

MR01

Particulars of a charge

232125/13



A fee is payable with this form
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last page

You can use the WebFiling service to file this form online
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
instrument Use form M

For further information, please

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



LD3 19/04/2013 #32
COMPANIES HOUSE

☐ 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 05659996

Company name in full LEEK FINANCE NUMBER EIGHTEEN PLC

3 For official use

→ 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 01/01/2013

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

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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Particulars of a charge

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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

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

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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  on behalf of the Issuer **Capita Trust Corporate Services Limited** X
(Director)

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 **Saima Mosdiq**

Company name **Allen & Overy LLP**

Address **One Bishops Square**

Post town **London**

County/Region **Greater London**

Postcode **E 1 6 A D**

Country **United Kingdom**

DX

Telephone **020 3088 0000**



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

P



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5659996

Charge code: 0565 9996 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th April 2013 and created by LEEK FINANCE NUMBER EIGHTEEN PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th April 2013.

Given at Companies House, Cardiff on 24th April 2013



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

EXECUTION VERSION

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 LYLE CLASSEN
Qualified as ATTORNEY
Allen Overy LLP
One Bishops Square
London E1 6AD
United Kingdom
Date 19/06/2013

SECOND SUPPLEMENTAL DEED OF CHARGE

11 ~~MARCH~~ 2013

Between

LEEK FINANCE NUMBER EIGHTEEN PLC
as Issuer and Co-op Multi-Currency Loan Provider

and

CAPITA TRUST COMPANY LIMITED
as Trustee

and

PLATFORM FUNDING LIMITED
as Administrator, PFL and Originator

and

MEERBROOK FINANCE NUMBER ONE LIMITED
as Meerbrook 1

and

THE ROYAL BANK OF SCOTLAND PLC
as RBS Interest Rate Swap Counterparty, Expenses Loan Provider,
Cross Currency Swap Counterparty, Basis Swap Counterparty and
an Original GIC Provider

and

LEEK FINANCE HOLDINGS NUMBER EIGHTEEN LIMITED
as Holdings

and

HSBC BANK PLC
as Principal Paying Agent, Agent Bank and Transfer Agent

ALLEN & OVERY

Allen & Overy LLP

0012223-0000081 ICM 15640706 16

and

HSBC BANK USA, NATIONAL ASSOCIATION
as U.S. Paying Agent, Transfer Agent and Registrar

and

THE CO-OPERATIVE BANK P.L.C
as VFN Registrar, Co-operative Bank, Subordinated Loan Provider,
GIC Provider, Co-op Multi-Currency Loan Borrower and Liquidity
Facility Provider

and

Relating to a DEED OF CHARGE
DATED 26 OCTOBER 2006 AS SUPPLEMENTED ON 6 JUNE 2011

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THIS SECOND SUPPLEMENTAL DEED OF CHARGE is made by deed on 11 ~~March~~ ¹¹ 2013

BETWEEN

- (1) **LEEK FINANCE NUMBER EIGHTEEN PLC** (registered number 05659996), whose registered office is at 6 St Andrew Street, London EC4A 3AE, United Kingdom (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) **LEEK FINANCE HOLDINGS NUMBER EIGHTEEN LIMITED** (registered number 05660058), a company incorporated in England and Wales whose registered office is at 6 St Andrew Street, London EC4A 3AE, United Kingdom (**Holdings**),
- (4) **MEERBROOK FINANCE NUMBER ONE LIMITED** (registered number 04442594), a company incorporated in England and Wales whose registered office is at 6 St Andrew Street, London, United Kingdom, EC4A 3AE (**Meerbrook 1**),
- (5) **PLATFORM FUNDING LIMITED** (registered number 3456337), whose registered office is at Newton House, Leek, Staffordshire ST13 5RG (**PFL** and in its capacity as the **Administrator, Cash Manager and Originator**),
- (6) **THE CO-OPERATIVE BANK P.L.C** (registered number 990937), whose principal office is at 1 Balloon Street, Manchester, M60 4EP (**Co-op** in its capacity as the **VFN Registrar, Co-operative Bank, Subordinated Loan Provider, a GIC Provider, Liquidity Facility Provider and GIC Guarantor**),
- (7) **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 capacity as **Interest Rate Swap Counterparty, Expenses Loan Provider, a Cross Currency Swap Counterparty, a Basis Swap Counterparty and an Original GIC Provider**),
- (8) **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**), and
- (9) **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**)

WHEREAS

- (A) By virtue of the Deed of Charge dated 26 October 2006 and made between (among others) the Issuer and the Trustee as supplemented by a first supplemental deed of charge on 6 June 2011 (the **Original Deed of Charge**) the Issuer created security in favour of the Trustee in relation to the £92,100,000 Class A1a Mortgage Backed Floating Rate Notes Due 2038, U S \$200,000,000 Class A1b Mortgage Backed Floating Rate Notes Due 2038, £171,100,000 Class A2a Mortgage Backed Floating Rate Notes Due 2038, U S \$475,000,000 Class A2b Mortgage Backed Floating Rate Notes Due 2038, £128,000,000 Class A2c Mortgage Backed Floating Rate Notes Due 2038, U S \$ 350,000,000 Class A2d Mortgage Backed Floating Rate Notes Due 2038, £12,500,000 Class Ma Mortgage Backed Floating Rate Notes due 2038, €83,700,000 Class Mc Mortgage Backed Floating

Rate Notes Due 2038, £25,900,000 Class Ba Mortgage Backed Floating Rate Notes Due 2038, £26,000,000 Class BC Mortgage Backed Floating Rate Notes Due 2038, £6,000,000 Class Ca Mortgage Backed Floating Rate Notes Due 2038 and £49,000,000 Class Cc Mortgage Backed Floating Rate Notes Due 2038, up to £440,800,000 Class J1 Variable Funding Notes due 2038, up to £71,100,000 Class J2 Variable Funding Notes due 2038, up to £44,100,000 Class J3 Variable Funding Notes due 2038, up to £40,300,000 Class J4 Variable Funding Notes due 2038, up to £186,806,385 Class K Variable Funding Notes due 2038, up to £18,342,500 Class L Variable Funding Notes due 2038 and up to £2,000,000 Class N Variable Funding Notes due 2038 (together the Notes) of the Issuer

- (B) The swap collateral account bank agreement dated on or about the date of this Supplemental Deed of Charge was entered into by, among others, the Issuer, the Trustee and The Bank of New York Mellon, London Branch (**BNYM**) in its capacity as custodian (the **Swap Collateral Account Bank Agreement**) and a bank account agreement dated on or about the date of this Supplemental Deed of Charge was entered into by, among others, the Issuer, the Trustee and BNYM in its capacity as bank account provider (the **BNYM Deposit Account Bank**) (the **BNYM Deposit Account Agreement** and, together with the Swap Collateral Account Bank Agreement, the **Bank Account Agreements**) The Issuer wishes to, *inter alia*, assign to the Trustee all of its rights, title, benefit and interest, present and future, in to and under the Swap Collateral Account Bank Agreement and the BNYM Deposit Account Agreement (as such term is amended on the date of this Deed) to secure, amongst other things, its obligations under the Notes
- (C) This Second Supplemental Deed of Charge is supplemental to the Original Deed of Charge

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

I. INTERPRETATION AND CONSTRUCTION

1.1 Interpretation

In this Second Supplemental Deed of Charge

Amended Documents means

- (a) the Second Supplemental Deed of Charge, and
- (b) the Amendment Agreement to the Administration Agreement,

New Documents means the Swap Collateral Account Agreement and BNYM Deposit Account Agreement as appended to the Trustee Consent Letter

Original Security means the Security created under the Original Deed of Charge

Unless defined in this Second Supplemental Deed of Charge or the context requires otherwise, words and expressions used in this Second 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 26 October 2006 as amended and restated on 6 June 2011 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

- (a) The term **full title guarantee** will be construed in accordance with the Law of Property (Miscellaneous Provisions) Act 1989 (the **Law of Property (MP) Act**) but so that the

covenants implied by the Law of Property (MP) Act in respect of the Security do not include

- (i) the words "other than any charges, encumbrances or rights which that person does not and could not reasonably be expected to know about" in section 3(1)(b) of the Law of Property (MP) Act, and
- (ii) section 6(2) of the Law of Property (MP) Act
- (b) The Original Deed of Charge shall henceforth be read and construed as one document with the First Supplemental Deed of Charge and this Second Supplemental Deed of Charge shall, for the avoidance of doubt, be a Transaction Document

2. COMMON TERMS

2.1 Incorporation of Common Terms

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

2.2 Conflict

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

3 TERMINATION

3.1 RBS GIC Agreement Each of the Issuer, RBS, PFL (in its capacity as Principal Administrator) and the Trustee agrees that with effect from the date hereof

- (a) the requirement to provide three Business Days' notice to RBS to terminate the RBS GIC Agreement under Clause 6.6 of the RBS GIC Agreement is waived,
- (b) each of them is released and discharged from any further obligations to each other under the RBS GIC Agreement, and
- (c) their respective rights against each other in respect of the RBS GIC Agreement are cancelled,

provided that termination of the RBS GIC Agreement is without prejudice to the accrued rights of each of the parties thereto in respect of any antecedent breach by any of the other parties thereto of any of the provisions of the RBS GIC Agreement

- 3 2 The Trustee for an on behalf of itself and each of the other Secured Creditors hereby acknowledges that, with effect from the date hereof, the Issuer's rights, title, interest and benefit, present and future, in respect of the RBS GIC Agreement and the RBS GIC Account shall cease to constitute security for the payment or discharge of the Secured Obligations under the Original Deed of Charge (as amended from time to time)

4. SECURITY

- 4 1 (a) As continuing security for the payment or discharge of the Secured Obligations the Issuer with full title guarantee in favour of the Trustee for itself and on trust for the other Secured Creditors, hereby

- (i) assigns by way of security all of the Issuer's rights, title, interest and benefit, present and future, in respect of the Bank Account Agreement including, without limitation, all rights to receive payment of any amounts which may become payable to the Issuer thereunder, all rights to serve notices and make demands thereunder and to take such steps as are required to cause payments to become due and payable thereunder and all rights of action in respect of any breach thereof and all rights to receive damages or obtain other relief in respect thereof,
- (ii) charges by way of first fixed charge all right, title, interest and benefit, present and future, of the Issuer in all Property which may from time to time be standing to the credit of the Bank Accounts together with all interest accruing from time to time thereon and the debts represented thereby and the benefit of all covenants relating thereto and all powers and remedies for enforcing the same,

TO HOLD the same unto the Trustee as trustee for itself and the other Secured Creditors, subject to Clause 8 (*Redemption and Release*) of the Original Deed of Charge

- (b) The execution of this Second Supplemental Deed of Charge 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 Bank Account Agreements and the execution of this Second Supplemental Deed of Charge 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 4 1 and each of the Secured Creditors undertakes to the Trustee not to do anything inconsistent with the security given under or pursuant to this Second Supplemental Deed of Charge 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 2 The provisions of the Original Deed of Charge are deemed to be incorporated in this Second Supplemental Deed of Charge with all necessary modifications as if they were set out in full in this Second Supplemental Deed of Charge

5. NOTICE OF SECURITY

The Issuer shall, within 7 days of the date hereof, deliver a notice to the Swap Collateral Account Bank and the BNYM Deposit Account Bank substantially in the form set out in Schedule 1 (*Form of Notice to BNYM*)

6. AMENDMENTS TO THE TRANSACTION DOCUMENTS

- 6.1 The Parties hereby agree that, with effect on and from the date of this Second Supplemental Deed of Charge, the Master Definitions Schedule shall be amended by the inclusion or replacement (as the case may be) of the following definitions in Clause 1 (Definitions) thereof

"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 which will be held at BNYM, for the deposit of amounts made pursuant to the BNYM Deposit Account Agreement,"

"BNYM Deposit Account Bank means BNYM,"

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

"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,"

" 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,"

"Original GIC Account Bank means RBS,"

"Original GIC Agreement means a guaranteed investment contract dated 26 October 2006 entered into by the Issuer, RBS, the trustee and the Co-operative Bank, as the same may be amended and/or restated and/or novated or supplemented from time to time," and

"Second Supplemental Deed of Charge means the deed of charge entered into between, among others, the Issuer and the Trustee on 11 March 2013,"

6.2 Subject as provided above in Clause 6.1, with effect from the date of this Second Supplemental Deed of Charge each of the Parties agrees that each of the Transaction Documents shall be amended and construed as follows

- (a) all references to RBS in its capacity as GIC Account Bank shall be deleted (for the avoidance of doubt, RBS shall remain a party to the Deed of Charge in its capacities as the Interest Rate Swap Counterparty, Expenses Loan Provider, Basis Swap Counterparty and Cross Currency Swap Provider),
- (b) all references to the RBS GIC Agreement shall be construed as references to the BNYM Deposit Account Agreement, and
- (c) all references to the GIC Accounts and/or the Relevant GIC Account shall be construed as references to the Co-op GIC Account and the BNYM Deposit Account only as applicable

7. UNDERTAKINGS OF ORIGINAL GIC ACCOUNT BANK, RBS AND THE ISSUER

7.1 The Original GIC Account Bank hereby undertakes that it shall

- (a) take reasonable steps to assist the BNYM Deposit Account Bank with arranging the transfer of all cash deposits in the RBS GIC Account to the applicable deposit account notified by the BNYM Deposit Account Bank in writing to it, and
- (b) deliver to the BNYM Deposit Account Bank all books of account, papers, records, registers, correspondence and documents in its possession or under its control relating to the affairs of or belonging to the Issuer that the BNYM Deposit Account Bank may reasonably require (except such documents as it is obliged by law, regulation or for audit compliance purposes to retain or not to release or which form part of an electronic back-up system which is not immediately retrievable as part of the day-to-day business of the Original GIC Account Bank) and the Issuer shall authorise the Original GIC Account Bank to provide such information to the BNYM Deposit Account Bank

7.2 The Issuer hereby undertakes that it shall

- (a) on the date of this Second Supplemental Deed of Charge, transfer or procure the transfer of all cash deposits in the RBS GIC Account to the applicable deposit account notified by the BNYM Deposit Account Bank in writing to it, and
- (b) close the RBS GIC Account as soon as reasonably possible after such transfer

Provided that any cost incurred by the Original GIC Account Bank as a result of the fulfilment of its obligations in terms of this Clause 7 and invoiced to the Issuer within 7 Business Days from the closure of the RBS GIC Account shall be paid by the Issuer to the Original GIC Account Bank on the next following Interest Payment Date in accordance with item vi of condition 3(h) as referred to in the Regular Pre-Enforcement Interest Priority of Payments

