



**Registration of a Charge**

Company name: **PENARTH MASTER ISSUER PLC**

Company number: **06615304**



X72318L4

Received for Electronic Filing: **19/03/2018**

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**Details of Charge**

Date of creation: **12/03/2018**

Charge code: **0661 5304 0035**

Persons entitled: **DEUTSCHE BANK TRUST COMPANY AMERICAS, 60 WALL STREET, 26TH FLOOR, MAIL STOP NYC 60-2606, NEW YORK, NEW YORK, 10005 AS NOTE TRUSTEE**

Brief description:

**Contains fixed charge(s).**

**Contains floating charge(s) (floating charge covers all the property or undertaking of the company).**

**Contains negative pledge.**

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**Authentication of Form**

This form was authorised by: **a person with an interest in the registration of the charge.**

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**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC**

**COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION  
FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL  
INSTRUMENT.**

Certified by:

**CLIFFORD CHANCE LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 6615304

Charge code: 0661 5304 0035

The Registrar of Companies for England and Wales hereby certifies that a charge dated 12th March 2018 and created by PENARTH MASTER ISSUER PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th March 2018 .

Given at Companies House, Cardiff on 21st March 2018

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

DATED 12 MARCH 2018

PENARTH MASTER ISSUER PLC  
AS ISSUER

AND

DEUTSCHE BANK TRUST COMPANY AMERICAS  
AS NOTE TRUSTEE

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THIRD SUPPLEMENTAL NOTE TRUST DEED  
RELATING TO THE NOTE TRUST DEED  
DATED 16 OCTOBER 2008

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**THIS THIRD SUPPLEMENTAL NOTE TRUST DEED** is made on 12 March 2018

**BETWEEN:**

- (1) **PENARTH MASTER ISSUER PLC** a public limited company incorporated under the laws of England and Wales (registered number 6615304) whose registered office is at 35 Great St. Helen's, London EC3A 6AP as Issuer (the "**Issuer**"); and
- (2) **DEUTSCHE BANK TRUST COMPANY AMERICAS** a company incorporated in the state of New York, whose office is 60 Wall Street, 26th Floor, Mail Stop NYC 60-2606, New York, New York 10005, United States of America as Note Trustee (the "**Note Trustee**", which expression includes, where the context admits, all persons for the time being the trustee or trustees of this Note Trust Deed).

**WHEREAS:**

- (A) The Issuer has established a programme (the "**Programme**") for the issuance of notes (the "**Notes**") in connection with which the Issuer and the Note Trustee have entered into a note trust deed dated 16 October 2008 (the "**Principal Note Trust Deed**"), a first supplemental note trust deed dated 2 June 2010 (the "**First Supplemental Note Trust Deed**") and a second supplemental note trust deed dated 25 November 2010 (the "**Second Supplemental Note Trust Deed**").
- (B) The parties hereto now wish to enter into this third supplemental note trust deed (the "**Third Supplemental Note Trust Deed**") in the form set out herein.
- (C) Any Notes issued on or after the date of this Third Supplemental Note Trust Deed shall be issued pursuant to the Principal Note Trust Deed as amended by the First Supplemental Note Trust Deed, the Second Supplemental Note Trust Deed and the Third Supplemental Note Trust Deed. This Third Supplemental Note Trust Deed does not affect any Notes issued prior to the date of this Third Supplemental Note Trust Deed or any Notes issued on or after the date of this Third Supplemental Note Trust Deed and which are consolidated with, and form a single Series with, the Notes of any Series issued prior to the date of this Third Supplemental Note Trust Deed.

**NOW THIS DEED WITNESSETH** and it is hereby agreed and declared as follows:

**1. DEFINITIONS AND INTERPRETATION**

- 1.1 All words and expressions defined in Schedule 1 (*Master Definitions Schedule*) to the Issuer Master Framework Agreement dated 16 October 2008 (as amended and restated from time to time) between, among others, the Issuer and the Note Trustee, shall where the context so requires and admits have the same meaning in this Third Supplemental Note Trust Deed.
- 1.2 Except as provided below, the Common Terms apply to this Third Supplemental Note Trust Deed, where applicable, and shall be binding on the parties to this Third Supplemental Note Trust Deed and the Noteholders as if set out in full in this Third Supplemental Note Trust Deed.

- 1.3 The Common Terms are, for the purposes of this Note Trust Deed Supplement, amended as follows:

1.3.1 Paragraph 1 (*Further Assurance*) of the Common Terms applies to this Note Trust Deed Supplement as if set out in full in this Note Trust Deed Supplement, and as if the Issuer were the Obligor (as defined therein) and the Note Trustee were the Obligee (as defined therein).

- 1.4 If there is any conflict between the provisions of the Common Terms and the provisions of this Third Supplemental Note Trust Deed, the provisions of this Third Supplemental Note Trust Deed shall prevail.

## **2. AMENDMENT AND RESTATEMENT**

- 2.1 The Principal Note Trust Deed, with effect from the date hereof, shall, save in relation to any Notes issued prior to the date of this Third Supplemental Note Trust Deed or any Notes issued on or after the date of this Third Supplemental Note Trust Deed and which are consolidated with, and form a single Series with, the Notes of any Series issued prior to the date of this Third Supplemental Note Trust Deed, stand amended and restated in the form set out in Schedule 1.

- 2.2 This Third Supplemental Note Trust Deed is supplemental to the Principal Note Trust Deed.

- 2.3 Subject to the amendments to be effected to the Principal Note Trust Deed hereunder in relation to any further issuance of Notes under the Principal Note Trust Deed, the Principal Note Trust Deed and the Notes shall remain in full force and effect and the Principal Note Trust Deed and this Third Supplemental Note Trust Deed shall be read and construed together as one deed.

- 2.4 A memorandum of this Third Supplemental Note Trust Deed shall be endorsed on the original of the Principal Note Trust Deed by the Note Trustee and on the duplicate thereof by the Issuer.

## **3. COSTS, EXPENSES AND INDEMNIFICATION**

- 3.1 The Issuer shall, from time to time on demand of the Note Trustee, reimburse the Note Trustee for all properly incurred costs and expenses (including legal fees incurred by it in connection with the negotiation, preparation and execution or purported execution of this Third Supplemental Note Trust Deed and the completion of the matters herein contemplated).

- 3.2 The Issuer shall indemnify the Note Trustee and every attorney, manager, agent, delegate or other person properly appointed by it hereunder against any and all losses, liabilities, costs, claims, actions or demands incurred by it or him or which may be made against it or him as a result of or in connection with the execution or purported execution of this Third Supplemental Note Trust Deed and the amendments hereby effected.

