuer and the Trustee as supplemented by a supplemental trust deed dated each of the VFN Issue Date and the date hereof as may be supplemented, amended or restated from time to time

"Trust Documents" means the Trust Deed and the Deed of Charge and any deed or document expressed to be supplemental to the Trust Deed or the Deed of Charge (as applicable)

"Trustee/Administrators Power of Attorney" means the power of attorney executed by the Trustee in the form set out in Part 3 of Schedule 9 (*Powers of Attorney*) to this Agreement

"Trustee" means Capita Trust Company Limited (and includes such company and all other persons or companies for the time being acting as the trustee or trustees under the Trust Deed)

"Trust Property" means the Covenant to Pay, the Issuer Covenants, the Co-op Covenants, the Security and all proceeds of the Security

"UK Gilts" means the gilts issued by HM Treasury and listed on the London Stock Exchange standing to the credit of the Custody Account

"UK Listing Authority" means the Financial Services Authority in its capacity as competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000

"Uncovered Shortfall" means, in relation to any Calculation Date, the greater of (i) zero and (ii) the Principal Shortfall less the aggregate of all amounts (if any) of Income Retained on all preceding Calculation Dates.

"U.S. Paying Agent" means HSBC Bank USA, National Association, together with any successor U S paying agent appointed from time to time in connection with the Notes under the Paying Agency Agreement

"UTCCR" means the Unfair Terms in Consumer Contracts Regulations 1994 and 1999

"VAT" means value added tax provided for in the Value Added Tax Act 1994 and other United Kingdom primary legislation relating to value added tax and/or any regulations enacted thereunder ("**existing UK VAT**") and any other tax of a similar

fiscal nature whether imposed in the United Kingdom (instead of or in addition to existing UK VAT) or elsewhere

"VAT Grouping Legislation" means (a) Sections 43 to 43D of the Value Added Tax Act 1994 or (b) the Value Added Tax (Groups: eligibility) Order 2004 (SI 2004/1931)

"VAT Receiving Transaction Party" means the Transaction Party to whom the supply referred to in Paragraph 21 (*Value Added Tax*) of the Common Terms is made

"VAT Supplying Transaction Party" means the Transaction Party making the supply referred to in Paragraph 21 (*Value Added Tax*) of the Common Terms

"Vendor" has the meaning given to it in the Meerbrook 1 Mortgage Sale Agreement

"Vendor Power of Attorney" has the meaning given to it in the Meerbrook 1 Mortgage Sale Agreement.

"VFN" means each of the J1 VFN, J2 VFN, J3 VFN, J4 VFN, K VFN, L VFN and N VFN

"VFN Issue Date" means 6 June 2011

"VFN Holder" means each of the J1 VFN Holder, the J2 VFN Holder, the J3 VFN Holder, the J4 VFN Holder, the K VFN Holder, the L VFN Holder and the N VFN Holder

"VFN Register" means the register on which the names and addresses of the holders of the VFNs and the particulars of the VFNs shall be entered and kept by the VFN Registrar at the request of the Issuer at the Specified Office of the VFN Register

"VFN Registrar" means the party responsible for the registration of the VFNs which at the VFN Issue Date is Co-operative Bank

"Voter" means, in relation to any Meeting, the bearer of a Voting Certificate, a Proxy or the bearer of a definitive Note who produces such definitive Note at the Meeting

"Voting Certificate" means, in relation to any Meeting, a certificate in the English language issued by a Paying Agent and dated in which it is stated that the Deposited Notes will not be released until the earlier of

- (a) the conclusion of the Meeting, and
- (b) the surrender of such certificate to such Paying Agent; and

that the bearer of such certificate is entitled to attend and vote at the Meeting in respect of the Deposited Notes

"Warranties" has the meaning given to them in the Mortgage Sale Agreements.