8. REPRESENTATIONS AND WARRANTIES BY THE CO-OPERATIVE BANK

8.1 The Co-operative Bank hereby represents and warrants to the Trustee and each of the Secured Creditors that as of the date hereof

- (a) pursuant to the terms of the BNYM Deposit Account Agreement, the Co-operative Bank has agreed to pay to BNYM certain fees and charges in consideration of BNYM's provision of deposit account services to the Issuer (the **Co-Operative Fees**),
- (b) the BNYM Deposit Account Agreement expressly provides that the Co-operative Fees due thereunder are to be paid by the Co-operative Bank and BNYM shall have no recourse to the Issuer in respect of those amounts,
- (c) pursuant to the terms of the Swap Collateral Account Bank Agreement, the Co-operative Bank and RBS have agreed to pay to BNYM certain fees and charges in consideration of BNYM's provision of swap collateral account services to the Issuer, and
- (d) the Swap Collateral Account Agreement expressly provides that all amounts due thereunder are to be paid by the Co-operative Bank and/or RBS and BNYM shall have no recourse to the Issuer in respect of those amounts

9. REQUEST FOR CONSENT TO MODIFICATIONS AND WAIVER

- 9.1 Each of the Secured Parties (other than the Trustee and Noteholders) hereby consent to the changes to the Amended Documents and the entry into the New Documents by entering into this Second Supplemental Deed of Charge

10 MISCELLANEOUS PROVISIONS

10.1 No Transfer of Obligations

Notwithstanding anything else in this Second Supplemental Deed of Charge, 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 Second Supplemental Deed of Charge and nothing herein shall be construed so as to transfer any of such obligations to the Trustee

10.2 Counterparts

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

10.3 Severability

If any term of this Second Supplemental Deed of Charge 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 Second Supplemental Deed of Charge 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 Second Supplemental Deed of Charge shall be valid and be enforced to the fullest extent permitted by law

10.4 Full Title Guarantee

The Issuer grants the Security with full title guarantee

10.5 Representation of the Issuer

The Issuer represents and warrants to the Trustee that it has taken all necessary steps to enable it to create the Security in accordance with this Second Supplemental Deed of Charge and has taken no

actions or steps which will or may prejudice its rights, title and interest in, to and under the Charged Property

10.6 Floating Charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by Clause 4 (Security)

10.7 Consent of the Secured Parties

Each of the Secured Parties (other than the Trustee and Noteholders) hereby confirms and agrees to the terms of and requests, authorises and instructs the Trustee

- (a) to enter into this Second Supplemental Deed of Charge and any further documents that may be required pursuant to this Second Supplemental Deed of Charge, and
- (b) to perform and execute all of the acts contemplated under this Second Supplemental Deed of Charge or any further documents that may be required pursuant to this Second Supplemental Deed of Charge

11 ORIGINAL DEED OF CHARGE

Except insofar as supplemented and amended by this Second Supplemental Deed of Charge, the Original Deed of Charge as supplemented by the First Supplemental Deed of Charge shall remain in full force and effect

12. THIRD PARTY RIGHTS

A person who is not party to this Second Supplemental Deed of Charge may not enforce any terms of this Second Supplemental Deed of Charge 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

13. EXECUTION

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

SCHEDULE 1

FORM OF NOTICE FOR BNYM

NOTICE TO [SWAP COLLATERAL/BNYM DEPOSIT] ACCOUNT BANK

NOTICE dated [●]

From Leek Finance Number Eighteen PLC (the **Chargor**)

To The Bank of New York Mellon, London Branch (the **[Swap Collateral/ BNYM Deposit] Account Bank**)

Copy Capita Trust Company Limited (the **Trustee**)

Dear Sirs,

This notice relates to the [Swap Collateral Account Agreement/ BNYM Bank Account Agreement] (as defined in the Second Supplemental Deed of Charge, as defined below)

Under a second supplemental deed of charge dated ___ March 2013 (the **Second Supplemental Deed of Charge**) between, among others, the Chargor and the Trustee, the Chargor notifies you that it has charged and assigned in favour of the Trustee all its rights in respect of the [Swap Collateral Account Agreement/BNYM Deposit Account Agreement] Bank [Account] Agreement [and in respect of any Cash and Securities (as that term is defined in the Swap Collateral Account Bank Agreement) credited to the Swap Collateral Accounts subject to the terms of the Swap Collateral Bank Account Agreement and the other Transaction Documents]

Capitalised terms used in this notice, unless otherwise defined in this notice, have the same meanings as under the Second Supplemental Deed of Charge a copy of which is attached hereto

Yours faithfully,

Leek Finance Number Eighteen PLC

(Authorised signatory)

APPENDIX 1

ORIGINAL DEED OF CHARGE
[Copy of Deed of Charge to be attached]

CONFORMED COPY

26 OCTOBER 2006

LEEK FINANCE NUMBER EIGHTEEN PLC
(as Issuer)

CAPITA TRUST COMPANY LIMITED
(as Trustee)

PLATFORM FUNDING LIMITED
(as PFL, Originator, Administrator and Cash Manager)

MEERBROOK FINANCE NUMBER ONE LIMITED
(as Meerbrook I)

THE ROYAL BANK OF SCOTLAND PLC
(as Interest Rate Swap Counterparty, Basis Swap Counterparty, Cross Currency Swap Counterparty, Expenses Loan Provider, GIC Guarantor and GIC Account Bank)

JPMORGAN CHASE BANK, N.A.
(as Co-Arranger)

LEEK FINANCE HOLDINGS NUMBER EIGHTEEN 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)

BRITANNIA BUILDING SOCIETY
(as Subordinated Loan Provider, and GIC Account Bank)

DANSKE BANK A/S., LONDON BRANCH
as Liquidity Facility Provider

DEED OF CHARGE



FRESHFIELDS BRUCKHAUS DERINGER

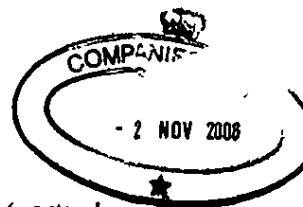
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THIS DEED OF CHARGE is made on 26 October 2006

BETWEEN.



- (1) **LEEK FINANCE NUMBER EIGHTEEN PLC** (registered number 05659996) whose registered office is at 10 Upper Bank Street, London E14 5JJ (the *Issuer*),
- (2) **CAPITA TRUST COMPANY LIMITED** (registered number 239726) whose principal office is at 7th Floor, Phoenix House, 18 King William Street, London EC4N 7HE (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 *Administrator*, *Originator*, and as *Cash Manager*),
- (4) **MEERBROOK FINANCE NUMBER ONE LIMITED** (registered number 04442594) a company incorporated in England and Wales whose registered office is at 10 Upper Bank Street, London E14 5JJ (*Meerbrook I*),
- (5) **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 (in its capacity as *Interest Rate Swap Counterparty*, *Expenses Loan Provider*, *GIC Guarantor*, a *GIC Account Bank*, *Basis Swap Counterparty*, and *Cross Currency Swap Counterparty*),
- (6) **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 125 London Wall, London EC2Y 5AJ (as *Co-Arranger*),
- (7) **LEEK FINANCE HOLDINGS NUMBER EIGHTEEN LIMITED** (registered number 05660052) a company incorporated in England and Wales whose registered office is at 10 Upper Bank Street, London E14 5JJ (*Holdings*),
- (8) **HSBC BANK PLC** (registered number 14259) a company 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*),
- (9) **HSBC BANK USA, NATIONAL ASSOCIATION**, a national banking association 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*),
- (10) **BRITANNIA BUILDING SOCIETY** a building society whose principal office is at Britannia House, Leek, Staffordshire ST13 5RG (the *Subordinated Loan Provider*, and as a *GIC Account Bank*), and

- (11) **DANSKE BANK A/S, LONDON BRANCH**, organised under the laws of Denmark acting through its offices at 75 King William Street, London EC4N 7DT (*as the Liquidity Facility Provider*).

WHEREAS

This Deed is supplemental to the Trust Deed which is dated on or about the date of this Deed and made between the Issuer and the Trustee relating to the issue of the Notes

NOW THIS DEED WITNESSETH as follows

SECTION A INTERPRETATION

1. INTERPRETATION

This Deed is a Transaction Document. Unless otherwise defined in this Deed or the context requires otherwise, words and expressions used in this Deed 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 on or about the Closing Date and made between the Issuer and the Trustee (the *Master Framework Agreement*) (the provisions of which the parties hereto acknowledge).

2. COMMON TERMS

Incorporation of Common Terms

2.1 Except as provided below, the Common Terms apply to this Deed, where applicable, and shall be binding on the parties to this Deed as if set out in full in this Deed.

Amendment to Common Terms

2.2 The Common Terms are, for the purposes of this Deed, amended as follows

- (a) Paragraph 2 (*Further Assurance*) of the Common Terms applies to this Deed as if set out in full in this Deed, and as if the Issuer were the Obligor and the Trustee and any Receiver appointed pursuant to Clause 19 (*Appointment and Removal of Administrator or Receiver*) were each an Oblige for the purposes of such Paragraph,
- (b) Paragraph 25 (*Governing Law*) of the Common Terms applies to this Deed as if set out in full in this Deed, subject to the proviso that Clauses 4.1(c) (*Creation of Fixed Security*), 4.2 (*Creation of Fixed Security*), 7.3 (*Scottish Trust Property*) and 18.5 (*Scottish Trust Property*) are governed by Scots law
- (c) Paragraph 26 (*Jurisdiction*) of the Common Terms applies to this Deed as if set out in full in this Deed and as if the Trustee and any Receiver appointed pursuant to Clause 19 (*Appointment and Removal of Administrator or Receiver*) were each an Oblige for the purposes of such paragraph.

Conflict

2.3 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.

SECTION B
UNDERTAKING TO PAY

3. ISSUER'S UNDERTAKING TO PAY

The Issuer undertakes to the Trustee (for its own account and as trustee for the other Secured Creditors) that it shall duly, unconditionally and punctually pay and discharge to each of the Secured Creditors (including where the appointment of the relevant Secured Creditor has been terminated and monies remain due to it under the Relevant Transaction Document) when due all monies and liabilities whatsoever constituting the Secured Obligations

SECTION C
SECURITY AND DECLARATION OF TRUST

4. CREATION OF FIXED SECURITY

4.1 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 and, in relation to the rights or assets situated in or governed by the law of Northern Ireland, as beneficial owner, and in relation to the Scottish Trust Property, as holder of the beneficial interest therein) in favour of the Trustee for the Trustee itself and on trust for the other Secured Creditors, hereby

- (a) charges by way of first fixed charge (subject to the subsisting rights of redemption of the relevant Borrowers) all right, title, interest and benefit of the Issuer in the Loans (other than the Scottish Loans) and their Related Security comprised in the Portfolio,
- (b) charges at law, without prejudice to Clause 4.1(a) and to the extent that no charge created by Clause 4.1(a) is (if the Trustee were so to require) capable of registration at the Land Registry as a sub-charge, in exercise of the power conferred by section 23(2)(b) of the LRA 2002, all indebtedness comprising an obligation or liability to pay money secured by each registered charge of which it is registered as proprietor at the Land Registry including without limitation those registered against the title numbers set out in the relevant annexures to the Mortgage Sale Agreements,
- (c) assigns in security the whole right, title, interest and benefit of the Issuer in and to the whole of the Scottish Trust Property and in and to the Scottish Declarations of Trust, surrogating and substituting the Trustee in its full right and place therein and thereto,
- (d) assigns by way of security all right, title, interest and benefit of the Issuer in the Insurance Policies,
- (e) assigns by way of security all of the Issuer's right, title, interest and benefit, present and future, in respect of the Trust Deed, the Administration Agreement, the Paying Agency Agreement, the Basis Swap Transactions, the Cross Currency Swap Agreement, the Declarations of Trust, the Interest Rate Swap Transactions, the Expenses Loan Agreement, the Liquidity Facility Agreement, Subordinated Loan Agreement, the Britannia GIC Agreement, the RBS GIC Agreement, the GIC Guarantee, the Master Framework Agreement, the Mortgage Sale Agreements, the Post-Enforcement Call Option Deed, the Deferred Consideration Agreement and the Subscription Agreement including, without limitation, all rights to receive payment of any amounts which may become payable to the Issuer thereunder, all rights to serve notices and make demands thereunder and to take such steps as are required to cause payments to become due and payable thereunder and all rights of action in respect of any breach thereof and all rights to receive damages or obtain other relief in respect thereof, except that the assignment by way of security of all of the

Issuer's right, title, interest and benefit, present and future in respect of each of the Basis Swap Transactions, the Cross Currency Swap Agreement and the Interest Rate Swap Transactions shall be subject to any rights of set-off or netting provided for thereunder;

- (f) charges by way of first fixed charge all right, title, interest and benefit, present and future, of the Issuer, in and to all sums of money which may from time to time be standing to the credit of each GIC Account and any other bank account of the Issuer together with all interest accruing from time to time thereon and the debts represented thereby and the benefit of all covenants relating thereto and all powers and remedies for enforcing the same,

TO HOLD the same unto the Trustee as trustee for the Secured Creditors, subject to Clause 8 (*Redemption and Release*)

4.2 The Issuer undertakes to the Trustee and binds and obliges itself in the event of any transfer or assignation of legal title to the Scottish Loans and their Related Security or any of them being executed and delivered to the Issuer in terms of Clause 6 of the PFL Mortgage Sale Agreement or Clause 6 of the Meerbrook 1 Mortgage Sale Agreement forthwith to execute and deliver to the Trustee as continuing security for the payment or discharge of the Secured Obligations

- (a) a Standard Security or Standard Securities over the Issuer's whole right, title and interest as heritable creditor under the Scottish Mortgages relating to the said Scottish Loans, substantially in the form set out in Schedule 1 (*Form of Scottish Sub Security*) hereto, and
- (b) an assignation in security in such form as the Trustee shall require over the Issuer's whole right, title and interest in and to the remainder of the Related Security for such Scottish Loans,

and to deliver to the Trustee simultaneously with the delivery of any such Scottish Sub-Security the relevant transfers or assignations pertaining to the relevant Scottish Loans and their Related Security

5. CREATION OF A FLOATING CHARGE

5.1 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 and, in relation to rights or assets situated in or governed by the law of Northern Ireland, as beneficial owner) hereby charges to the Trustee (for itself and as trustee for the other Secured Creditors) by way of first floating charge the whole of its undertaking and all its property and assets whatsoever and wheresoever situated, present and future, including its uncalled capital, other than any property or assets from time to time or for the time being effectively charged by way of fixed charge or assigned by way of security by the Issuer pursuant to Clause 4 (*Creation of Fixed Security*) or otherwise in accordance with the Trust Documents (but excepting from the foregoing exclusion all such undertaking, property, assets and rights as are situated in or governed by the law of Scotland all of which are charged by the floating charge hereby created),

TO HOLD the same unto the Trustee as trustee for the Secured Creditors, subject to Clause 8 (*Redemption and Release*)

5 2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this Clause 5 (*Creation of a Floating Charge*)

6. COVENANTS, UNDERTAKINGS AND WARRANTIES BY THE ISSUER

6 1 The Issuer warrants to the Trustee that.