## **4. COUNTERPARTS**

This Third Supplemental Note Trust Deed may be executed in any number of counterparts, each of which is an original and all of which together evidence the same

agreement. This Third Supplemental Note Trust Deed shall not come into effect until each party has executed and delivered at least one counterpart.

**5. GOVERNING LAW AND JURISDICTION**

5.1 This Third Supplemental Note Trust Deed and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, the laws of England.

5.2 Clause 23 (*Governing Law and Jurisdiction*) of the Principal Note Trust Deed shall apply, *mutatis mutandis*, to this Third Supplemental Note Trust Deed.

**6. THIRD PARTY RIGHTS**

A person who is not party to this Third Supplemental Note Trust Deed may not enforce any terms of this Third Supplemental Note Trust Deed under the Contract (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.

**IN WITNESS WHEREOF** this Third Supplemental Note Trust Deed has been executed as a deed by the parties hereto and is intended to be and is hereby delivered on the day first before written.



**SCHEDULE 1**  
**AMENDED AND RESTATED NOTE TRUST DEED**

ORIGINALLY DATED  
16 OCTOBER 2008  
AND AMENDED AND RESTATED ON 2 JUNE 2010  
BY THE FIRST SUPPLEMENTAL NOTE TRUST DEED,  
FURTHER AMENDED AND RESTATED ON 25 NOVEMBER 2010  
BY THE SECOND SUPPLEMENTAL NOTE TRUST DEED AND FURTHER  
AMENDED AND RESTATED ON 12 MARCH 2018  
BY THE THIRD SUPPLEMENTAL NOTE TRUST DEED

PENARTH MASTER ISSUER PLC  
AS ISSUER

AND

DEUTSCHE BANK TRUST COMPANY AMERICAS  
AS NOTE TRUSTEE

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NOTE TRUST DEED

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**THIS NOTE TRUST DEED** was made on 16 October 2008 and was supplemented on 2 June 2010 by the First Supplemental Note Trust Deed, on 25 November 2010 by the Second Supplemental Note Trust Deed and is further supplemented on 12 March 2018 by the Third Supplemental Note Trust Deed.

**BETWEEN:**

- (1) **PENARTH MASTER ISSUER PLC** a public limited company incorporated under the laws of England and Wales (registered number 6615304) whose registered office is at 35 Great St. Helen's, London EC3A 6AP (the "**Issuer**"); and
- (2) **DEUTSCHE BANK TRUST COMPANY AMERICAS** a company incorporated in the state of New York, whose office is 60 Wall Street, 26<sup>th</sup> Floor, Mail Stop NYC 60-2606, New York, New York 10005, United States of America (the "**Note Trustee**", which expression includes, where the context admits, all persons for the time being the trustee or trustees of this Note Trust Deed).

**WHEREAS**

- (A) The Issuer has authorised the establishment of the Programme. Notes may be issued pursuant to the Programme.
- (B) Each Series of Notes issued in accordance with the Programme will be constituted and secured by this Note Trust Deed and the relevant Note Trust Deed Supplement executed on or about the relevant Issue Date.
- (C) The Note Trustee has agreed to act as trustee of the Security Documents for each Series and to hold the Security on trust for the Secured Creditors on the terms and conditions contained in this Note Trust Deed and any relevant Note Trust Deed Supplement.

**NOW THIS NOTE TRUST DEED WITNESSES AND IT IS HEREBY DECLARED** as follows:

**1. DEFINITIONS**

- 1.1 Unless otherwise defined in this Note Trust Deed or the context requires otherwise, words and expressions used in this Note Trust Deed have the meanings and constructions ascribed to them in the Master Definitions Schedule set out in Schedule 1 of the Issuer Master Framework Agreement dated 16 October 2008 and amended and restated on or about the date hereof between, *inter alios*, the Issuer and the Note Trustee.

**1.2 Incorporation of Common Terms**

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

### 1.3 Amendment to Common Terms

The Common Terms are, for the purposes of this Note Trust Deed, amended as follows:

- 1.3.1 Paragraph 1 (*Further Assurance*) of the Common Terms applies to this Note Trust Deed as if set out in full in this Note Trust Deed, and as if the Issuer were the Obligor (as defined therein) and the Note Trustee were the Obligee (as defined therein).

### 1.4 Conflict with Common Terms

If there is any conflict between the provisions of the Common Terms and the provisions of this Note Trust Deed, the provisions of this Note Trust Deed shall prevail, save for where any provision of this Note Trust Deed relates to VAT, in which case the provisions of the Common Terms shall prevail.

## 2. AMOUNT AND ISSUE OF THE SERIES OF NOTES

### 2.1 Issuance in Series

The Issuer shall be at liberty from time to time (but subject always to the provisions of this Note Trust Deed) without the consent of the Noteholders or any other party to this Note Trust Deed or any other beneficiary of the trusts of this Note Trust Deed to create and issue new Series of Notes upon such terms as to ranking, interest, conversion, redemption and otherwise as the Issuer may at the time of issue of such Series determine, **provided that** such Series of Notes are not consolidated, and do not form a single Series with any existing Series and are not secured on the Secured Property in respect of any existing Series. A Series of Notes shall be secured on, and only on, such Secured Property as may be specified in the Note Trust Deed Supplement constituting such Series of Notes.

### 2.2 Constitution of Notes

The Notes of any Series which are to be created and issued pursuant to the provisions of Clause 2.1 (*Issuance in Series*) shall be constituted pursuant to a Note Trust Deed Supplement. On any Issue Date, the Issuer shall procure the registration in the applicable Register of the relevant Note(s) in the name of each relevant initial Noteholder upon receipt by the Note Trustee of the following documents in form and substance satisfactory to it:

- 2.2.1 an executed Note Trust Deed Supplement (duly stamped or denoted with any applicable stamp duties or when documentation taxed) in respect of the Series of Notes to be issued satisfying the criteria set out in Clause 2.3 (*Note Trust Deed Supplement*) below and specifying the Principal Terms (as defined below) of such Series and the supplements, amendments and variations to this Note Trust Deed as a consequence thereof;
- 2.2.2 a certificate signed by one director of the Issuer certifying the absence of any Event of Default or Potential Event of Default;
- 2.2.3 legal opinions (in form and substance satisfactory to the Note Trustee) from legal advisers in such jurisdictions as may be required by the Note Trustee

(including, unless the Note Trustee agrees otherwise, a legal opinion in relation to the Security Documents);

- 2.2.4 a solvency certificate signed by a duly authorised signatory and dated the Issue Date, from the Issuer;
- 2.2.5 each other document in respect of the Series of Notes including the relevant Subscription Agreement, the Note Trust Deed Supplement, the Supplement to the Global Loan Note and the Swap Agreements (where applicable); and
- 2.2.6 such other documents as the Note Trustee may require (including, without limitation, waivers or releases from any person with a prior encumbrance over any Secured Property).