"WMS" means Western Mortgage Services Limited

"Written Resolution" means a resolution in writing signed by or on behalf of all holders of Notes who for the time being are entitled to receive notice of a Meeting in accordance with the Provisions for Meetings of Noteholders, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Notes

"24 hours" means a period of 24 hours including all or part of a day upon which banks are open for business in both the place where the relevant Meeting is to be held and in each of the places where the Paying Agents have their Specified Offices (disregarding for this purpose the day upon which such Meeting is to be held) and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid, and

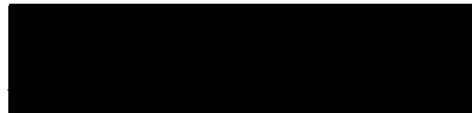
"48 hours" means 2 consecutive periods of 24 hours

SIGNATURE PAGE

EXECUTED and DELIVERED
as a **DEED** by
LEEK FINANCE NUMBER
SEVENTEEN PLC acting by

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)
)

Director:



Capita Trust Corporate Services Ltd



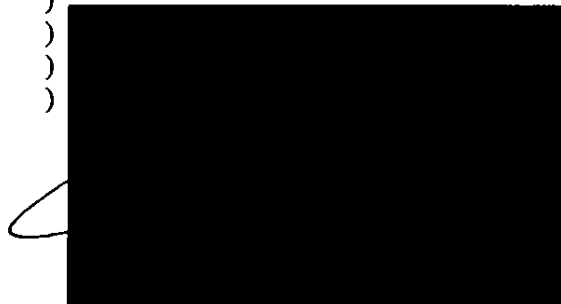
Director

Capita Trust Corporate Limited

EXECUTED and DELIVERED
as a **DEED** by
CAPITA TRUST
COMPANY LIMITED acting by

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)
)
)

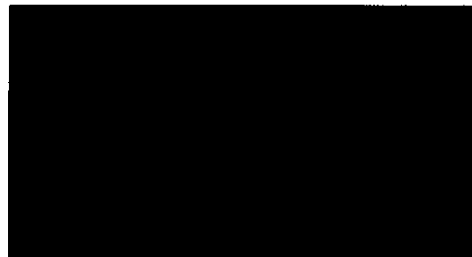
Director:



Director

EXECUTED and DELIVERED
as a **DEED** by
as ~~Attorney for~~ **PLATFORM FUNDING LIMITED**
~~in the presence of.~~

)
)
)
)



Signature of Witness:

Name:

Address

EXECUTED and DELIVERED)
as a DEED by)
as Attorney for MORTGAGE AGENCY SERVICES)
NUMBER SIX LIMITED)
in the presence of)



Signature of Witness

Name

Address:

EXECUTED and DELIVERED)
as a DEED by)
as Attorney for MEERBROOK)
FINANCE NUMBER ONE)
LIMITED)
in the presence of)



Signature of Witness

Name

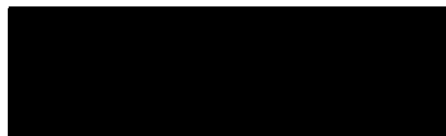
Address

Capita Trust Corporate Services Ltd



Capita Trust Corporate Limited

EXECUTED and DELIVERED)
as a DEED by)
as Attorney for THE ROYAL BANK)
OF SCOTLAND PLC in the presence of)



Max Gliner
Authorised Signatory
The Royal Bank of Scotland plc

Signature of Witness

Name


Address

ALLEN & OVERY LLP
ONE BISHOPS SQUARE
LONDON E1 6AD

Basis Swap Counterparty and Cross Currency Swap Counterparty

EXECUTED and DELIVERED)
as a **DEED** by)
as Attorney for **JPMORGAN CHASE**)
BANK, N.A. in the presence of)


Deepti Jerath
Executive Director
JP Morgan
25 Bank Street, London E14 5JP

Signature of Witness 

Name *Floren Jossan*
Address *29 Linden Gardens*
W24 411

Liquidity Facility Provider

EXECUTED and DELIVERED)
as a **DEED** by)
as Attorney for **JPMORGAN CHASE**)
BANK, N.A. in the presence of)

Signature of Witness

Name

Address

EXECUTED and DELIVERED)
as a **DEED** by)
LEEK FINANCE HOLDINGS)
NUMBER SEVENTEEN LIMITED acting by)

Director

Director

Basis Swap Counterparty and Cross Currency Swap Counterparty

EXECUTED and DELIVERED)
as a **DEED** by)
as Attorney for **JPMORGAN CHASE**)
BANK, N.A. in the presence of)

Signature of Witness.