- (a) it is absolutely entitled to all of the Charged Property vested in it as at the date of this Deed free from all Encumbrances whatsoever and will be so entitled in respect of all property, assets, revenues and interest which in the future becomes subject to this Deed,
- (b) it has taken all necessary steps to enable it to create the Security in respect of the Charged Property in accordance with this Deed and has taken no action or steps which will or may prejudice its right, title and interest in, to and under the Charged Property;
- (c) save as disclosed in the legal opinion as to English law dated the date hereof of Clifford Chance Limited Liability Partnership, the legal opinion as to Scots law dated the date hereof of Tods Murray LLP and the legal opinion as to the law of Northern Ireland dated the date hereof of Cleaver Fulton Rankin, this Deed creates the Security it purports to create and such Security is not liable to be avoided or otherwise set aside in the winding-up of the Issuer; and
- (d) the Issuer is not an insurance undertaking, credit institution, investment undertaking holding funds or securities for third parties or a collective investment undertaking for the purposes of Article 1(2) of the EU Insolvency Regulation.

6 2 The Issuer warrants to the Trustee the warranties as set out in Part 5 of Schedule 3 to the Master Framework Agreement

6 3 The Issuer covenants and undertakes to the Trustee the covenants and undertakings as set out in Part 1, Part 2, Part 3 and Part 4 of Schedule 3 (*Issuer Covenants*) to the Master Framework Agreement

6 4 The covenants set out in sections 2(1)(a), 3 and 4 of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to the dispositions and charges effected by the Issuer under this Deed in the same way that they extend to any disposition made with full title guarantee but subject as mentioned in Clause 6 5

6 5 The implied covenants referred to in Clause 6 4 shall be construed on the basis that

- (a) the words "other than any charges, encumbrances or rights which that person does not and could not reasonably be expected to know about" in

section 3(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994,
and

(b) section 6(2) of that Act,

are deemed deleted.

6.6 A breach of any covenant as to title implied as provided in Clause 6.4 shall be treated as a failure to comply with an obligation or undertaking for the purposes of Condition 10(a)

7. NOTICE OF SECURITY

Issuer's Notices

7.1 The Issuer shall, within 7 days of the date hereof, deliver a Notice of Assignment to the Account Bank, and the Issuer shall use reasonable endeavours to procure that the Account Bank acknowledges receipt of such notice in the form required by such notice of assignment

Acknowledgements of Security

7.2 Each of the parties hereto (other than the Trustee), hereby acknowledges and consents to the assignments, assignations and charges made or granted pursuant to Clause 4 (*Creation of Fixed Security*) Notwithstanding the assignment referred to in Clause 4.1(e) (*Creation of Fixed Security*)

- (a) the Trustee hereby instructs the Transaction Parties to continue to deal with the Issuer in relation to the Relevant Transaction Documents, save that such parties shall not recognise the exercise by the Issuer of any right to vary or terminate the Relevant Transaction Documents unless the prior written consent of the Trustee to such exercise has been obtained, and
- (b) the parties hereto acknowledge that payments received by the Issuer pursuant to the Transaction Documents will be applied in the manner contemplated in this Deed and the other Transaction Documents

Scottish Trust Property

7.3 The Issuer hereby intimates to PFL as trustee under each Scottish Declaration of Trust the assignation in security made in terms of Clause 4.1(c) (*Creation of Fixed Security*) and PFL by its execution of this Deed immediately subsequent to the execution hereof by the Issuer consents to such assignation and acknowledges such intimation thereof and confirms that as at the date hereof it has received no intimation of any other dealing with the relevant Scottish Trust Property or any part thereof, other than pursuant to the Transaction Documents

8. REDEMPTION AND RELEASE

Release on payment or discharge

8.1 Upon proof being given to the satisfaction of the Trustee as to the irrevocable and unconditional payment or discharge of the Secured Obligations, the Trustee will, at the request and cost of the Issuer, release, discharge or reassign (as appropriate) the Charged Property to the Issuer or to the order of the Issuer

Release pursuant to Mortgage Sale Agreements

8.2 The Trustee agrees that if it exercises a Put Option pursuant to a Mortgage Sale Agreement following a breach of warranty in relation thereto and the Issuer is required to assign a Loan and its Related Security to a Relevant Purchaser pursuant to the provisions of any of the Mortgage Sale Agreements, then the Trustee will promptly execute a deed of release and take such other steps in order to release the relevant Loan and its Related Security from the Security

No avoidance

8.3 No assurance, security or payment which is avoided under any enactment relating to bankruptcy or under Sections 238 to 245 or Section 423 of the Insolvency Act or any equivalent provision of the common law of any relevant jurisdiction and no release, settlement or discharge given or made by the Trustee in reliance on any such assurance, security or payment shall prejudice or affect the right of the Trustee to enforce the Security to the full extent of the Secured Obligations. It is hereby agreed that, notwithstanding any such avoidance, release, settlement or discharge, the Security shall be deemed always to have been and to have remained held by the Trustee as and by way of security for the payment to or to the order of the Trustee of the Secured Obligations

9. CONTINUANCE OF SECURITY

The Security and the covenants, undertakings and provisions contained in this Deed shall remain in force as a continuing security to the Trustee, notwithstanding any intermediate payment or satisfaction of any part of the Secured Obligations or any settlement of account or any other act, event or matter whatsoever, and shall secure the ultimate balance of the Secured Obligations, until execution by or on behalf of the Trustee of an absolute and unconditional release by way of deed relating to all (and not part only) of the Charged Property

10. PAYMENTS PRIOR TO ENFORCEMENT

10.1 Notwithstanding the Security, the Trustee acknowledges that, until delivery of a Security Protection Notice or an Enforcement Notice

- (a) payments becoming due to the Issuer under any of the Transaction Documents, together with all other monies payable to the Issuer pursuant to any other documents or arrangements to which it is a party, may be made to

the Issuer in accordance with the provisions of the relevant Transaction Documents or (as the case may be) the documents or arrangements concerned,

- (b) the Issuer may, subject to Clause 10.1(c) (*Payments Prior to Enforcement*), exercise its rights, powers and discretions and perform its obligations in relation to the Charged Property and under the Transaction Documents in accordance with the provisions of the Transaction Documents or (as the case may be) such other documents or arrangements,
- (c) amounts standing to the credit of the GIC Accounts from time to time may be withdrawn therefrom by the Issuer but only in accordance with the Pre-Enforcement Payment Priorities,
- (d) PFL (in its capacity as Administrator of the Mortgages), on behalf of the Issuer, may pay any Reconciliation Amount in relation to the relevant Mortgages to the Vendors in accordance with Clause 12.5.2 of the Administration Agreement, and
- (e) for so long as no Event of Default or Potential Event of Default has occurred, payments to a Swap Counterparty (other than payments due upon termination or reduction in the notional amount of the relevant Swap Agreement) may be made on the London Business Day prior to the Interest Payment Date on which such payment falls due

SECTION D
PROTECTION OF SECURITY AND ENFORCEMENT

11. SECURITY PROTECTION NOTICE

Delivery of Security Protection Notice

11.1 Subject to the provisions of Clause 13 (*Enforcement*) if, at any time while any of the Secured Obligations remain outstanding

- (a) an Event of Default or Potential Event of Default in relation to the Notes occurs, or
- (b) the Trustee believes that the Charged Property or any part thereof is in danger of being seized or sold under any form of distress, diligence or execution levied, executed or threatened or to be otherwise in jeopardy,

then the Trustee may, in its absolute discretion, deliver to the Issuer a Security Protection Notice, save that a Security Protection Notice cannot be delivered where the events referred to in Clause 11.1(a) and Clause 11.1(b) have occurred solely due to the Issuer taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act

Consequences of Delivery of Security Protection Notice

11.2 Upon delivery of a Security Protection Notice

- (a) the Floating Charge shall (so far as permitted by applicable law) crystallise into a fixed charge or fixed charges as regards any assets specified in the Security Protection Notice, and
- (b) by way of further assurance of such fixed charge or fixed charges the Issuer shall promptly execute over such assets a fixed charge or fixed charges or other Encumbrance in favour of the Trustee in such form as the Trustee shall require

Withdrawal of Security Protection Notice

11.3 The Trustee may at any time, unless an Enforcement Notice has been delivered, by notice in writing to the Issuer withdraw a Security Protection Notice

12. SECURITY ENFORCEABLE

The whole of the Security shall become enforceable (i) upon the delivery of an Enforcement Notice (except where the Enforcement Notice has been delivered as a result of an Insolvency Event occurring solely due to the Issuer obtaining or taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act), or (ii) if any person who is entitled to do so presents a petition or an application for the appointment of an administrator of the Issuer, gives notice of intention to appoint an administrator of the Issuer, or files such a notice with the courts

13. ENFORCEMENT

Consequences of Enforceable Security

13.1 From the date on which the Security becomes enforceable

- (a) if it has not already crystallised, the Floating Charge shall (so far as permitted by applicable law) crystallise,
- (b) subject to the provisions of the Conditions and the Trust Deed, the Trustee may institute such proceedings against the Issuer and take such action as it may think fit to enforce all or any part of the Security,
- (c) amounts may be withdrawn from the GIC Accounts only in accordance with the Post-Enforcement Priority of Payments,
- (d) the Trustee may appoint a Receiver in accordance with Clause 19 (*Appointment and Removal of Administrator or Receiver*),
- (e) whether or not it has appointed a Receiver, the Trustee may exercise all or any of the powers, authorities and discretions
 - (i) provided for in the Trust Documents, or
 - (ii) conferred by the LPA or the CLPAs or the Insolvency Act on mortgagees or receivers, and
- (f) the Issuer shall be deemed to be in default within the meaning of Condition 9(1)(b) of Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970

Enforcement of Security

13.2 The Trustee will enforce the Security (including without limitation any direction to sell or otherwise dispose of the Loans and their Related Security which are beneficially owned by the Issuer)

- (a) at its discretion and without further notice, or
- (b) when directed or requested to do so by the Noteholders in accordance with Condition 11 (*Enforcement*), or
- (c) providing none of the Notes are outstanding, if directed to do so by the most senior ranking Secured Creditor (other than the Trustee, Receiver and the Noteholders) in the Post-Enforcement Priority of Payments who is owed any Secured Obligations, in each case, subject to the Trustee having been indemnified to its satisfaction.

Restrictions on Disposal of the Charged Property

13.3 If the Notes have become due and repayable otherwise than by reason of a default in payment of any amount due thereon, the Trustee will not be entitled to dispose of any of the Charged Property (including any Loan and its Related Security beneficially owned by the Issuer) unless either

- (a) a sufficient amount would be realised to allow discharge in full of all amounts owing to the Noteholders and amounts ranking in priority thereto or *pari passu* therewith, or
- (b) the Trustee is of the opinion, reached after considering the advice of an investment bank or other financial advisor selected by the Trustee for the purpose of giving such advice, that the cash flow prospectively receivable by the Issuer (if the Charged Property were not disposed of) will not (or that there is a significant risk that it would not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts owing to the Noteholders and amounts ranking in priority thereto or *pari passu* therewith.

14. CONFLICT

14.1 The Trustee shall have regard to the interests of the A Noteholders, the M Noteholders, the B Noteholders and the C Noteholders, respectively, as regards all powers, trusts, authorities, duties and discretions of the Trustee (except where expressly provided otherwise), but requiring the Trustee in any such case to have regard only to the interest of

- (a) the A Noteholders if, in the Trustee's opinion, there is or may be a conflict between the interests of the A Noteholders and the interests of the M Noteholders, the B Noteholders or the C Noteholders and/or any other persons entitled to the benefit of the Security;
- (b) (where there are no A Notes outstanding) the M Noteholders if, in the Trustee's opinion, there is or may be a conflict between the interests of the M Noteholders and the interests of the B Noteholders or the C Noteholders and/or any other persons entitled to the benefit of the Security,
- (c) (where there are no A Notes or M Notes outstanding) the B Noteholders if, in the Trustee's opinion, there is or may be a conflict between the interests of the B Noteholders and the C Noteholders and any other persons entitled to the benefit of the Security;
- (d) (where there are no A Notes, M Notes or B Notes outstanding) the C Noteholders if, in the Trustee's opinion, there is or may be a conflict between the interests of the C Noteholders and any other persons entitled to the benefit of the Security, and
- (e) (where there are no A Notes, M Notes, B Notes or C Notes outstanding) the most senior ranking Secured Creditor (other than the Trustee or the Receiver)

in accordance with the priority under the Post-Enforcement Priority of Payments to whom Secured Obligations are owed.

14.2 The A Noteholders will rank *pari passu* between themselves and the Trustee will not have regard to the interests of any specific Class of Noteholders within the A Notes. The M Noteholders will rank *pari passu* between themselves and the Trustee will not have regard to the interests of any specific Class of Noteholders within the M Notes. The B Noteholders will rank *pari passu* between themselves and the Trustee will not have regard to the interests of any specific Class of Noteholders within the B Notes. The C Noteholders will rank *pari passu* between themselves and the Trustee will not have regard to the interests of any specific Class of Noteholders within the C Notes.

14.3 The Trustee may, at any particular time, having regard to the specific circumstances then applicable, in its absolute discretion (and without prejudice to the preceding paragraph), if it believes it to be just and equitable to do so, convene a meeting or meetings of a specific Class or Classes of Noteholders.