## 2.3 Note Trust Deed Supplement

- 2.3.1 A Note Trust Deed Supplement shall be executed in order to effect each issuance of a Series of Notes and to create security over the relevant Secured Property relating to such Series of Notes, and such Note Trust Deed Supplement shall:
  - (a) be executed by the Issuer, Note Trustee, the Principal Paying Agent, the Agent Bank and, where applicable, the Swap Counterparty and any other party to such supplement;
  - (b) set out the consent of the Note Trustee to such issue of the Series of Notes which shall be deemed to be given by its execution of the Note Trust Deed Supplement;
  - (c) constitute, after the issuance of the relevant Series of Notes, a supplement by the Issuer and the Note Trustee to this Note Trust Deed which, in respect of such Series of Notes, shall thereafter be read and construed as supplemented, amended and varied by such Note Trust Deed Supplement;
  - (d) set out the principal terms of such Series of Notes (all such terms the "**Principal Terms**") which shall include, without limitation, the following:
    - (i) the Principal Amount Outstanding of the Notes upon issue for such Series upon their issuance;
    - (ii) the Secured Property for such Series;
    - (iii) the Class of the Notes;
    - (iv) the Issue Date;
    - (v) the names of any accounts or ledgers to be used in relation to such Series of Notes and the terms governing the operation of any such accounts or ledgers and use of monies therein;

- (vi) the priority of payments prior to enforcement;
- (vii) any additional Secured Creditors;
- (viii) the terms governing any deposit into any account provided for such Series; and
- (ix) any other relevant terms of such Series.

2.3.2 The Issuer shall, without any requirement to obtain the consent of the Secured Creditors, the Security Beneficiaries or the Noteholders of any other Series of Notes, arrange for a Note Trust Deed Supplement to be executed in accordance with sub-clause 2.3.1 **provided however that** such Note Trust Deed Supplement shall not be executed unless the Note Trustee is of the opinion that the execution of such Note Trust Deed Supplement and the issue of the Notes of the related Series will not be materially prejudicial to the rights, benefits and interests of the Secured Creditors, the Security Beneficiaries or the Noteholders of any other Series and for this purpose the Note Trustee shall be entitled to determine that it is not materially prejudicial to the rights, benefits and interests of such Secured Creditors if it receives written confirmation in accordance with sub-clause 2.3.3.

2.3.3 Notwithstanding that none of the Note Trustee and the Noteholders may have the right of recourse against the Rating Agencies in respect of confirmation given by such Rating Agencies and relied upon by the Note Trustee pursuant to this sub-clause, each of the Issuer and the Note Trustee shall be entitled to take into account, in considering whether the execution of the Note Trust Deed Supplement and the issue of the Notes of the related Series will not be materially prejudicial to the rights, benefits and interests of the Secured Creditors, the Security Beneficiaries or the Noteholders of any other Series and in particular will not be materially prejudicial to the timing and distribution of payments to such other Secured Creditors, the Security Beneficiaries or the Noteholders of such Series if it receives written confirmation from:

- (a) each relevant Rating Agency that the issue of Notes of the relevant Series will not result in such Rating Agency reducing or withdrawing its then current rating on any outstanding Associated Debt for any other Series; or
- (b) an investment banking firm or commercial bank recognised in the United Kingdom in the form of a director's certificate to that effect **provided however, that** such confirmation shall be required only if on the relevant Issue Date there is one or more Series then in issue and any of the outstanding Associated Debt of the Noteholders within such Series is not currently rated by a Rating Agency.

It is agreed and acknowledged that, notwithstanding the foregoing, a credit rating is an assessment only of the likelihood of the timely payment of interest and ultimate payment of principal in full on the Notes on a date that is not later than the Final Redemption Date and does not address other matters that may be of relevance to Noteholders. In being entitled to take into account the fact that

the Rating Agencies have confirmed that the then current rating of the relevant Class of the Notes would not be adversely affected, it is expressly agreed and acknowledged by the Note Trustee and specifically notified to Noteholders (and to which they are bound by the Conditions) that the above does not impose or extend any actual or contingent liability for the Rating Agencies to the Note Trustee, the Noteholders or any other Person or create any legal relations between the Rating Agencies and the Note Trustee, the Noteholders or any other Person whether by way of contract or otherwise.

- 2.3.4 Each Secured Creditor or Security Beneficiary, by its execution of a Note Trust Deed Supplement, or in the case of a Noteholder, by the purchase of the relevant Notes subject to the relevant Conditions, consents and confirms that the security trust constituted for the benefit of the relevant Secured Creditor, the Security Beneficiary or Noteholder under this Note Trust Deed and any Note Trust Deed Supplement may be supplemented, amended and varied from time to time in accordance with the terms of this Note Trust Deed and any such additional Note Trust Deed Supplement.

## **2.4 Payments in specified currency**

- 2.4.1 All payments in respect of, under and in connection with this Note Trust Deed and the Notes to a Noteholder shall be made in the relevant currency as required by the conditions. All other sums payable shall be payable in sterling, **provided that:**
- (a) each payment in respect of costs shall be made in the currency in which the same were incurred; and
  - (b) each payment which is expressed herein to be payable in another currency shall be made in that other currency.
- 2.4.2 On each date upon which this Note Trust Deed or any Note Trust Deed Supplement requires an amount to be paid by or on behalf of any party to the Issuer, such party shall, save as expressly provided otherwise herein or in such Note Trust Deed Supplement, make the same available to the Issuer by payment in Sterling and in immediately available funds to such account and bank in London as the Issuer shall have specified in writing for this purpose no later than midday on the day that such amount becomes payable.

## **2.5 Fees apply to each Series**

- 2.5.1 The provisions in the Security Documents concerning costs, expenses, fees, remuneration and other financial obligations (whether arising under indemnities or otherwise) shall, save as specifically provided herein, apply separately to each Series in respect of the costs, expenses, fees, remuneration and financial obligations which arise in respect of such Series. No such amount incurred in respect of any Series will, save as specifically provided herein, be deducted from any amount payable to the Noteholders in respect of any other Series, nor will any such amount be in any other way charged to any other such Noteholders. The provisions of the Security Documents shall be read accordingly.



- 2.5.2 If the Note Trustee determines in its sole discretion that any such amounts cannot be considered to be solely referable to a particular Series, it shall be entitled in its sole discretion to allocate such amounts between such Series as it shall consider those amounts to be referable *pro rata* in the proportion which the aggregate Principal Amount Outstanding in respect of each such Series bears to the aggregate Principal Amount Outstanding of all such Series (as at the date such amounts were incurred) in respect of which such amounts were incurred as a whole.