Name

Address

Liquidity Facility Provider

EXECUTED and DELIVERED)
as a **DEED** by)
as Attorney for **JPMORGAN CHASE**)
BANK, N.A. in the presence of)



Nitesh Patel
Executive Director

Signature of Witness



Name *Vanessa Miller*

Address *25 Bank Street, London, E14 5JP*

EXECUTED and DELIVERED)
as a **DEED** by)
LEEK FINANCE HOLDINGS)
NUMBER SEVENTEEN LIMITED acting by)

Director

Director

Basis Swap Counterparty and Cross Currency Swap Counterparty

EXECUTED and DELIVERED)
as a **DEED** by)
as Attorney for **JPMORGAN CHASE**)
BANK, N.A. in the presence of)

Signature of Witness

Name

Address

Liquidity Facility Provider

EXECUTED and DELIVERED)
as a **DEED** by)
as Attorney for **JPMORGAN CHASE**)
BANK, N.A. in the presence of)

Signature of Witness

Name

Address

EXECUTED and DELIVERED)
as a **DEED** by)
LEEK FINANCE HOLDINGS)
NUMBER SEVENTEEN LIMITED acting by)

Director



Director



Capita Trust Corporate Services Ltd

Capita Trust Corporate Limited

EXECUTED and DELIVERED

as a **DFED** by

as Authorised Signatory for HSBC BANK PLC

in the presence of

)
)
)
)



Francesca Imbach
Authorised Signatory

Signature of Witness



Name

Sean Murphy

Address

HSBC Bank plc
8 Canada Square
London
E14 5HQ

EXECUTED and DELIVERED
as a **DEED** by
as Authorised Signatory for **HSBC BANK USA,**
NATIONAL ASSOCIATION
in the presence of:

)
)
)
)
)



Signature of Witness



Name. *Esmeralda Marchante*

Address *452 5th avenue New York NY 10018*

THE COMMON SEAL of
THE CO-OPERATIVE BANK P.L.C.
was hereunto affixed in the presence of:

)
)
)

Signature

Name

Address

EXECUTED and DELIVERED
as a **DEED** by
as Attorney for
HOMELoan MANAGEMENT LIMITED
in the presence of:

)
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)
)
)

Signature of Witness:

Name.

Address

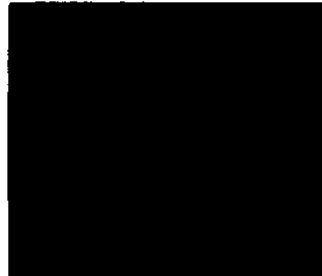
EXECUTED and DELIVERED)
as a **DEED** by)
as Authorised Signatory for **HSBC BANK USA,**)
NATIONAL ASSOCIATION)
in the presence of.)

Signature of Witness.

Name

Address

EXECUTED as a DEED by
~~THE COMMON SEAL OF~~)
THE CO-OPERATIVE BANK P.L.C.)
~~was hereunto affixed in the presence of~~)



Signature:

Name:

Address

EXECUTED and DELIVERED)
as a **DEED** by)
as Attorney for)
HOMELOAN MANAGEMENT LIMITED)
in the presence of)

Signature of Witness

Name

Address

EXECUTED and DELIVERED)
as a **DEED** by)
as Authorised Signatory for **HSBC BANK USA,**)
NATIONAL ASSOCIATION)
in the presence of)

Signature of Witness

Name

Address

THE COMMON SEAL of)
THE CO-OPERATIVE BANK P.L.C.)
was hereunto affixed in the presence of.)

Signature

Name

Address

EXECUTED and DELIVERED)
as a **DEED** by)
as Attorney for)
HOMELoAN MANAGEMENT LIMITED)
in the presence of)



Signature of Witness



Name

Address

Dorothy Raymond
Legal Secretary
Chancery Lane
London WC2A 1PL

EXECUTED and DELIVERED

as a **DEED** by
CITIBANK N.A , LONDON BRANCH
acting by its delegated signatory

)

)

)

)

David Mares
resident

EXECUTED and DELIVERED

)

as a **DEED** by
CAPITA TRUST
CORPORATE LIMITED acting by

)

)

)

Director:

Director.

EXECUTED and DELIVERED

)

as a **DEED** by
STRUCTURED FINANCE MANAGEMENT
LIMITED
By Director

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Director/Secretary

)