15. POST-ENFORCEMENT PRIORITY OF PAYMENTS

Post-Enforcement Priority of Payments

15.1 After an Enforcement Notice is delivered by the Trustee, all monies held in the GIC Accounts and all monies received or recovered by the Trustee and/or any Receiver in respect of the Charged Property (other than (i) any amounts standing to the credit of any swap collateral account which are payable to the Cross Currency Swap Counterparty and/or the Basis Swap Counterparty, as applicable, in accordance with the Cross Currency Swap Agreements and/or the Basis Swap Agreement, and (ii) any Standby Loan (as this term is defined in the Liquidity Facility Agreement) which is payable to the Liquidity Facility Provider in accordance with the Liquidity Facility Agreement) 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)

- (i) *first*, in or towards satisfaction *pro rata* and *pari passu*, of
 - (a) 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,
 - (b) 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,
- (ii) *second, pro rata*, in or towards payment of the fees and costs (including any VAT) of Administrator (and any substitute administrator) and the fees, costs, charges and liabilities and expenses of the Paying Agents and the Agent Bank,

- (iii) *third*, in or towards payment of interest, principal and other amounts due under the Liquidity Facility Agreement,
- (iv) *fourth, pro rata*, in or towards payment according to the respective amounts due:
 - (a) *pro rata and pari passu*, in respect of
 - (i) interest and principal due on the A1a Notes,
 - (ii) interest and principal due on the A2a Notes,
 - (iii) 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 (x) below),
 - (iv) interest and principal due on the A1b Notes (if any) after applying amounts received under the Class A1b Dollar Swap Transaction,
 - (v) 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 (x) below),
 - (vi) interest and principal due on the A2b Notes (if any) after applying amounts received under the Class A2b Dollar Swap Transaction,
 - (vii) 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 (x) below),
 - (viii) interest and principal due on the A2c Notes (if any) after applying amounts received under the Class A2c Euro Swap Transaction,
 - (ix) amounts due to the Cross Currency Swap Counterparty in respect of interest and principal under the Class A2d Dollar Swap Transaction including termination payments (except for such amounts as are payable under item (x) below), and
 - (x) interest and principal due on the A2d Notes (if any) after applying amounts received under the Class A2d Dollar Swap Transaction, and
 - (b) 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 (x) below),
- (v) *fifth*, in or towards payment, *pro rata and pari passu* according to the respective amounts due, of
 - (a) interest and principal due on the Ma Notes,

- (b) 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 (x) below); and
 - (c) interest and principal due on the Mc Notes (if any) after applying amounts received under the Class Mc Euro Swap Transaction,
- (vi) *sixth*, in or towards payment, *pro rata* and *pari passu* according to the respective amounts due, of
 - (a) interest and principal due on the Ba Notes,
 - (b) 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 (x) below); and
 - (c) interest and principal due on the Bc Notes (if any) after applying amounts received under the Class Bc Euro Swap Transaction,
- (vii) *seventh*, in or towards payment, *pro rata* and *pari passu* according to the respective amounts due, of:
 - (a) interest and principal due on the Ca Notes,
 - (a) 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 (x) below), and
 - (b) interest and principal due on the Cc Notes (if any) after applying amounts received under the Class Cc Euro Swap Transaction,
- (viii) *eighth*, in or towards satisfaction of all amounts due and payable in respect of the Expenses Loan,
- (ix) *ninth*, in or towards satisfaction of all amounts of principal repayable in respect of advances outstanding under the Subordinated Loan,
- (x) *tenth*, *pro rata* and *pari passu*, in or towards payment in respect of amounts accrued and due to Meertbroek I and PFL under or pursuant to the Deferred Consideration Agreement up to an amount equal to the difference between (i) the Maximum Required Amount and (ii) the Initial Required Amount,
- (xi) *eleventh*, in or towards satisfaction of amounts payable in respect of interest pursuant to the Subordinated Loan;
- (xii) *twelfth*, 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 a result of a ratings downgrade of the Swap Counterparty to the extent not paid in items (iv), (v), (vi) or (vii) above,

- (xiii) *thirteenth, pro rata and pari passu*, in or towards payment to Meerbrook 1 and PFL in respect of all amounts accrued and due under or pursuant to the Deferred Consideration Agreement to the extent not paid under item (x) above

Monies not required for Secured Obligations

15.2 Any monies held by the Receiver or the Trustee after application of monies received or recovered after delivery of an Enforcement Notice and not required for application in discharge of the Secured Obligations in accordance with Clause 15 (*Post-Enforcement Priority of Payments*) shall be paid by the Receiver or the Trustee to the Issuer

16. RESTRICTION ON ENFORCEMENT AND NON-PETITION

Agreement with the Issuer

16.1 Each Transaction Party (other than the Issuer and the Trustee) agrees with the Issuer that save as provided for in Clause 17.2 (*Restrictions on exercise of Security rights*), until the Final Discharge Date

- (a) only the Trustee may enforce the Security and no Transaction Party (other than the Trustee) shall have any right to take any proceedings against the Issuer to enforce the Security or to direct the Trustee to do so,
- (b) only the Trustee shall have the right to take any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to such Transaction Party, and
- (a) neither it nor any party on its behalf (other than the Trustee) shall initiate or join any person in initiating any Insolvency Proceedings in relation to the Issuer

Permitted steps

16.2 This Clause 16 (*Restriction on Enforcement and Non-Petition*) shall not prevent any Secured Creditor from taking any steps against the Issuer which do not amount to the initiation or the threat of initiation of Insolvency Proceedings or legal proceedings against the Issuer. Such permitted steps include claiming or proving in connection with Insolvency Proceedings initiated by others

17. PROVISIONS RELATING TO THE DEED OF CHARGE

Acknowledgement of Security

17.1 Each Secured Creditor

- (a) acknowledges the Security created by or pursuant to this Deed,

- (b) undertakes to the Trustee not to do anything inconsistent with the Security or the terms of this Deed;
- (c) agrees to observe the provisions of this Deed, and
- (b) acknowledges that the Security is held by the Trustee for the benefit of all the Secured Creditors and that any Receiver shall be appointed by the Trustee and for the benefit of all the Secured Creditors

Restrictions on exercise of Security rights

17.2 If the Trustee, having become bound to do so, fails

- (a) to deliver an Enforcement Notice, and/or
- (b) to take any steps or proceedings to enforce any Security in accordance with Clause 13 (*Enforcement*) within a reasonable time,

and such failure is continuing, any Secured Creditor shall be entitled to take any such steps and proceedings as it shall deem necessary or desirable (other than initiating Insolvency Proceedings) provided that no Secured Creditor shall be entitled to take any steps or proceedings which would contravene the Post-Enforcement Priority of Payments

Receipt

17.3 The Trustee is hereby authorised to execute on behalf of the Secured Creditors a receipt in respect of all or part only of the Secured Obligations, as may be appropriate from time to time

Recoveries

17.4 Except for moneys paid out pursuant to the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments all monies received or recovered by the Secured Creditors in contravention of such priorities of payment (whether by way of set-off, retention, compensation, balancing of accounts or otherwise) shall forthwith be paid to (and pending such payment held on trust for) the Trustee. Each Secured Creditor hereby agrees that all payments to be made by it to the Issuer pursuant to a Transaction Document shall be made free and clear without any deductions for or on account of any set-off or counterclaim

SECTION E
TRUSTEE'S POWERS

18. TRUSTEE'S POWERS

Trustee's Powers

18.1 From the date of this Deed but subject to Clause 18.2 (*Sections 93 and 103 LPA and Sections 17 and 20 CLPA*) below, the provisions of the LPA, the CLPA and the CA relating to the power of sale and the other powers conferred by Sections 101 (1) and (2) of the LPA, Section 19(1) of the CLPA and Section 4(1) of the CA, are extended to authorise the Trustee upon such terms as the Trustee may think fit

- (a) to sell, exchange, licence or otherwise dispose of or otherwise deal with the Charged Property or any interest in the same, and to do so for shares, debentures or any other securities whatsoever, or in consideration of an agreement to pay all or part of the purchase price at a later date or dates, or an agreement to make periodical payments, whether or not the agreement is secured by an Encumbrance or a guarantee, or for such other consideration (if any) and upon such terms whatsoever as the Trustee may think fit, and also to grant any option to purchase,
- (b) with a view to, or in connection with, the management or disposal of the Charged Property to carry out any transaction, scheme or arrangement which the Trustee may in its absolute discretion consider appropriate,
- (c) to take possession of, get in and collect the Charged Property,
- (d) to carry on and/or manage and/or concur in managing the business of the Issuer as it thinks fit and to demand, sue for and collect and get in all monies due to the Issuer as it thinks fit,
- (e) to appoint and engage managers, agents and advisers upon such terms as to remuneration and otherwise and for such periods as it may determine, and to dismiss them,
- (f) to bring, defend, submit to arbitration, negotiate, compromise, abandon and settle any claims and proceedings concerning the Charged Property,
- (g) to transfer all or any of the Charged Property and/or any of the liabilities of the Issuer to any other company or body corporate whether or not formed or acquired for the purpose and whether or not an affiliate of the Trustee, the Issuer or the Administrators,
- (h) to call up all or any portion of the uncalled capital (if any) of the Issuer,
- (i) generally to carry out, or cause or authorise to be carried out, any transaction, scheme or arrangement whatsoever, whether or not similar to any of the foregoing, in relation to the Charged Property which it may consider expedient and to do so as effectually as if it were the absolute, sole legal and beneficial

owner of the Charged Property, subject to any restrictions in the Transaction Documents,

- (j) to pay and discharge, out of the profits and income of the Charged Property and the monies to be made by it in carrying on the business of the Issuer, the expenses incurred in and about the carrying on and management of any such business or in the exercise of any of the powers conferred by this Clause or otherwise in respect of the Charged Property and all outgoings which it shall think fit to pay and apply the residue of such profits and income in accordance with the Post-Enforcement Priority of Payments,
- (k) to exercise any of the powers and perform any of the duties conferred on the Issuer by or pursuant to any of the Transaction Documents or any statute, deed or contract,
- (l) to exercise, or permit any other person to exercise, any rights, powers or privileges of the Issuer in respect of the Charged Property,
- (m) to disclaim, discharge, abandon, disregard, alter or amend on behalf of the Issuer all or any outstanding contracts of the Issuer except where such amendment is prescribed by the terms of any Transaction Document and allow time for payment of any monies either with or without security,
- (n) to sanction or confirm anything suffered by the Issuer and concur with the Issuer in any dealing not specifically mentioned above,
- (o) in connection with the exercise of any of its powers, to execute or do, or cause or authorise to be executed or done, on behalf of or in the name of the Issuer or otherwise, as it may think fit, all documents, acts or things which it may consider appropriate or incidental or conducive to the exercise of any of the powers referred to above, and
- (p) to use the name of the Issuer for all or any of the foregoing purposes

Sections 93 and 103 LPA and Sections 17 and 20 CLPA

18.2 Sections 93 and 103 of the LPA and Sections 17 and 20 of the CLPA shall not apply in relation to the Security. The statutory powers of sale and of appointing a receiver which are conferred upon the Trustee, as varied and extended by this Deed, and all other powers shall, in favour of any purchaser, be deemed to arise and be exercisable immediately after the execution of this Deed but shall only be exercised upon and following the delivery of an Enforcement Notice.

Borrowing Powers

18.3 The Trustee may raise and borrow money on the security of the Charged Property or any part thereof for the purpose of defraying any monies, costs, charges, losses and expenses paid or incurred by it in relation to this Deed (including the costs of realisation of any or all of the Charged Property and the remuneration of the Trustee). The Trustee may raise and borrow such money at such rate of interest and

generally on such terms and conditions as it shall think fit and may secure the repayment of the money so raised or borrowed with interest on the same by mortgaging or otherwise charging the Charged Property or any part thereof and either in priority to the Security or otherwise and generally in such manner as the Trustee shall think fit and for such purposes may execute and do all such assurances and things as it shall think fit

Powers Additional to LPA, CLPAs and Insolvency Act Powers

18.4 The powers conferred by this Deed in relation to the Security on the Trustee or on any Receiver of the Charged Property or any part thereof shall be in addition to and not in substitution for the powers conferred on mortgagees, receivers or heritable creditors under the LPA, the CLPAs, the Insolvency Act and the Conveyancing and Feudal Reform (Scotland) Act 1970 and, where there is any ambiguity or conflict between the powers contained in either of such Acts and those conferred by this Deed, the terms of this Deed shall prevail.

Scottish Trust Property

18.5 The Issuer and PFL hereby covenant and agree with and undertake to the Trustee that, if at any time after the Security shall have become enforceable the Trustee or any Receiver shall so require, they will join together in directing the Principal Administrator or PFL to sell or dispose of all or any part of the relevant Scottish Trust Property on terms previously approved by the Trustee and/or in causing the trust constituted by the relevant Scottish Declaration of Trust to be wound up or performed and they will take all such actions and execute all such documents as may be necessary to effect such sale or disposal or winding up or performance and the distribution or transfer of the relevant Scottish Trust Property or any part thereof in accordance with the terms of the relevant Scottish Declaration of Trust and this Deed. PFL and the Issuer hereby acknowledge and consent to the foregoing as trustees and beneficiary respectively in terms of each Scottish Declaration of Trust

SECTION F RECEIVER

19. APPOINTMENT AND REMOVAL OF ADMINISTRATOR OR RECEIVER

Appointment of an Administrator

19.1 At any time after the delivery of an Enforcement Notice or if any person who is entitled to do so presents a petition or an application for the appointment of an administrator of the Issuer, gives notice of intention to appoint an administrator of the Issuer, or files such notice with the court, the Trustee may appoint one or more persons to be an administrator of the Issuer

Appointment of a Receiver

19.2 At any time after the delivery of an Enforcement Notice or if any person who is entitled to do so presents a petition or an application for the appointment of an administrator of the Issuer, gives notice of intention to appoint an administrator of the Issuer, or files such notice with the Court, the Trustee may appoint such person or persons (including an officer or officers of the Trustee) as it thinks fit to be a Receiver or Receivers of the Charged Property or any part thereof to act jointly or jointly and severally as receiver, manager, receiver and manager or administrative receiver as the Trustee shall determine

Waiver no prejudice to Future Appointment

19.3 No delay or waiver of the right to exercise the power to appoint a Receiver shall prejudice the future exercise of such power

Insolvency Act Requirements

19.4 The Trustee shall comply with any requirement under the Insolvency Act that the person appointed to be a Receiver be a licensed insolvency practitioner

Removal of Receiver

19.5 The Trustee may (subject to Section 45 of the Insolvency Act) remove any Receiver whether or not appointing another in his place and the Trustee may also appoint another receiver if the Receiver resigns

Exclusion of part of Charged Property

19.6 The exclusion of any part of the Charged Property from the appointment of any Receiver shall not preclude the Trustee from subsequently extending the Receiver's appointment (or that of any Receiver replacing him) to include that part.