## 2.6 Related Agreements

In relation to each Series, if specified in the relevant Note Trust Deed Supplement, the Issuer may enter into one or more Swap Agreements or other related agreements with a Swap Counterparty, under which the Issuer will make payments to such Swap Counterparty and the Swap Counterparty will make payments to the Issuer as specified in such Swap Agreement or other related agreement. Each swap transaction or other form of hedging transaction evidenced by a Swap Agreement and other related agreement will terminate on the date specified in the relevant Note Trust Deed Supplement, unless terminated earlier in accordance with its terms.

## 3. COVENANT TO PAY

### 3.1 Covenant to pay

The Issuer covenants with and undertakes to the Note Trustee that it shall, as and when the Notes of any Series or any of them become due to be redeemed or any principal on the Notes of any Series or any of them becomes due to be repaid in accordance with the Conditions, unconditionally pay or procure to be paid to or to the order of the Note Trustee in immediately available freely transferable funds in the relevant currency the principal amount of the Notes of such Series or any of them becoming due for payment on that date and shall (subject to the provisions of the Conditions), until all such payments (both before and after judgment or other order) are duly made, unconditionally pay or procure to be paid to or to the order of the Note Trustee as aforesaid on the dates provided for in the Conditions interest on the Principal Amount Outstanding (or such other amount as may be specified in the relevant Note Trust Deed Supplement) of the Notes or on any of them, of such Series, together with any Deferred Interest and Additional Interest attributed to such Notes outstanding from time to time as set out in the Conditions **provided that:**

- 3.1.1 every payment of principal or interest in respect of such Notes or any of them made to the Principal Paying Agent in the manner provided in the Paying Agency Agreement shall satisfy, to the extent of such payment, the relevant covenant by the Issuer contained in this Clause 3 except to the extent that there is a default in the subsequent payment thereof to the relevant Noteholders in accordance with the Conditions;
- 3.1.2 if any payment of principal or interest in respect of such Notes or any of them is made after the due date, payment shall be deemed not to have been made until either the full amount is paid to the relevant Noteholders or, if earlier, the seventh day after notice has been given to the relevant Noteholders in accordance with the Conditions that the full amount has been received by the

Principal Paying Agent or the Note Trustee except, in the case of payment to the Principal Paying Agent to the extent that there is failure in the subsequent payment to the Noteholders under the Conditions;

- 3.1.3 in any case where payment of the whole or any part of the principal amount due in respect of any Note is improperly withheld or refused (upon due presentation of the relevant Note Certificate if so provided for in the Conditions), interest shall accrue at the then current rate of interest for the relevant Note on the whole or such part of such principal amount from the date of such withholding or refusal until the date either on which such principal amount due is paid to the relevant Noteholders or, if earlier, the seventh day after which notice is given to the relevant Noteholders in accordance with the Conditions that the full amount payable in respect of the said principal amount is available for collection by the relevant Noteholders **provided that** on further due presentation of the relevant Note Certificate (if so provided for in the Conditions) such payment is in fact made; and
- 3.1.4 no provision contained in the Conditions or the Security Documents will require the Issuer to pay:
- (a) an amount of principal in respect of a Note which exceeds the Principal Amount Outstanding of such Note, in each case, at the relevant time; or
  - (b) an amount of interest calculated on any principal amount in excess of such Principal Amount Outstanding.

The Note Trustee will hold the benefit of this covenant and the covenant in Clause 9.1 (*Covenant to comply with the Note Trust Deed*) on trust for itself and for the benefit of the Noteholders and the other Secured Creditors in accordance with their respective interests.

### 3.2 **Payments to Secured Creditors**

The Issuer hereby covenants to pay to the Note Trustee all amounts due to the Secured Creditors of a Series in accordance with the order of priority of payments prior to and post enforcement of the security in respect of that Series and any other amounts payable by the Issuer hereunder which the Note Trustee determines in its sole discretion are referable or allocable to a Series (the "**Secured Obligations**") **provided, however, that** payment of any sum due to a Secured Creditor of such Series made to such Secured Creditor shall, to that extent, satisfy such obligation. This covenant shall only have effect each time obligations are owed to Secured Creditors when the Note Trustee shall hold the benefit of this covenant in relation to each Series in trust for itself and each Secured Creditor of such Series according to their respective interests. For the avoidance of doubt, nothing in this Note Trust Deed shall prevent the Issuer from creating Security pursuant to a Note Trust Deed Supplement over specific assets in relation to a Series in favour of a specific sub-group of Secured Creditors or Secured Obligations in relation to such Series. Subject as provided in the relevant Note Trust Deed Supplement, the provisions of this Note Trust Deed shall, where the context permits, apply to any such Security *mutatis mutandis* as if it were Secured Property created in respect of Secured Obligations owed to Secured Creditors hereunder.

### 3.3 Duties and Taxes

Subject to paragraph 24 (*VAT*) of the Common Terms, the Issuer shall pay all stamp, registration and other similar taxes and duties (if any) (including any interest and penalties thereon or in connection therewith) which are payable in Jersey, the United States of America or the United Kingdom upon or in connection with the execution and delivery of this Note Trust Deed and any Note Trust Deed Supplement, and the Issuer will indemnify the Note Trustee and the Secured Creditors relating to such Series (each an "**Indemnified Party**") on demand from and against all stamp duty, issue, registration, documentary and other similar taxes (excluding, without limitation and for the avoidance of doubt, VAT) paid by any such Indemnified Party in any such jurisdiction or jurisdictions in connection with any action taken by such Indemnified Party to enforce the obligations of the Issuer under this Note Trust Deed or any Note Trust Deed Supplement in respect of such Series.

### 3.4 Covenant of Compliance

The Issuer covenants with the Note Trustee separately in respect of each Series that it will comply with, perform and observe all the provisions of this Note Trust Deed and the relevant Note Trust Deed Supplement relating to such Series which are expressed to be binding on it in respect of such Series. The Conditions in respect of each Series shall be binding on the Issuer and each Secured Creditor, Security Beneficiary and each Noteholder of such Series. The Note Trustee shall be entitled to enforce the obligations of the Issuer under the Documents in respect of a Series as if the same were set out and contained in this Note Trust Deed.