Statutory Powers of Appointment

19.7 The powers to appoint a Receiver shall be in addition to all statutory and other powers of appointment of the Trustee under the LPA (as extended in this Deed) or

otherwise and such powers shall remain exercisable from time to time by the Trustee in respect of the Charged Property

20. POWERS OF RECEIVER

Receiver Agent of Issuer

20.1 Any Receiver shall, so far as the law permits, be the agent of the Issuer and (subject to applicable law) the Issuer shall be solely responsible for any Receiver's acts and defaults and liable on any contracts or engagements made or entered into by any Receiver; and in no circumstances shall the Trustee or the Secured Creditors be in any way responsible for any Breach of Duty by any Receiver

Receiver and Transaction Documents

20.2 No Receiver shall have any power to take any action in relation to the Charged Property which the Trustee is prohibited from taking by the terms of any Transaction Document

Remuneration of Receiver

20.3 Subject to section 36 of the Insolvency Act, the remuneration of any Receiver may be fixed by the Trustee (and may be or include a commission calculated by reference to the gross amount of all money received or otherwise) but such remuneration shall be payable by the Issuer alone and the amount of such remuneration shall form part of the Secured Obligations, shall be secured on the Charged Property under the Security and paid in accordance with the Post-Enforcement Priority of Payments

Powers of Receiver

20.4 Any Receiver shall have, *mutatis mutandis*, the powers, authorities and discretions conferred upon the Trustee under this Deed and the Trust Deed, subject to such restrictions as the Trustee may think fit. Without prejudice to the generality of the foregoing, any Receiver appointed to the whole or substantially the whole of the Charged Property shall have the powers referred to in Schedule 1 of the Insolvency Act

Receiver and Trustee's Directions

20.5 Each Receiver shall in the exercise of his powers, authorities and discretions conform to the regulations and directions from time to time made and given by the Trustee

Security from Receiver

20.6 The Trustee may from time to time and at any time require any Receiver to give security for the due performance of his duties as Receiver and may fix the nature and amount of the security to be so given but the Trustee shall not be bound in any case to require any such security

Monies Payable to Trustee

20 7 Except as otherwise directed by any Trustee or as otherwise required by law, all monies from time to time received by any Receiver shall be paid over to the Trustee to be applied by it in accordance with the Post-Enforcement Priority of Payments

Payments by Trustee to Receiver

20 8 The Trustee may pay over to any Receiver any monies constituting part of the Charged Property so that such monies may be applied for the purposes of this Deed by such Receiver and the Trustee may from time to time determine what funds any Receiver shall be at liberty to keep in hand with a view to the performance of his duties as Receiver

Sections 109(6) and (8) of LPA and Sections 24(6) and (8) of CLPA

(20 9 Sections 109(6) and (8) of the LPA and Sections 24(6) and (8) of the CLPA (relating to the application of monies received by a receiver) shall not apply in relation to any Receiver

LPA and CLPAs Restrictions Inapplicable

(20 10 None of the restrictions imposed by the LPA or the CLPAs in relation to appointment of receivers or as to the giving of notice or otherwise shall apply to this Deed.

**SECTION G
PROTECTIVE PROVISIONS**

21. PROTECTION OF THIRD PARTIES

Protection of third parties

21.1 No purchaser from, or other person dealing with, the Trustee and/or any Receiver shall be concerned to enquire

- (a) whether any of the powers which the Trustee or any Receiver has exercised or purported to exercise has arisen or become exercisable, or
- (b) whether the Secured Obligations remain outstanding, or
- (c) whether any event has occurred to authorise the Trustee and/or any Receiver to act, or
- (d) as to the propriety or validity of the exercise or purported exercise of any such powers,

and the title of such a purchaser and the position of such other person shall not be impeachable by reference to any of those matters

Receipt absolute discharge

21.2 The receipt of the Trustee or the Receiver shall be an absolute and conclusive discharge to a purchaser or other such person as is referred to in Clause 21.1 (*Protection of third parties*) and shall relieve such purchaser or other person of any obligation to see to the application of any monies paid to or by the direction of the Trustee or the Receiver

Purchaser Defined

21.3 In Clauses 21.1 (*Protection of third parties*) and 21.2 (*Receipt absolute discharge*) *purchaser* includes any person acquiring in good faith, for money or money's worth, the benefit of any Encumbrance over, or any other interest or right whatsoever in relation to, the Charged Property

22. PROTECTION OF TRUSTEE AND RECEIVER

Protection of Trustee and Receiver

22.1 The Trustee shall not nor shall any Receiver, attorney or agent of the Trustee by reason of taking possession of the Charged Property or any part thereof or for any other reason whatsoever and whether as mortgagee or heritable creditor in possession or on any other basis whatsoever

- (a) be liable to account to the Issuer or any other person whatsoever for anything except actual receipts,

- (b) be liable to the Issuer or any other person whatsoever for any loss or damage arising from realisation of the Charged Property or any part thereof or from any act, default or omission in relation to the Security or any part thereof or from any exercise or non-exercise by it of any power, authority or discretion conferred upon it in relation to the Security or any part thereof or otherwise

unless such loss or damage shall be caused by its own Breach of Duty

Entry into possession

22.2 Without prejudice to the generality of Clause 22.1 (*Protection of Trustee and Receiver*), entry into possession of the Charged Property or any part thereof shall not render the Trustee or the Receiver liable to account as mortgagee or heritable creditor in possession or liable for any loss on realisation or for any default or omission for which a mortgagee or heritable creditor in possession might be liable

Going out of possession

22.3 If and whenever the Trustee or the Receiver enters into possession of the Charged Property, it shall be entitled at any time at its discretion to go out of such possession.

SECTION H
MISCELLANEOUS

23. SECURITY ADDITIONAL

The Security is in addition to, and shall neither be merged in, nor in any way exclude or prejudice or be affected by, any other Encumbrance, right or recourse or other right whatsoever which the Trustee may now or at any time after the date of this Deed hold or have (or would apart from the provisions of this Deed hold or have) as regards the Issuer or any other person in respect of the Secured Obligations

24. APPLICATION TO COURT

The Trustee may at any time apply to any court of competent jurisdiction for an order that the terms of this Deed be carried into execution under the direction of the court and for the appointment of a Receiver of the Charged Property and for any other order in relation to the administration of the terms of this Deed as the Trustee shall deem fit and the Trustee may assent to or approve any application made to the Court by the Secured Creditors and shall be indemnified by the Issuer against all costs, charges and expenses incurred by it in relation to any such application or proceedings

25. 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

EXECUTED and DELIVERED)
as a DEED by)
as Attorney for LEEK FINANCE NUMBER)
EIGHTEEN PLC in the presence of)

Signature of Witness

EXECUTED and DELIVERED)
as a DEED by)
as Attorney for CAPITA TRUST)
COMPANY LIMITED in the presence of)

Signature of Witness

EXECUTED and DELIVERED
as a **DEED** by
PLATFORM FUNDING LIMITED
acting by two directors/a director and the
secretary/two authorised signatories

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)
)
)
)

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

)
)
)
)
)

Signature of Witness

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

)
)
)
)
)

Signature of Witness

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

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)
)
)
)

Signature of Witness

EXECUTED and DELIVERED
as a **DEED** by
DANSKE BANK
A/S, LONDON BRANCH
acting by two authorised signatories

)
)
)
)
)

[REDACTED]

Signature of Witness

EXECUTED and DELIVERED
as a **DEED** by
as Attorney for **LEEK FINANCE HOLDINGS**
NUMBER EIGHTEEN LIMITED in the presence of

)
)
)
)

[REDACTED]

Signature of Witness

[REDACTED]

EXECUTED and DELIVERED
as a **DEED** by
as Attorney for **HSBC BANK PLC**
in the presence of

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)
)
)

[REDACTED]

Signature of Witness

[REDACTED]

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

)
)
)
)
)

[REDACTED]

Signature of Witness

[REDACTED]

THE COMMON SEAL of
BRITANNIA BUILDING SOCIETY
was hereunto affixed in the presence of

)
)
)



Signature _____

Name _____

Address _____

(

(

SCHEDULE 1

FORM OF SCOTTISH SUB SECURITY

WE, LEEK FINANCE NUMBER EIGHTEEN PLC, incorporated under the Companies Acts in England (Number 05659996) and having our Registered Office at 10 Upper Bank Street, London E14 5JJ (hereinafter referred to as the *Issuer*)
CONSIDERING that

- (A) We have entered into a trust deed (hereinafter referred to as the *Trust Deed*) dated 26 October 2006 between us the Issuer and CAPITA TRUST COMPANY LIMITED, whose principal office is at 7th Floor, Phoenix House, 18 King William Street, London EC4N 7HE (hereinafter referred to as the *Trustee*, which expression shall include such company and all other persons or companies for the time being acting as trustee or trustees under the Trust Deed or this deed) constituting certain mortgage-backed floating rate notes,
- (B) In security of the performance of the obligations specified therein we have entered into a deed of charge (hereinafter referred to as the *Deed of Charge*) between us the Issuer, the Trustee, PLATFORM FUNDING LIMITED a company incorporated in England and Wales (registered number 3456337) whose registered office is at Exchange Tower, 2 Harbour Exchange Square, London E14 9FR, MEERBROOK FINANCE NUMBER ONE LIMITED a company incorporated in England and Wales (company number 04442594) whose registered office is at 10 Upper Bank Street, London E14 5JJ, BRITANNIA BUILDING SOCIETY a building society whose principal office is at Britannia House, Leek, Staffordshire, ST13 5RG, THE ROYAL BANK OF SCOTLAND PLC (registered number SC90312) a company incorporated under the laws of Scotland acting through its branch at 135 Bishopsgate, London EC2M 3UR, 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 125 London Wall, London EC2Y 5AJ, LEEK FINANCE HOLDINGS NUMBER EIGHTEEN LIMITED a company incorporated in England and Wales (registered number 05660052) whose registered office is at 10 Upper Bank Street, London E14 5JJ, HSBC BANK PLC a company incorporated under the laws of England and Wales (registered number 14259) acting through its offices at 8 Canada Square, London E14 5HQ, HSBC BANK USA, NATIONAL ASSOCIATION a national banking association organised under the laws of the United States of America acting through its office at 452 Fifth Avenue, New York, NY

10018-2706 and DANSKE BANK A/S., LONDON BRANCH
organised under the laws of Denmark, acting through its office at 75
King William Street, London EC4N 7DT,

- (C) In terms of the Deed of Charge we have agreed to grant this deed, and
- (D) Capitalised terms in this deed (including the recitals hereto) shall, except where the context otherwise requires and save where otherwise defined herein, bear the meanings ascribed to them in the Master Definitions Schedule set out in Schedule 1 to the master framework agreement dated 26 October 2006 and entered into between us, the Issuer, and the Trustee (as the same may be amended, varied or supplemented from time to time) (the *Master Framework Agreement*) and this deed shall be construed in accordance with the principles of interpretation and constructions set out therein

NOW THEREFORE we the Issuer in security of the payment and discharge of all present and future monies, obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) constituting or comprised within the Secured Obligations and any variation or alteration thereof and in implement *pro tanto* of Clause 4.2 (*Creation of Fixed Security*) of the Deed of Charge HEREBY GRANT a Standard Security in favour of the Trustee over ALL and WHOLE *[insert description of Scottish Mortgages]* (which said respective Standard Securities are hereinafter together referred to as the *Principal Securities*) Together with our whole right, title and interest, present and future therein and thereto The Standard Conditions specified in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970 (the *Standard Conditions*) and any lawful variation thereof operative for the time being shall apply except where otherwise stated or varied herein And we agree that

- (First) Conditions 1 to 7 (inclusive) of the Standard Conditions shall not apply to this Standard Security;
- (Second) the remaining Standard Conditions shall be varied to the effect that in so far as the provisions of the Trust Deed or the Deed of Charge (the terms of each of which shall be deemed to be incorporated herein) extend, add to, depart from or conflict with the said Standard Conditions, the Trust Deed or the Deed of Charge (as the case may be) shall, subject to the provisions of the said Act, prevail and take effect,
- (Third) upon the service by the Trustee of an Enforcement Notice in accordance with the provisions of the Trust Deed we shall (in addition to the circumstances specified in the said Act) be deemed to be in default within the meaning of Condition 9(1)(b) of the Standard Conditions whereupon and without prejudice to its whole other rights and powers under the said Act or the Transaction Documents, the Trustee shall be entitled to enforce this Standard Security in accordance with the provisions of the said Act,

(Fourth) without prejudice to the rights and remedies of the Trustee under the said Act or otherwise, in the event of our being in default hereunder (a) we shall on demand grant, execute and deliver a valid assignation of the Principal Securities or any of them in favour of the Trustee or any nominee of the Trustee and (b) the Trustee shall have power to uplift, receive, sue for and discharge all sums and liabilities due and to become due under the Principal Securities and to enforce all the rights and obligations contained or implied therein or thereby and to discharge the same in whole or in part and generally to do whatever is or may be or would, if this deed had not been granted, have been competent to us in respect thereof, and that without the consent of or notice to us and on such terms and conditions as the Trustee in its absolute discretion may determine, declaring that the exercise or otherwise by the Trustee of all or any of the powers hereby conferred shall be without prejudice to and shall in no way restrict or discharge the obligations undertaken by us herein or otherwise, and

(Fifth) the security rights and interests created, made or given under this deed shall be held by the Trustee as trustee for the Secured Creditors upon and subject to the terms and conditions of the Deed of Charge,

And we grant warrandice *[insert any exceptions therefrom]* And we further ASSIGN to the Trustee in security of all monies, obligations and liabilities foresaid our whole right, title and interest in and to all and any personal bonds, credit agreements or agreements for loan (howsoever constituted) granted by or entered into with the said respective parties whose names are specified in Column 2 of the said Schedule and secured by the Principal Securities

IN WITNESS WHEREOF these presents typewritten on this and the two preceding pages are executed at [] on the [] day of [] as follows

SUBSCRIBED for and on behalf of the said
LEEK FINANCE NUMBER EIGHTEEN PLC

by

and

**Schedule referred to in the foregoing Standard Security by Leek Finance
Number Eighteen plc in favour of Capita Trust Company Limited**

Account No.	Borrowers	Secured Property	Title No./County	Registration/ Recording Date
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DATED 6 JUNE 2011

**LEEK FINANCE NUMBER EIGHTEEN PLC
AS ISSUER AND CO-OP MULTI-CURRENCY LOAN PROVIDER**

**CAPITA TRUST COMPANY LIMITED
AS TRUSTEE**

**PLATFORM FUNDING LIMITED
AS ADMINISTRATOR, PFL AND ORIGINATOR**

**MEERBROOK FINANCE NUMBER ONE LIMITED
AS MEERBROOK 1**

**THE ROYAL BANK OF SCOTLAND PLC
AS RBS INTEREST RATE SWAP COUNTERPARTY, EXPENSES LOAN PROVIDER,
CROSS CURRENCY SWAP COUNTERPARTY, BASIS SWAP COUNTERPARTY
A GIC PROVIDER AND GIC GUARANTOR**

**LEEK FINANCE HOLDINGS NUMBER EIGHTEEN 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, SUBORDINATED LOAN PROVIDER,
GIC PROVIDER, CO-OP MULTI-CURRENCY LOAN BORROWER AND LIQUIDITY
FACILITY PROVIDER**

**SUPPLEMENTAL DEED OF CHARGE
RELATING TO A DEED OF CHARGE
DATED 26 OCTOBER 2006**

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THIS SUPPLEMENTAL DEED OF CHARGE is made by deed on 6 June 2011

BETWEEN:

- (1) **LEEK FINANCE NUMBER EIGHTEEN PLC**, (registered number 05659996) whose registered office is at Pellipar House, 1st Floor, 9 Cloak Lane, London EC4R 2RU (the "Issuer" and "Co-op Multi-Currency Loan Provider"),
- (2) **CAPITA TRUST COMPANY LIMITED**, (registered number 239726) whose principal office is at 7th Floor, Phoenix House, 18 King William Street, London EC4N 7HE (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 "Administrator" and "Originator");
- (4) **MEERBROOK FINANCE NUMBER ONE LIMITED**, (registered number 04442594) a company incorporated in England and Wales whose registered office is at Pellipar House, 1st Floor, 9 Cloak Lane, London EC4R 2RU ("Meerbrook 1");
- (5) **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 capacity as "Interest Rate Swap Counterparty", "Expenses Loan Provider", a "Cross Currency Swap Counterparty", a "Basis Swap Counterparty", and a "GIC Provider" and "GIC Guarantor");
- (6) **LEEK FINANCE HOLDINGS NUMBER SEVENTEEN LIMITED**, (registered number 05660058) a company incorporated in England and Wales whose registered office is at Pellipar House, 1st Floor, 9 Cloak Lane, London EC4R 2RU ("Holdings");
- (7) **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"),
- (8) **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"); and
- (9) **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", "Subordinated Loan Provider", a "GIC Provider" and the "Liquidity Facility Provider").

WHEREAS:

- (A) By virtue of the Deed of Charge dated 26 October 2006 and made between (among others) the Issuer and the Trustee (the "Original Deed of Charge") the Issuer created security in favour of the Trustee in relation to the £92,100,000 Class A1a Mortgage Backed Floating Rate Notes Due 2038, U.S \$200,000,000 Class A1b Mortgage Backed Floating Rate Notes Due 2038, £171,100,000 Class A2a Mortgage Backed

Floating Rate Notes Due 2038, U.S.\$475,000,000 Class A2b Mortgage Backed Floating Rate Notes Due 2038, €128,000,000 Class A2c Mortgage Backed Floating Rate Notes Due 2038, U.S.\$ 350,000,000 Class A2d Mortgaged Backed Floating Rate Notes Due 2038, £12,500,000 Class Ma Mortgaged Backed Floating Rate Notes due 2038, €83,700,000 Class Mc Mortgage Backed Floating Rate Notes Due 2038, £25,900,000 Class Ba Mortgage Backed Floating Rate Notes Due 2038, €26,000,000 Class Bc Mortgage Backed Floating Rate Notes Due 2038, £6,000,000 Class Ca Mortgage Backed Floating Rate Notes Due 2038 and €49,000,000 Class Cc Mortgage Backed Floating Rate Notes Due 2038 and (together the "Notes") of the Issuer.

- (B) Pursuant to the custody agreement dated on or about the date of this Supplemental Deed of Charge 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 wishes to charge the Custody Account in favour of the Trustee for the benefit of the Secured Creditors, also 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 is amended on the date of this Deed) to secure, amongst other things, its obligations under the VFNs.
- (C) The business of the Britannia Building Society was transferred to the Co-operative Bank p.l.c. on 1 August 2009 and the Britannia Building Society ceased to exist.
- (D) This Supplemental Deed of Charge is supplemental to the Original Deed of Charge.

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

1. INTERPRETATION AND CONSTRUCTION

1.1 Interpretation

In this Supplemental Deed of Charge.

"Original Deed of Charge" means the Deed of Charge dated 26 October 2006 between (amongst others) the Issuer and the Trustee.

"Original Security" means the Security created under the Original Deed of Charge.

Unless defined in this Supplemental Deed of Charge or the context requires otherwise, words and expressions used in this 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 26 October 2006 as 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

- 1.2.1 The term **"full title guarantee"** will be construed in accordance with the Law of Property (Miscellaneous Provisions) Act 1989 (the **"Law of Property**

(MP) Act" but so that the covenants implied by the Law of Property (MP) Act in respect of the Security do not include:

- (a) the words "other than any charges, encumbrances or rights which that person does not and could not reasonably be expected to know about" in section 3(1)(b) of the Law of Property (MP) Act; and
- (b) section 6(2) of the Law of Property (MP) Act.

1 2 2 The Original Deed of Charge shall henceforth be read and construed as one document with this Supplemental Deed of Charge and this Supplemental Deed of Charge shall, for the avoidance of doubt, be a Transaction Document.

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. SECURITY

3.1

3 1 1 The Original Security is, with effect from the date of this Supplemental Deed of Charge, hereby granted over the assets of the Issuer specified in Clauses 4.1 (*Creation of Fixed Security*) to 5 (*Creation of Floating Charge*) of the Original Deed of Charge (but as if Clause 4.1(e) included reference to the Custody Account Agreement and the Co-op Multi-Currency Loan Agreement, as defined in the Master Framework Agreement as amended and restated on the date of this Supplemental Deed of Charge and 4.1(f) included reference to the Custody Account, as defined in the Master Framework Agreement as amended and restated on the date of this Supplemental Deed of Charge) as security for the Secured Obligations (as defined in the Master Framework Agreement as amended and restated on the date of this Supplemental Deed of Charge).

3 1 2 The execution of this Supplemental Deed of Charge 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 Supplemental Deed of Charge 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 3.1.1 and each of the Secured Creditors undertakes to the Trustee not to do anything inconsistent with the security given under or pursuant to this Supplemental Deed of Charge 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.

3.2 The provisions of the Original Deed of Charge are deemed to be incorporated in this Supplemental Deed of Charge with all necessary modifications as if they were set out in full in this Supplemental Deed of Charge.

3.3 The Issuer undertakes to deliver to the Trustee on or before the VFN Issue Date, a power of attorney in the form set out in Schedule 1 (*Security Power of Attorney*).

4. NOTICE OF SECURITY

The Issuer shall, within 7 days of the date hereof, deliver a notice to the Custody Account Provider substantially in the form set out in Schedule 2 (*Form of Notice for Custody Account Provider*).

5. MANAGEMENT OF THE UK GILTS

Upon any early redemption of the Notes under Condition 6 (*Redemption, Purchase and Cancellation*) including, for the avoidance of doubt under Condition 6(d) (*Optional Early Redemption of the Notes*) and Condition 6(f) (*Investor Redemption Option*), the Issuer may, but is not required to, procure that the Principal Administrator (in its capacity as cash manager) sells, transfers or otherwise disposes of the UK Gilts, the proceeds of which shall be used to redeem the Notes in accordance with the Payments Priorities and the UK Gilts shall be released from the security constituted by this Deed at this time.

6. AMENDMENT OF THE ORIGINAL DEED OF CHARGE

The Original 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 the Standby Drawings Account Ledger 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;

- (u) 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*, 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;
- (c) *third*, in or towards payment of interest, principal and other amounts due under the Liquidity Facility Agreement;
- (d) *fourth, 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 (I) 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 (I) 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 (I) 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. amounts due to the Cross Currency Swap Counterparty in respect of interest and principal under the Class A2d Dollar Swap Transaction including termination payments (except for such amounts as are payable under item (I) below),
 - J. interest and principal due on the A2d Notes (if any) after applying amounts received under the Class A2d Dollar Swap Transaction, including to the extent funded prior to the delivery of an Enforcement Notice, the Additional Coupon Payment in respect of the A2d Notes;
 - K. 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 (I) below);
- (e) *fifth*, in or towards payment, *pro rata* and *pari passu* according to the respective amounts due, of:
- (i) interest and principal due on the Ma Notes;
 - (ii) 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 (I) below); and
 - (iii) interest and principal due on the Mc Notes (if any) after applying amounts received under the Class Mc Euro Swap Transaction;
 - (iv) interest and principal due on the J2 VFNs;
- (f) *sixth*, 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 (I) 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;
- (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 Ca Notes;
 - (ii) 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 (l) below);
 - (iii) interest and principal due on the Cc Notes (if any) after applying amounts received under the Class Cc Euro Swap Transaction;
 - (iv) interest and principal due on the J4 VFNs;
- (h) *eighth*, in or towards satisfaction of all amounts due and payable in respect of the Expenses Loan;
- (i) *ninth*, in or towards satisfaction of all amounts of principal repayable in respect of advances outstanding under the Subordinated Loan;
- (j) *tenth*, *pro rata* and *pari passu*, in or towards payment to Meerbrook 1, 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 Maximum Required Amount and (ii) the Initial Required Amount;
- (k) *eleventh*, in or towards satisfaction of amounts due and payable in respect of the Subordinated Loan in respect of interest,
- (l) *twelfth*, 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 a result of a ratings downgrade of the Swap Counterparty to the extent not paid in items (d), (e), (f) or (g) above;
- (m) *thirteenth*, in or towards payment of interest and principal due on the K VFNs;
- (n) *fourteenth*, in or towards payment of interest and principal due on the L VFNs,
- (o) *fifteenth*, in or towards payment of the Additional Coupon Payment;

(p) *sixteenth, pro rata and pari passu* in or towards payment to Meerbrook 1, 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 (j) above; and

(q) *seventeenth*, the surplus, if any, to the Issuer.

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 Full Title Guarantee

The Issuer grants the Security with full title guarantee.

7.5 Representation of the Issuer

The Issuer represents and warrants to the Trustee that it has taken all necessary steps to enable it to create the Security in accordance with this Deed and has taken no actions or steps which will or may prejudice its rights, title and interest in, to and under the Charged Property.

7.6 Floating Charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3 (*Security*).

8. ORIGINAL DEED OF CHARGE

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

9. LIMITED RECOURSE

9.1 VFN Holder hereby agrees that, notwithstanding any other provision of any Transaction Document, all obligations of the Issuer each of the VFNs is 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 the VFN Holder shall have no further claim against the Issuer in respect of any amounts owing to them under the VFNs 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 (*Limited Recourse*) 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 [•]

BY

- (1) **LEEK FINANCE NUMBER EIGHTEEN PLC** (registered number 05659996) whose registered office is at Pellipar House, 1st Floor, 9 Cloak Lane, London EC4R 2RU (as "Issuer");

IN FAVOUR OF

- (2) **CAPITA TRUST COMPANY LIMITED** (registered number 239726) whose principal office is at 7th Floor, Phoenix House, 18 King William Street, London EC4N 7HE (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 26 October 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 as a DEED by)
as Attorney for LEEK FINANCE NUMBER)
EIGHTEEN PLC)

. Signature of attorney

. Name of attorney

Witnessed by:

Address:

SCHEDULE 2
FORM OF NOTICE FOR CUSTODY ACCOUNT PROVIDER

NOTICE TO CUSTODY ACCOUNT PROVIDER

NOTICE dated [•]

From: Leek Finance Number Eighteen PLC (the "**Chargor**")
To: JPMorgan Chase bank, National Association (the "**Custody Account Provider**")
Copy. Capita Trust Company Limited (the "**Trustee**")

Dear Sirs,

This notice relates to the Custody Account.

Under a supplemental deed of charge dated [•] 2011 (the "**Supplemental Deed of Charge**") between, among others, the Chargor and the Trustee, the Chargor notifies you that it has charged and assigned in favour of the Trustee all its rights in respect of the Custody Account Agreement and in respect of any Securities (as that term is defined in the Custody Account Agreement) credited to the Custody Account subject to the terms of the Custody Account Agreement and the other Transaction Documents.

Capitalised terms used in this notice, unless otherwise defined in this notice, have the same meanings as under the Supplemental Deed of Charge a copy of which is attached hereto.

Yours faithfully,

Leek Finance Number Eighteen PLC

.....

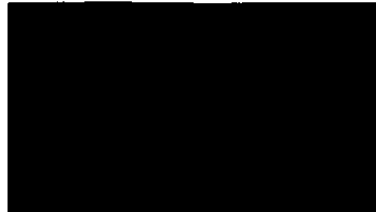
(Authorised signatory)

**APPENDIX
SUPPLEMENTAL DEED OF CHARGE**

[Copy of fully executed Supplemental Deed of Charge to be attached]

SIGNATURE PAGE

EXECUTED and DELIVERED)
as a **DEED** by **Colin Arthur Benford**)
as Attorney for **LEEK FINANCE NUMBER**)
EIGHTEEN PLC in the presence of:)



Signature of Witness



Name.

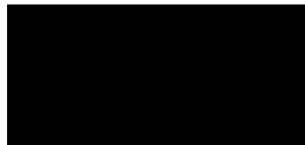


Address:



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

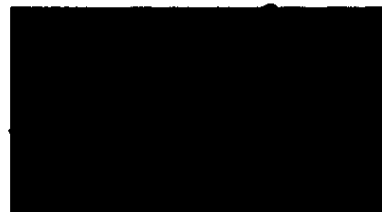
Director:



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

Colin Arthur Benford

as Attorney for **MEERBROOK**

FINANCE NUMBER ONE

LIMITED

in the presence of:

)
)
)
)
)
)

Signature of Witness

[Redacted]

Name:

[Redacted]

Address:

[Redacted]

EXECUTED and DELIVERED

as a **DEED** by

as Attorney for **THE ROYAL BANK**

OF SCOTLAND PLC in the presence of

)
)
)
)
)

Signature of Witness:

[Redacted]

Name:

[Redacted]

Address:

[Redacted]

EXECUTED and DELIVERED

as a **DEED** by

Colin Arthur Benford

as Attorney for **LEEK FINANCE HOLDINGS**

NUMBER EIGHTEEN LIMITED

in the presence of:

)
)
)
)
)
)

Signature of Witness:

[Redacted]

Name:

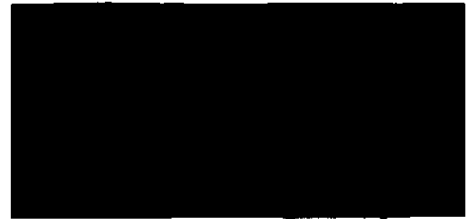
[Redacted]

Address:

[Redacted]

EXECUTED and DELIVERED
as a **DEED** by
as Attorney for **HSBC BANK PLC**
in the presence of:

)
)
)
)



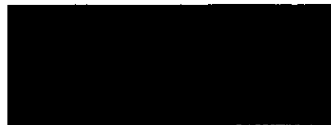
Signature of Witness



Name.