### 3.5 Only Note Trustee to act

For any Series, only the Note Trustee, at its discretion and without further notice, subject to it being indemnified and/or secured and/or prefunded to its satisfaction, may pursue the remedies available under the general law or under this Note Trust Deed to enforce the rights under this Note Trust Deed or any relevant Note Trust Deed Supplement of the Secured Creditors relating to such Series. No Secured Creditor, Security Beneficiary or Noteholder relating to such Series shall be entitled to proceed directly against the Issuer or the assets of the Issuer to enforce the performance of any of the provisions of this Note Trust Deed and any relevant Note Trust Deed Supplement or the other Documents (if any) relating to such Series unless the Note Trustee having become bound as aforesaid to take proceedings fails or neglects to do so within a reasonable period of time and such failure or neglect is continuing.

### 3.6 Following an Event of Default or Potential Event of Default

At any time after any Event of Default or Potential Event of Default shall have occurred, which shall not have been waived by the Note Trustee or remedied to its satisfaction, the Note Trustee may:

3.6.1 by notice in writing to the Issuer, the Principal Paying Agent and the other Agents require the Principal Paying Agent and the other Agents or any of them:

- (a) to act thereafter, until otherwise instructed by the Note Trustee, as Agents of the Note Trustee under the provisions of the Security

Documents on the terms provided in the Paying Agency Agreement (with consequential amendments as necessary and save that the Note Trustee's liability under any provisions thereof for the indemnification, remuneration and payment of out-of-pocket expenses of the Agents shall be limited to amounts for the time being held by the Note Trustee on the trusts of the Security Documents in relation to the Notes on the terms of this Note Trust Deed and available to the Note Trustee for such purpose) and thereafter to hold all Notes and all sums, documents and records held by them in respect of Notes on behalf of the Note Trustee; and/or

- (b) to deliver up all Note Certificates and all sums, documents and records held by them in respect of Note Certificates to the Note Trustee or as the Note Trustee shall direct in such notice **provided that** such notice shall be deemed not to apply to any document or record which the relevant Agent is obliged not to release by any law or regulation; and

- 3.6.2 by notice in writing to the Issuer require the Issuer to make all subsequent payments in respect of Note Certificates to or to the order of the Note Trustee and, with effect from the issue of any such notice until such notice is withdrawn, proviso 3.1.1 to Clause 3.1 (*Covenant to pay*) and (so far as it concerns payments by the Issuer) Clause 13.4 (*Payment to Noteholders*) shall cease to have effect.

### 3.7 **Interest on Floating Rate Notes following Event of Default**

If Floating Rate Notes become immediately due and repayable under Condition 10 (*Events of Default*) the rate and/or amount of interest payable in respect of them will be calculated at the same intervals in accordance with Condition 6 (*Interest*) as if such Notes had not become due and repayable, the first of which will commence on the expiry of the Interest Period (as defined in the Conditions) during which the Notes become so due and repayable in accordance with Conditions 6 (*Interest*) and 10 (*Events of Default*) (with consequential amendments as necessary) except that the Interest Rate need not be published.

### 3.8 **Separate Series**

Each issue of Notes of the same class pursuant to a Prospectus Supplement/Final Terms and constituted by a Note Trust Deed Supplement shall form a separate Series of Notes and accordingly, unless for any purpose the Note Trustee in its absolute discretion shall otherwise determine, all the provisions of this Note Trust Deed shall apply *mutatis mutandis* separately and independently to each Series and in such Clauses and Schedules the expressions "Notes" and "Noteholders" shall be construed accordingly.

## 4. **SECURITY**

### 4.1 **Creation of Security**

The Issuer with full title guarantee (or, to the extent governed by or subject to Scots law, with absolute warrandice) and as continuing security for all the moneys and other

Liabilities payable or owing by such Issuer under the Security Documents in respect of each Series issued by the Issuer hereby:

- 4.1.1 assigns absolutely by way of first fixed security to the Note Trustee as trustee for itself and for the other Secured Creditors all of such Issuer's right, title and interest in and to, and the entire benefit of, the Documents and sums received or recoverable thereunder (save to the extent they constitute Jersey Assets); and
- 4.1.2 charges to the Note Trustee by way of first floating charge, (i) the whole of its undertaking and assets to the extent that such undertaking and assets are not otherwise effectively encumbered by the security created by or pursuant to this Note Trust Deed or any Note Trust Deed Supplement relating to any Series and (ii) the whole of its undertaking and assets from time to time to the extent governed by or otherwise subject to Scots law. Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this sub-clause 4.1.2.

The Note Trustee shall hold the benefit of the security created by the assignment and charge pursuant to this Clause 4.1 in trust for itself, the Noteholders and the other Secured Creditors of all Series, **provided that** such security may only be enforced and the floating charge shall only crystallise in accordance with the provisions of Clause 12 (*Enforcement*) and for the avoidance of doubt any instruction to be given by the Noteholders in respect of enforcing the security created by this Clause 4.1 shall be given at a single meeting of holders of all the Notes of all Series.

#### 4.2 Additional Security

Additional security in respect of each Series or (**provided that** the Note Trustee consents to the same) in respect of any transaction entered into by the Issuer relating to or connected with any arrangement for the issue of any Notes may be created by or pursuant to this Note Trust Deed and the Note Trust Deed Supplement relating to such Series.

#### 4.3 Provisions relating to Security

The following provisions of this Clause 4 shall apply to the security created by Clauses 4.1 and 4.2 above or by or pursuant to any Security Documents executed in relation to any Series (together, the "**Security**"), except as may be otherwise specified in such Security Documents.

#### 4.4 Rights of Secured Creditors

Each Secured Creditor (other than the Note Trustee and any Receiver appointed by it) will belong to one of the categories of Secured Creditor set out below for the purposes of this Note Trust Deed. The entitlement of any Secured Creditor to the relevant Secured Property for a given Series of Notes, unless otherwise specified herein, shall be specified in the relevant Note Trust Deed Supplement. The categories of Secured Creditor (other than the Note Trustee and any Receiver appointed by it) are as follows:

- 4.4.1 **Other Secured Creditors:** if the relevant Note Trust Deed Supplement specifies that any other party is to be a Secured Creditor of the Secured Property in

relation to such Series, the beneficial entitlement of such additional Secured Creditor to a security interest in the relevant Secured Property shall be specified in the relevant Note Trust Deed Supplement.

#### **4.5 Assignment of Issuer Jersey Secured Property**

To the intent that the Note Trustee (for itself and on trust for the other Secured Creditors of all Series) shall have the Issuer Jersey Security Interest in accordance with the Jersey Security Interests Law as a continuing security for the payment or discharge of the Secured Obligations of all Series, and subject to Clause 12 (*Enforcement*), the Issuer assigns the Issuer Jersey Secured Property to the Note Trustee (or to such other person acting on its behalf as it shall nominate) in order to create a security interest therein pursuant to Article 2(6) of the Jersey Security Interests Law. For the purposes of perfection of such assignment and in connection with the creation of the Issuer Jersey Security Interest pursuant hereto, the Issuer covenants to join with the Note Trustee in giving notice of assignment in the form set out in Schedule 5 (*Notice of Assignment - Issuer Jersey Secured Property*) forthwith upon demand to each person from whom the Issuer (as assignor) is entitled to claim the Issuer Jersey Secured Property and to procure the acknowledgement of such parties thereto.

#### **4.6 Particulars of Issuer Jersey Security Interest**

For the purposes of Article 3 of the Jersey Security Interests Law and for the avoidance of doubt, it is hereby agreed as follows:

- 4.6.1 the debtor in respect of the creation of the Issuer Jersey Security Interest is the Issuer;
- 4.6.2 the secured party in respect of the creation of the Issuer Jersey Security Interest is the Note Trustee (acting on behalf of the Secured Creditors), and all rights in connection therewith are to be exercised by the Note Trustee (on its behalf and on behalf of the Secured Creditors) in accordance with the terms of this Note Trust Deed, the relevant Note Trust Deed Supplement (if applicable) and the Jersey Security Interests Law;
- 4.6.3 the collateral in respect of which the Issuer Jersey Security Interest is created comprises the Issuer Jersey Secured Property;
- 4.6.4 the events of default in respect of the Issuer Jersey Security Interest are the events set out in Condition 10 (*Events of Default*); and
- 4.6.5 the obligations in respect of which the Issuer Jersey Security Interest is created comprise all the moneys and other Liabilities payable or owing by the Issuer under the Security Documents in respect of each Series issued by the Issuer.

#### **4.7 Reassignment of Issuer Jersey Secured Property**

Following discharge in full of the Secured Obligations of which the Note Trustee has notice, the Note Trustee shall promptly reassign to the Issuer the Issuer Jersey Secured Property.

#### **4.8 Limitations on Note Trustee's liability**

The Note Trustee shall not be responsible for, nor shall it have any liability with respect to, any loss or theft of any Secured Property, shall not be obliged to insure or to procure the insurance of any Secured Property and shall have no responsibility or liability arising from the fact that any Secured Property is registered in its name or held by it or in an account with Euroclear, Clearstream, Luxembourg or DTC or any similar clearing system in accordance with the system's rules or is otherwise held in safe custody by any bank or custodian.

### **5. NOTE TRUSTEE'S POWERS**

#### **5.1 Extension and Variation of LPA Powers**

For any Series, any time upon or after any part or parts of the Security becomes enforceable, the Note Trustee may, from time to time:

- 5.1.1 enter into, make, execute, sign and do all such contracts, agreements, receipts, payments, assignments, transfers, conveyances, assurances and things and bring, prosecute, enforce, defend and abandon all such actions, suits and proceedings in relation to any Secured Property as it may think expedient;
- 5.1.2 exercise all or any of the powers or rights incidental to the ownership of all or any of the Secured Property and, in particular but without limiting the generality of the foregoing, exercise all rights to enforce the Security against the Secured Property and all rights to attend or vote at any meeting of the holders of any Secured Property or to give any consent or notification or make any declaration in relation to such securities or any of them;
- 5.1.3 without prejudice to the generality of the foregoing, exercise all or any of the powers or rights of the Issuer under or pursuant to any Secured Property;
- 5.1.4 without prejudice to the generality of the foregoing, if in its absolute discretion it is of the opinion that the interests of the Noteholders and any other Secured Creditors will not be materially prejudiced thereby, agree to the transfer of any Secured Property to an account with Euroclear, Clearstream, Luxembourg or DTC or any similar clearing system or the holding thereof in safe custody by the Note Trustee or by a bank or custodian selected by the Note Trustee (and shall not incur any liability by doing so);
- 5.1.5 demand, sue for or take any action or institute any proceedings to recover or obtain payment of any amounts which may then be due and payable but which remain unpaid under or in respect of the Secured Property or any part thereof either in its own name or in the name of the Issuer and shall not be liable by so doing; and
- 5.1.6 without prejudice to the generality of the foregoing, act generally in relation to the Secured Property in such manner as it may think expedient.

## 6. APPOINTMENT AND REMOVAL OF RECEIVER AND ADMINISTRATOR

### 6.1 Appointment and removal of Receiver

Subject to Clause 6.2 (*Appointment of Receiver instead of an administrator*) below, at any time after all or part of the Security in relation to any one or more Series of Notes issued by the Issuer has become enforceable in accordance with the Conditions, the Note Trustee may by writing appoint any person or persons to be a Receiver of the Secured Property (save to the extent it comprises Jersey Assets) of any such Series, and may remove any Receiver so appointed and appoint another in its place. Section 109(1) of the Law of Property Act 1925 shall not apply in respect of any such appointment.

### 6.2 Appointment of Receiver instead of an administrator

If the Note Trustee has actual notice of:

- 6.2.1 a petition of a court of competent jurisdiction for an administration order to be made on the application by a creditor or creditors of the Issuer;
- 6.2.2 the giving of notice of intention to appoint an administrator in respect of the Issuer; or
- 6.2.3 the filing of a notice of appointment of an administrator of the Issuer with a court of competent jurisdiction,

the Note Trustee shall use reasonable endeavours, subject to its being practicable so to do, and provided it has been indemnified and/or secured and/or prefunded to its satisfaction, forthwith to appoint a Receiver or Receivers (being, for the avoidance of doubt, an administrative receiver or similar officer falling within the definition of "**administrative receiver**" under Section 29(2) of the Insolvency Act 1986) of the whole of the Secured Property (save to the extent it comprises Jersey Assets) in relation to all Series of Notes outstanding and issued by the Issuer and in relation to the floating charge created pursuant to Clause 4 (*Security*). Subject in the case of the Issuer Jersey Security Interest to Article 8(6)(b) of the Jersey Security Interests Law, any proceeds of enforcement of the Issuer Jersey Security Interest or the floating charge shall be distributed amongst the Secured Creditors of the relevant Series *pro rata* in the proportion which the aggregate Principal Amount Outstanding in respect of each such Series bears to the aggregate Principal Amount Outstanding of all such Series (as at the date such monies were received) in respect of which such monies were received (unless, in relation to any Series, the relevant Note Trust Deed Supplement specifies that any such Series shall be subordinated to any other Series).

- 6.3 For the purposes of the Issuer Jersey Security Interest, service by the Note Trustee of a notice upon the Issuer specifying the Event of Default in respect of any one or more Series and, if the default is capable of remedy, requiring the Issuer to remedy it, shall constitute notice for the purposes of the Jersey Security Interests Law of an event of default in respect of the Issuer Jersey Security Interest and, subject to the provisions of Articles 6(4) and 8(3) of the Jersey Security Interests Law, the Note Trustee shall have an immediate power of sale over the Issuer Jersey Secured Property, without having to apply to the Royal Court of Jersey for authority to exercise the same.