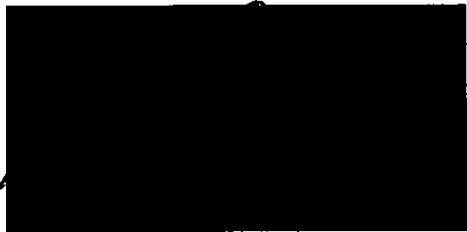


Address



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

)
)
)
)
)



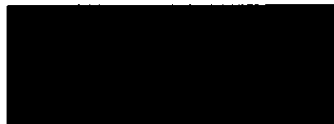
Signature of Witness



Name.

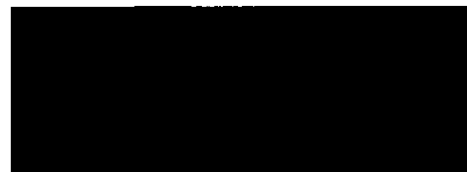


Address:



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

)
)
)



Signature

Name

Address:

SIGNATORIES

EXECUTION

Issuer and Co-op Multi-Currency Loan Provider

EXECUTED and DELIVERED)
as a **DEED** by **LEEK FINANCE NUMBER**)
EIGHTEEN PLC
acting by two Directors

Director)

Director)

Trustee

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

Director)

Director)

Administrator, PFL and Originator

EXECUTED and DELIVERED)
as a **DEED** by **PLATFORM FUNDING**)
LIMITED
acting by two Directors

Director)

Director)

Meerbrook 1

EXECUTED and DELIVERED)
as a **DEED** by **MEERBROOK FINANCE**)
NUMBER ONE LIMITED
acting by two Directors

Director)

Director)

SIGNATORIES

EXECUTION:

Issuer and Co-op Multi-Currency Loan Provider

EXECUTED and DELIVERED)
as a DEED by LEEK FINANCE NUMBER)
EIGHTEEN PLC
acting by two Directors

Director)

Director)

Trustee

EXECUTED and DELIVERED)
as a DEED by CAPITA TRUST COMPANY)
LIMITED
acting by two Directors

Director)

Director)

Administrator, PFL and Originator

EXECUTED and DELIVERED)
as a DEED by PLATFORM FUNDING)
LIMITED
acting by two Directors

Director)

Director)

Meerbrook 1

EXECUTED and DELIVERED)
as a DEED by MEERBROOK FINANCE)
NUMBER ONE LIMITED
acting by two Directors

Director)

Director)

SIGNATORIES

EXECUTION

Issuer and Co-op Multi-Currency Loan Provider

EXECUTED and DELIVERED)
as a DEED by LEEK FINANCE NUMBER)
EIGHTEEN PLC
acting by two Directors

Director)

Director)

Trustee

EXECUTED and DELIVERED)
as a DEED by CAPITA TRUST COMPANY)
LIMITED
acting by two Directors

Director)

Director)

Administrator, PFI and Originator

EXECUTED and DELIVERED)
as a DEED by PLATFORM FUNDING)
LIMITED
acting by two Directors

Director)

Director)

Meerbrook I

EXECUTED and DELIVERED)
as a DEED by MEERBROOK FINANCE)
NUMBER ONE LIMITED
acting by two Directors

Director)

Director)

**RBS Interest Rate Swap Counterparty, Expenses Loan Provider, Cross Currency Swap Counterparty,
Basis Swap Counterparty and Original GIC Provider**

EXECUTED and DELIVERED

as a **DEED** by

as Attorney for **THE ROYAL BANK**

OF SCOTLAND PLC in the presence of

)

)

)

)

Signature of Witness

Name

Address

Holdings

EXECUTED and DELIVERED

as a **DEED** by **LEEK FINANCE HOLDINGS**

NUMBER EIGHTEEN LIMITED

acting by two Directors

)

)

Director

)

Director

)

Principal Paying Agent, Agent Bank and Transfer Agent

EXECUTED and DELIVERED

as a **DEED** by

as Attorney for **HSBC BANK PLC**

in the presence of

)

)

)

)

Signature of Witness

Name

Address

Paying Agent, Transfer Agent and Registrar

EXECUTED and DELIVERED

as a **DEED** by

as Attorney for **HSBC BANK USA,**

NATIONAL ASSOCIATION

in the presence of

)

)

)

)

)

Signature of Witness

Name

Address

VFN Registrar, Co-operative Bank, Subordinated Loan Provider, GIC Provider and Co-op Multi-Currency Loan Borrower and Liquidity Facility Provider

**RBS Interest Rate Swap Counterparty, Expenses Loan Provider, Cross Currency Swap Counterparty,
Basis Swap Counterparty and Original GIC Provider**

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

Signature of Witness

Name

Address

Holdings

EXECUTED and DELIVERED)
as a **DEED** by **LEEK FINANCE HOLDINGS**)
NUMBER EIGHTEEN LIMITED
acting by two Directors

Director)

Director)

Principal Paying Agent, Agent Bank and Transfer Agent

EXECUTED and DELIVERED)
as a **DEED** by)
as Attorney for **HSBC BANK PLC**)
in the presence of)

Signature of Witness

Name

Address

Paying Agent, Transfer Agent and Registrar

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

Signature of Witness

Name

Address

VFN Registrar, Co-operative Bank, Subordinated Loan Provider, GIC Provider and Co-op Multi-Currency Loan Borrower and Liquidity Facility Provider

RBS Interest Rate Swap Counterparty, Expenses Loan Provider, Cross Currency Swap Counterparty,
Basis Swap Counterparty and Original GIC Provider

EXECUTED and DELIVERED

is a DEED by

is Attorney for THE ROYAL BANK

OF SCOTLAND PLC in the presence of

Signature of Witness

Name

Address

Holdings

EXECUTED and DELIVERED

is a DEED by FIFTH FINANCE HOLDINGS

NUMBER EIGHTEEN LIMITED

acting by two of its

Director

Director

Principal Paying Agent, Agent Bank and Transfer Agent

EXECUTED and DELIVERED

is a DEED by

is Attorney for HSBC BANK PLC

in the presence of

Signature of Witness

Name

Address

Paying Agent, Transfer Agent and Registrar

EXECUTED and DELIVERED

is a DEED by

is Attorney for HSBC BANK USA

NATIONAL ASSOCIATION

in the presence of

Signature of Witness

Name

Address

VEN Registrar, Co-operative Bank, Subordinated Loan Provider, GIC Provider and Co-op Multi-
Currency Loan Borrower and Liquidity Facility Provider

RESTRICTED

HS222460000, (CM) Legal copy to

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**RBS Interest Rate Swap Counterparty, Expenses Loan Provider, Cross Currency Swap Counterparty,
Basis Swap Counterparty and Original GIC Provider**

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

Signature of Witness

Name

Address

Holdings

EXECUTED and DELIVERED)
as a **DEED** by **LEEK FINANCE HOLDINGS**)
NUMBER EIGHTEEN LIMITED)
acting by two Directors

Director)

Director)

Principal Paying Agent, Agent Bank and Transfer Agent

EXECUTED and DELIVERED)
as a **DEED** by)
as Attorney for **HSBC BANK PLC**)
in the presence of)

Signature of Witness

Name

Address

Paying Agent, Transfer Agent and Registrar

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

Signature of Witness

Name

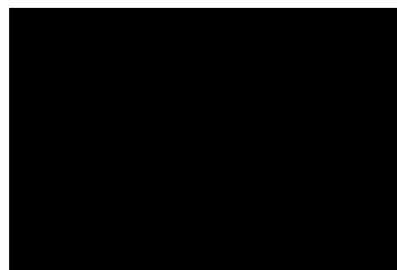
Address

VFN Registrar, Co-operative Bank, Subordinated Loan Provider, GIC Provider and Co-op Multi-Currency Loan Borrower and Liquidity Facility Provider

EXECUTED and DELIVERED)
as a DEED by THE CO-OPERATIVE BANK)
PLC)
acting by two Attorneys)

Attorney)

Attorney)



ANNEX 1

DEFINITIONS – SECOND SUPPLEMENTAL DEED OF CHARGE

Pursuant to Clause 1.1 of the Second Supplemental Deed of Charge, words and expressions used in the Second 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 26 October 2006 as amended and restated on 6 June 2011 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 terms defined in the Master Definitions Schedule to the Master Framework Agreement are set out in full below

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

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*)

48 hours means 2 consecutive periods of 24 hours

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

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

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

A1a Notes means the £92,100,000 Class A1a Mortgage Backed Floating Rate Notes due 2038

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

A1b Notes means the US\$200,000,000 Class A1b Mortgage Backed Floating Rate Notes due 2038

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

A2 Notes means the A2a Notes, the A2b Notes, the A2c Notes and the A2d 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, the A2c Relevant Notes and the A2d Relevant Notes

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

A2a Notes means the £171,100,000 Class A2a Mortgage Backed Floating Rate Notes due 2038

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\$475,000,000 Class A2b Mortgage Backed Floating Rate Notes due 2038

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 €128,000,000 Class A2c Mortgage Backed Floating Rate Notes due 2038

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*)

A2d Noteholders means the persons who for the time being are holders of the A2d Notes

A2d Notes means the U S \$350,000,000 Class A2d Mortgage Backed Floating Rate Notes due 2038

A2d Relevant Notes means the A2d 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 Account, the Sundries Account, the GIC Account or the Custody Account

Account Bank means National Westminster Bank Plc or any successor account bank appointed from time to time by PFL

Account Details means the details of each of The BNYM Deposit Account, Collection Account, the Sundries Account and the GIC Accounts, set out in Schedule 5 (Account Details) in the Master Framework Agreement

Accounting Reference Date means 31 December in each year

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

Acknowledgement of Interest Letters means, in relation to a freehold or heritable Property or, as the case may be, a leasehold Property, the letters already received or to be received by the Administrator or the Mortgage Lender from any insurance company in respect of any Mortgage over any Property which is not insured under the Buildings Policies acknowledging the Mortgage Lender's interest in such Property

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 Notes are redeemed in full

Administration Agreement means an administration agreement dated the Closing Date, as amended and restated on the VFN Issue Date, between the Issuer, the Trustee, PFL and Co-operative Bank (as may be further amended, restated or supplemented from time to time)

Administrator means PFL in its capacity as administrator of the Mortgages under the Administration Agreement or any successor administrator appointed in accordance with the Administration Agreement

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

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

Agents means the Agent Bank, the Paying Agents, the Registrar, the VFN Registrar, and the Transfer Agents (or any successors duly appointed) and **Agent** means any one of them

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 Cash Manager as being the annual rate at which the Loans are being prepaid

Applied Income means, in relation to any Calculation Date, Income Received 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 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 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 will mature on or prior to the Calculation Date at the end of the Collection Period in which the investment is made

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) in the Master Framework 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 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% 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 Holder in respect of item (viii) 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 £25,900,000 Class Ba Mortgage Backed Floating Rate Notes due 2038

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*)

Bank Accounts means the Collection Account, the Sundries Account, the Co-op Account, the BNYM Deposit Account, the Custody Account and, if applicable, the Standby Drawings Account

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 RBS or any successor basis swap counterparty or counterparties from time to time under the Basis Swap Transactions

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 €26,000,000 Class Bc Mortgage Backed Floating Rate Notes due 2038

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 which will be held at BNYM, for the deposit of amounts made pursuant to the BNYM Deposit Account Agreement

BNYM Deposit Account Bank means BNYM

BNYM Deposit Account Agreement means a bank account agreement dated on or about 11 April 2013 to be 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 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% of the aggregate Sterling Principal Amount Outstanding of the C Notes and 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 (ix) 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 Ca Notes and 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 Ca Relevant Notes and the Cc Relevant Notes

CA means the Conveyancing Act 1911

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

Ca Notes means the £6,000,000 Class Ca Mortgage Backed Floating Rate Notes due 2038

Ca Relevant Notes means the Ca 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*)

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

Cash Management Services means the cash management services to be performed by the Administrator, in its capacity as cash manager, set out in paragraph 2, Schedule 1 of the Administration Agreement

Cash Manager means PFL in its capacity as cash manager under the Administration Agreement

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

Cc Notes means the €49,000,000 Class Cc Mortgage Backed Floating Rate Notes due 2038

Cc Relevant Notes means the Cc 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*)

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

Certificate of Solvency means a certificate in, or substantially in, the form set out in Schedule 6 (Certificates of Solvency) in the Master Framework 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 issued or to be issued including the A1a Notes, the A1b Notes, the A2a Notes, the A2b Notes, the A2c Notes, the A2d Notes, the Ma Notes, the Mc Notes, the Ba Notes, the Bc Notes, the Ca 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 A2d Dollar Swap Transaction means the cross currency swap transaction with respect to the A2d 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 A2d 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 Cc 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 Co-operative Bank on the Closing Date

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

Closing Date means 26 October 2006

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

Collection Account means the collection account with account number named the "Platform Funding Limited re Leek 18 Collection Account", with sort code at National Westminster Bank plc

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) 6 October 2006 and end on (and include) the first Calculation Date

Common Depositary means HSBC Bank plc

Common Terms means the provisions set out in Schedule 2 (Common Terms) in the Master Framework Agreement

Companies Act means the Companies Act 1985 (as amended from time to time)

Company Profit means, with respect to any relevant accounting period of the Issuer, the sum of the aggregate principal balances of the Portfolios at the beginning of the first Collection Period commencing on or after the beginning of the relevant accounting period multiplied by

- (a) where the said sum is greater than £250,000,000, 0.01% applied to the first £250,000,000 and 0.001% applied to any further amount in excess of £250,000,000, and
- (b) otherwise by 0.01%

Completion means the assignment and transfer of Portfolios pursuant to the Mortgage Sale Agreements

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

Consumer Credit Act means the Consumer Credit Act 1974

Contingency Policy means any general business contingency policy of Co-operative Bank which may relate to the Loans

Co-op Collateral Account Ledger means the ledger of such name maintained by the 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 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