- 6.4 The power of sale in respect of the Issuer Jersey Security Interest shall be exercisable by the Note Trustee in such manner as the Note Trustee may in its discretion deem appropriate and with all powers of a beneficial owner notwithstanding that no such beneficial ownership shall have vested in it as such. Without limitation the Note Trustee may, without liability and subject to the Note Trustee having been indemnified in full and/or provided with security and/or prefunded to its satisfaction, sell or dispose of the whole or part of the Issuer Jersey Secured Property at such times and in such manner and generally on such terms and conditions and for such consideration as the Note Trustee may think fit. Any such sale or disposal may be for cash, debentures or other obligations, shares, stocks, securities or other valuable consideration and may be payable immediately or by instalment spread over such a period as the Note Trustee may think fit. The Note Trustee shall have right of recourse to any monies forming part of the Secured Property and may, without liability and subject to the Note Trustee having been indemnified and/or prefunded in full to its satisfaction, apply such monies in the payment or discharge of the Secured Obligations as if such moneys were proceeds of sale.
- 6.5 The appointment of any Receiver shall include a direction to the Receiver in relation to those Series in respect of which the specific Security relating to such service has not become enforceable to continue all the existing contracts in relation to such Series and carry on the existing business of the Issuer in relation to such Series.

#### 6.6 **Insolvency Act requirements**

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

### 7. **PROVISIONS RELATING TO RECEIVER**

#### 7.1 **Provisions applicable to Receiver**

If the Note Trustee appoints a Receiver under Clause 6.1 (*Appointment and removal of Receiver*), the following provisions (subject, in the case of Issuer Jersey Secured Property, to the Jersey Security Interests Law) shall have effect in relation thereto:

- 7.1.1 **Appointment:** such appointment may be made either before or after the Note Trustee has taken possession of the relevant Secured Property relating to any Series;
- 7.1.2 **Powers:** such Receiver may be vested by the Note Trustee with such powers and discretions as the Note Trustee may think expedient and, subject to Clause 6.1 (*Appointment and removal of Receiver*), (i) may sell or concur in selling all or any of such Secured Property, or assign or release all or any of such Secured Property, to any Person save for itself or any of its Affiliates, or (ii) continue the business of the Issuer as a going concern with respect to the Secured Property, in each case without restriction and on such terms and for such consideration (if any) as he may think fit and may carry any such transaction into effect by conveying, transferring and delivering in the name or on behalf of the Issuer or otherwise;

- 7.1.3 ***Trustee's directions:*** such Receiver shall in the exercise of his powers, authorities and discretions conform to regulations from time to time made by the Note Trustee;
- 7.1.4 ***Extension of powers:*** the exclusion of any part of the Secured Property of any Series from the appointment of the Receiver shall not preclude the Note Trustee from subsequently extending his appointment (or that of the Receiver replacing him) to that part;
- 7.1.5 ***Remuneration of Receiver:*** the Note Trustee may from time to time fix the remuneration of such Receiver and direct payment thereof out of moneys accruing to him in the exercise of his powers as such **provided, however, that** such remuneration shall only be payable from such sums as are realised in respect of those Series the Secured Property in respect of which are the subject of the appointment of such Receiver;
- 7.1.6 ***Security from Receiver:*** the Note Trustee may from time to time and at any time require any such 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 Note Trustee shall not be bound in any case to require any such security;
- 7.1.7 ***Monies payable to Note Trustee:*** save insofar as otherwise directed by the Note Trustee, all moneys from time to time received by such Receiver shall be paid over forthwith to the Note Trustee to be held by it in accordance with the provisions of Clause 13 (*Application of Moneys*) as supplemented by the relevant Note Trust Deed Supplement;
- 7.1.8 ***Receiver as agent of Issuer:*** every such Receiver shall be the agent of the Issuer for all purposes and the Issuer alone shall be responsible for his acts, defaults and misconduct, and the Note Trustee and the Noteholders and the other beneficiaries of the trusts of this Note Trust Deed shall not incur any liability therefor or by reason of its or their making or consenting to the appointment of a person as a Receiver under this Note Trust Deed; and
- 7.1.9 ***Holders not liable for acts of Receiver:*** none of the Note Trustee and the Noteholders and the other Secured Creditors shall be in any way responsible for any misconduct or negligence on the part of any such Receiver.

## 7.2 **Moneys held on trust**

Subject in the case of the Issuer Jersey Secured Property to the Jersey Security Interests Law, for each Series, all moneys received by the Note Trustee in respect of the Security or the Secured Property relating to such Series shall be held by the Note Trustee upon trust to apply the same as provided in Clause 13 (*Application of Moneys*) hereof and the relevant Note Trust Deed Supplement.

## 7.3 **Further assurance**

For each Series, the Issuer shall execute and do all such assurances, acts and things as the Note Trustee or any Receiver may require (including, without limitation, the giving

of notices of assignment and the effecting of filings or registrations in any jurisdiction) for perfecting or protecting the Security and from time to time and at any time after the Security or any part thereof has become enforceable shall execute and do all such assurances, acts and things as the Note Trustee or any Receiver may require for facilitating the realisation of, or enforcement of rights in respect of, all or any of the Secured Property relating to such Series and the exercise of all powers, authorities and discretions vested in the Note Trustee or in any Receiver of all or any of the Secured Property relating to such Series.

#### **7.4 Borrowing Powers**

For each Series, subject in the case of the Issuer Jersey Secured Property to the Jersey Security Interests Law, the Note Trustee may raise and borrow money on the security of all or any of the Secured Property relating to such Series for the purpose of defraying any Liabilities paid or incurred by it in relation to this Note Trust Deed and any relevant Note Trust Deed Supplement relating to such Series or in the exercise of any of the powers contained in this Note Trust Deed and any relevant Note Trust Deed Supplement relating to such Series. The Note 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 all or any of the Secured Property relating to such Series in such manner and form as the Note Trustee may think fit (which mortgage or other charge may rank in priority to, *pari passu* with or after the Security) and for such purposes may execute and do all such assurances and things as it may think fit and no person lending any such money shall be concerned to enquire as to the propriety or purpose of the exercise of any power of the Note Trustee or to see to the application of any money so raised or borrowed.