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 A1b Dollar Swap Transaction, the Class A2b Dollar Swap Transaction, the Class A2c Euro Swap Transaction, the Class A2d Dollar 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 RBS or any successor currency swap counterparty or counterparties from time to time under the Cross Currency Swap Agreements

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 JPMorgan Chase Bank, N A or any successor custody account provider from time to time

Cut-Off Date means 31 July 2006

D.D. Date has the meaning ascribed thereto in Clause 12.2.1(a) of the Administration Agreement

Declaration of Trust means the PFL Declaration of Trust

Deed of Charge means the deed of charge dated the Closing Date, as supplemented by a supplemental deed of charge dated the VFN Issue Date and by the Second Supplemental Deed of

Charge between, inter alios, the Issuer and the Trustee (as may be further amended, restated or supplemented from time to time)

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

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, Meerbrook 1 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) (*Investor Redemption Option*)

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

Direct Debiting Scheme means the scheme for the manual or automated debiting of bank accounts operated in accordance with the detailed rules of certain members of the Association for Payment Clearing Services

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 US\$ 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, the A2b Notes and the A2d Notes

Dollar Swap Rate means the rate of exchange for converting Sterling to Dollars and vice versa in the Cross Currency Swap Agreement, being £1 = U S \$ 1 8685

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*)

Enforcement Procedures means the procedures for the enforcement of Mortgages and guarantees (if any) set out in the Service Specification

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 Swap Rate means the rate of exchange for converting Sterling to Euros and vice versa in the Cross Currency Swap Agreement, being €1 = £0.6998

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 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 arrear expressed as a percentage of the aggregate principal balance of the Loans exceeds 15%

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 March 2007

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% 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

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(1) (*Status, Ranking and Security – Priority of Payments Prior to Enforcement Pre-Enforcement Income Receipts on the Final Repayment Date*)

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 Rate Mortgage means a Mortgage where the rate of interest payable by the Borrower in accordance with the Mortgage Conditions relating thereto is fixed by reference to a pre-determined rate or series of rates for a fixed period or periods

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

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

FSA means the Financial Services Authority

FSMA means the Financial Services and Markets Act 2000

Further Advances means any discretionary further advances (including any Retentions) made by PFL 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

General Services means the general services to be performed by the Administrator set out in paragraph 3, Schedule 1 of the Administration Agreement

GIC Account means the Co-op GIC Account

GIC Agreement means the Co-op GIC Agreement

GIC Guarantee means the guarantee given pursuant to an agreement dated the Closing Date between, inter alios, the Issuer, Co-operative Bank and the Trustee

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 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 GIC Agreement in the event the same has not been rectified within one Business Day

GIC Provider means the Co-operative Bank

Gilt Coupon means, as at a 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

Guaranteed Liabilities means any losses, costs, claims, expenses or liabilities which the Issuer or the Trustee may incur by reason of the failure by any Relevant Administrator to perform any of its covenants or obligations

Guaranteed Obligations means any and all covenants and obligations whatsoever (including payment obligations) which the Administration Agreement provides are to be performed by each Relevant Administrator and references to the Guaranteed Obligations include references to any part of them

Holdings means Leek Finance Holdings Number Eighteen 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 by the Cash Manager in accordance with the Administration Agreement to be of an income nature and includes interest amounts accrued but not yet paid pursuant to the BNYM Deposit Account, the GIC Agreement (other than interest amounts on the Co-op Collateral Amount and the Standby Drawings) and the Custody Account Agreement, the Required Amount, the amount, if any, retained by the Issuer in 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 amount 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 (a) the M Condition is false or (b) the Sterling Principal Amount Outstanding of the A Notes and J1 VFNs is zero or (c) 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 (a) the B Condition is false or (b) the Sterling Principal Amount Outstanding of the A Notes, J1 VFNs, M Notes and J2 VFNs is zero or (c) 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 (a) the C Condition is false or (b) the Sterling Principal Amount Outstanding of the A Notes, J1 VFNs, M Notes, J2 VFNs, B Notes and J3 VFNs is zero or (c) 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 2.22% 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 each of which is in favour of 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 December 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%, of the aggregate Principal Amount Outstanding of such Notes on the Closing Date

Issuer means Leek Finance Number Eighteen PLC

Issuer Covenants means the covenants and undertakings set out in Schedule 3 (Issuer Covenants) to the Master Framework Agreement

Issuer/Administrator 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 the Master Framework Agreement

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) in the Master Framework 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*)

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 £440,800,000 Class J1 variable funding note due 2038

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

J1 VFN Holder means the holder of the J1 VFN

J2 VFN means the up to £71,100,000 Class J2 variable funding note due 2038

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

J2 VFN Holder means the holder of the J2 VFN

J3 VFN means the up to £44,100,000 Class J3 variable funding note due 2038

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

J3 VFN Holder means the holder of the J3 VFN

J4 VFN means the up to £40,300,000 Class J4 variable funding note due 2038

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

K VFN means the up to £186,806,385 Class K variable funding notes due 2038

K VFN Holder means the holder of the K VFNs

K VFN Interest Payment Date means the 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

L VFN means the up to £18,342,500 Class L variable funding notes due 2038

L VFN Holder means the holder of the L VFNs

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

Leek 18 means Leek Finance Number Eighteen 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 "LIBOR01" 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 Cash Manager to be owing in respect of item (v) 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 determined by the Cash Manager to be owing in respect of items (a), (b), (c) and (d) 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 Drawings has the meaning given to it in the Liquidity Facility Agreement

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 Co-operative Bank 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) in the Master Framework 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 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

LTV Ratio means in relation to any Loan on a certain date, the quotient expressed as a percentage of the principal balance outstanding (excluding, for the avoidance of doubt, fees, charges and expenses) divided by the most recent valuation of the Property(ies) securing the Loan

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 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% 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 (vii) of the Regular Pre-Enforcement Interest Priority of Payments on the next following Interest Payment Date

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

M Notes means the Ma Notes and the Mc 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

M Relevant Notes means the Ma Relevant Notes and the Mc Relevant Notes

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

Ma Notes means the £12,500,000 Class Ma Mortgage Backed Floating Rate Notes due 2038

Ma Relevant Notes means the Ma 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*)

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**

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 further amended, restated or supplemented from time to time)

Maturity Date has the meaning given to it in Condition 6(a) (*Final Redemption*)

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

Maximum Required Amount means £26,938,741 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 €83,700,000 Class Mc Mortgage Backed Floating Rate Notes due 2038

Mc Relevant Notes means the Mc 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*)

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, PFL 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, 19 December 2005 and 26 October 2006

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

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, Fl, 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

Monthly Payment means the gross amount payable by a Borrower in respect of his or her Mortgage each calendar month

Moody's means Moody's Investors Service Ltd

Mortgage Administration Services means the mortgage administration services to be performed by the Administrator set out in paragraph 1, Schedule 1 of the Administration Agreement

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 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 Lender means in relation to each Mortgage, the lender or mortgagee or chargee or heritable creditor as defined therein

Mortgage Sale Agreements means the Meerbrook 1 Mortgage Sale Agreement and the PFL Mortgage Sale Agreement

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

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, 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

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 Loans means the Co-op Dollar Loan, the Co-op Euro Loan and the Co-op Sterling Loan

Multi-Currency Repayment Amounts means the Co-op 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 2038

N VFN Holder means the holder of the N VFNs

Nominee Declaration of Trust means the declaration of trust dated 26 October 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-Principal Amortisation Amount means, as at a Calculation Date, £2,449,978 (being, the amount equal to the current balances plus accrued interest less the principal balances of the Loans as at 6 October 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 J VFNs, the K VFNs, the 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 the Master Framework Agreement

Notices Condition means Condition 15 (*Notices*)

Notices Details means the provisions set out in Schedule 4 (*Notice Details*) to the Administration 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 20 October 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 FSMA

Operating Banks means the operating banks of the Collection Accounts and the Sundries Accounts

Original GIC Account Bank means RBS

Original GIC Agreement means a guaranteed investment contract dated 26 October 2006 entered into by the Issuer, RBS, the trustee and the Co-operative Bank, as the same may be amended and/or restated and/or novated or supplemented from time to time

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

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 between 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 further 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 Account and the Sundries Account which relate to the 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

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 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 to it in Condition 3(j) (*Priority of Payments following Enforcement*)

Portfolios means, at any particular time, the two portfolios of Loans acquired by the Issuer pursuant to the Mortgage Sale Agreements (including, for the avoidance of doubt, any Further Advances made in respect of those Loans) other than such Loans as shall then (i) have been retransferred or reassigned to a Relevant Purchaser pursuant to clause 7 of the Meerbrook 1 Mortgage Sale Agreement or clause 8 of the PFL Mortgage Sale Agreement or (ii) have been redeemed as envisaged in Clause 15 (Redemption of Mortgages) or (iii) have been discharged as a result of the applicable Administrator having completed Enforcement Procedures in respect thereof and having produced a release of the Related Security therefor, and **Portfolio** shall refer to any one of them

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

Potential Termination Event means any event which is reasonably likely to become (with the passage of time, the giving of notice, the making of any determination hereunder or any combination thereof) a Termination Event

Powers of Attorney means the Trustee/Administrator Power of Attorney, the Issuer/Trustee Power of Attorney and the Issuer/Administrator Power of Attorney

Pre-Enforcement Interest Priority of Payments means, in relation to the Final Repayment Date, the Final Pre-Enforcement Interest Priority of Payments, and in relation to all other Interest Payment Dates, the Regular 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 6 October 2006 prepared in connection with the issue by the Issuer of the Notes

Principal Amount Outstanding means, (a) 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 (b) in relation to 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 as at a Calculation Date, the amount (subject to cash available) determined by the Cash Manager 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, and
- 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 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 July 2006

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)(5)(A) of the Investment Company Act

Qualifying Noteholder has the meaning given thereto in Schedule 2 of the Paying Agency Agreement

Quarterly Administrator's Report means the report so named to be given by the Cash Manager to the Issuer and the Trustee substantially in the form set out in Schedule 3 to the Administration Agreement

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 the Administration Agreement

Quarterly Report means a report in the form scheduled to the Administration Agreement as Schedule 3, as it may from time to time be amended by the agreement of the Administrator and the Trustee (each acting reasonably)

Rate of Interest has the meaning given thereto in Condition 5(c) (*Interest – 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 Agencies means Fitch and Moody's

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

RBS means The Royal Bank of Scotland plc

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 – Pre-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

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

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

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 Administrator means Co-operative Bank and any wholly owned subsidiary of Co-operative Bank which is appointed to perform the functions of Administrator under the Administration Agreement

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 events or circumstances set out in clause 6.2 (Perfection Events) of the Mortgage Sale Agreements

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%,
- (b) for voting on any Extraordinary Resolution other than one relating to a Basic Terms Modification, one more than 50%, and
- (c) for voting on any Extraordinary Resolution relating to a Basic Terms Modification, 75%

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%

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 or Co-operative Bank 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 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 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 GIC Account after prior payment in full of items (i) to (ix) (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 Collection Amounts means an amount of cleared funds standing to the credit of each Collection Account at the close of business on each London Business Day each up to a maximum amount of £40,000 which the Administrator, in its absolute discretion, decides to retain in each Collection Account to meet any future payments which may become payable in relation to rejected cheques, direct debits, fees or misposted items

Retained Principal means, in relation to any Calculation Date, the sum of (a) the Rounding Balance, and (b) such amount up to 10.0%, of the aggregate outstanding balance of the Mortgages as

at the Closing Date as the Cash Manager 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)

Revised MIG Policy has the meaning given to it in the PFL Mortgage Sale Agreement

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 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 screen, or

- (a) such other page as may replace page reference "LIBOR01" on the Reuters screen 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 deed of charge entered into between, among others, the Issuer and the Trustee on 11 April 2013

Secured Creditors means the Noteholders, the Trustee, Meerbrook 1, PFL, any Receiver, the Paying Agents, the Agent Bank, the Administrator, the Liquidity Facility Provider, the Expenses Loan Provider, the Subordinated Loan Provider 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 the Master Framework 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 (vi) (inclusive) of the applicable Pre-Enforcement Interest Priority of Payments on the next following Interest Payment Date

Service Specification has the meaning given to it in the Administration Agreement,

Services has the meaning given to it in the Administration Agreement

Settlement Manager means RBS

Share Declaration of Trust means the charitable share declaration of trust dated 26 October 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 Office means, in relation to any 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 13.9 (*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

Stabilisation Manager means RBS

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 Drawing has the meaning given thereto in the Liquidity Facility 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 December 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 thereto in Condition 5(c)(ii) (*Interest – Rate of Interest*)

Sterling Notes means the A1a Notes, the A2a Notes, the Ma Notes, the Ba Notes, the Ca Notes and the VFNs

Sterling Principal Amount Outstanding means, on any date in relation to (a) a Sterling Note, the Principal Amount Outstanding of that Sterling Note, (b) a Dollar Note, the Principal Amount Outstanding of that Dollar Note converted into Sterling at the Dollar Swap Rate, and (c) 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 Loan Drawing means the tranche drawn under the Subordinated Loan which equals 2.00% of the sum of the aggregate Sterling Principal Amount Outstanding of the Notes at the Closing Date

Sub-Administrator means WMS

Subordinated Loan means the Sterling subordinated loan facility made available to the Issuer by the Subordinated Loan Provider under the Subordinated Loan Agreement

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

Subordinated Loan Provider means Co-operative Bank

Subscription Agreement means the subscription agreement between the Issuer, the Managers and Co-operative Bank dated 20 October 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

Sundries Account means the account with account number named the "Platform Funding Limited re Leek 18 Sundries Account", with sort code at National Westminster Bank plc

Supplemental Deed of Charge means the supplemental deed of charge dated the VFN Issue Date, relating to a deed of charge dated 12 April 2006 between, inter alios, the Issuer and the Trustee

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

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

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

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, HM 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 the Master Framework Agreement

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

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 Loans 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 Cross Currency Swap Agreements, the Deed of Charge, the Notes, the Trust Deed, the Subscription Agreement, the Co-op GIC Agreement, the Declaration of Trust, the BNYM Deposit Account Agreement, the GIC Guarantee, the Master Framework Agreement, the Liquidity Facility Agreement, the 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 Supplemental Deed of Charge, 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 first supplemental trust deed dated the VFN Issue Date (as may be further amended or supplemented 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)

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

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)

Trustee/Administrator 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 the Master Framework Agreement

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

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

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 I Mortgage Sale Agreement

Vendor Power of Attorney has the meaning given to it in the Meerbrook I Mortgage Sale Agreement

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

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 Issue Date means 6 June 2011

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