#### **7.5 Appointment of Attorneys**

For the purpose of securing the interests of the Note Trustee and the other Secured Creditors whether under or pursuant to this Note Trust Deed or any Document or in relation to the Secured Property and the performance of its obligations to the Secured Creditors, whether under or pursuant to this Note Trust Deed or any Document or in relation to the Secured Property, the Issuer irrevocably for value and by way of security hereby severally and independently appoints the Note Trustee and every Receiver of the Secured Property or any part thereof to be its attorney (with full power to appoint substitutes or to sub-delegate, including power to authorise the person so appointed to make further appointments) on behalf of the Issuer and in its name or otherwise, to execute any document or do any assurance, act or thing which the Issuer ought to execute or do pursuant to this Note Trust Deed and generally on its behalf and in its name or otherwise, to execute any document or do any assurance, act or thing which the Note Trustee or such Receiver (or such substitute or delegate) may, in its or his absolute discretion, properly consider appropriate in connection with the exercise or enforcement of any of the rights, powers, authorities or discretions conferred on the Note Trustee or the Receiver under or pursuant to this Note Trust Deed or any Document. The Issuer hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney does or purports to do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this Clause 7.5 For the avoidance of doubt, this power of attorney is granted, *inter alia*, pursuant to Article 5 of the Powers of Attorney (Jersey) Law 1995 for the purposes of facilitating the Note

Trustee's powers hereunder and under the Jersey Security Interests Law in respect of the Issuer Jersey Security Interest.

#### **7.6 No liability**

For each Series, the Note Trustee shall not, nor shall any Receiver appointed as aforesaid nor any attorney, agent or delegate of the Note Trustee by reason of taking possession of or having assigned to it all or any of the Secured Property relating to such Series or any other reason whatsoever and whether as mortgagee in possession or on any other basis whatsoever be liable to account for anything except actual receipts or be liable for any loss or damage arising from realisation of, or enforcement of rights in respect of, all or any of the Secured Property relating to such Series or any other property, assets, rights or undertakings of whatsoever nature (including but not limited to any other Secured Property) whether or not owned by the Issuer or any other person or in which the Issuer or such other person has an interest, from any act, default or omission in relation to all or any of the Secured Property relating to such Series or any other property, assets, rights or undertakings of whatsoever nature (including but not limited to any other Secured Property) whether or not owned by the Issuer or any other person or in which the Issuer or such other person has an interest, or from any exercise or non-exercise by it of any power, authority or discretion conferred upon it in relation to all or any of the Secured Property relating to such Series or any other property, assets, rights or undertakings of whatsoever nature (including but not limited to any other Secured Property) whether or not owned by the Issuer or any other person or in which the Issuer or such other person has an interest, by or pursuant to this Note Trust Deed as supplemented by the relevant Note Trust Deed Supplement relating to such Series or otherwise.

#### **7.7 Powers additional to LPA and Insolvency Act Powers**

For each Series, the powers conferred by this Note Trust Deed in relation to all or any of the Secured Property in respect of such Series on the Note Trustee or on any Receiver of all or any of the Secured Property shall (save to the extent they relate to Jersey Assets) be in addition to and not in substitution for the powers conferred on mortgagees or receivers under the Law of Property Act 1925 and the Insolvency Act and where there is any ambiguity or conflict between the powers contained in such Acts and those conferred by this Note Trust Deed and any relevant Note Trust Deed Supplement the terms of this Note Trust Deed and any relevant Note Trust Deed Supplement shall prevail. The powers conferred by this Note Trust Deed on the Note Trustee in relation to all or any of the Issuer Jersey Secured Property shall be subject to the Jersey Security Interests Law.

#### **7.8 Protection of third parties**

For each Series, no person dealing with the Note Trustee or with any Receiver of all or any of the Secured Property in respect of such Series appointed by the Note Trustee shall be concerned to enquire whether any event has happened upon which any of the powers, authorities and discretions conferred by or pursuant to this Note Trust Deed and any relevant Note Trust Deed Supplement in relation to such Secured Property in respect of such Series are or may be exercisable by the Note Trustee or by any such Receiver or otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such powers, authorities or discretions and all the protection to

purchasers contained in Sections 104 and 107 of the Law of Property Act 1925 shall apply to any person purchasing from or dealing with the Note Trustee or any such Receiver in like manner as if the statutory powers of sale and of appointing a receiver in relation to such Secured Property in respect of such Series had not been varied or extended by this Note Trust Deed and any relevant Note Trust Deed Supplement.

## **7.9 Release**

Upon proof being given to the satisfaction of the Note Trustee that the Issuer is under no further actual or contingent liability, present or future, under this Note Trust Deed and any relevant Note Trust Deed Supplement in respect of any Series, the Note Trustee shall at the request and cost of the Issuer execute and do all such deeds, acts and things as may be necessary to reassign and release the Secured Property in respect of such Series from the Security and the trust contained in this Note Trust Deed as supplemented by the relevant Note Trust Deed Supplement.

## **8. NOTE CERTIFICATES**

### **8.1 Global Note Certificates or Registered Uncleared Note Certificates**

Each class of Notes of each Series will be initially represented by (a) a Rule 144A Global Note Certificate or (b) a Regulation S Global Note Certificate (Classic Global Note) or (c) a Regulation S Global Note Certificate (New Safekeeping Structure) or (d) a Registered Uncleared Note Certificate. Interests in a Global Note Certificate shall be exchangeable, in accordance with its terms, for Individual Note Certificates.

### **8.2 Individual Note Certificates**

Individual Note Certificates will not be security printed unless required by applicable legal and Stock Exchange requirements and will be substantially in the form set out (in the case of a Rule 144A Individual Note Certificate) in Part A of Schedule 3 (*Form of Rule 144A Individual Note Certificate*) and (in the case of a Regulation S Individual Note Certificate (Classic Global Note)) in Part B of Schedule 3 (*Form of Regulation S Individual Note Certificate (Classic Global Note)*) and (in the case of a Regulation S Individual Note Certificate (New Safekeeping Structure)) in Part C of Schedule 3 (*Form of Regulation S Individual Note Certificate (New Safekeeping Structure)*). Individual Note Certificates will have the Conditions attached thereto.

### **8.3 Signature**

The Note Certificates will be signed manually or in facsimile by a duly authorised person designated by the Issuer and will be authenticated manually or in facsimile by or on behalf of either the Registrar (in the case of Notes cleared through DTC and Registered Uncleared Notes) or the Principal Paying Agent (in the case of Global Note Certificates representing Notes cleared through Euroclear or Clearstream, Luxembourg), as applicable and in relation to Notes intended to be held pursuant to the New Safekeeping Structure shall be effectuated by the Common Safekeeper acting on the instructions of the Principal Paying Agent. The Issuer may use the facsimile signature of a person who at the date such signature was originally produced was such a duly authorised person even if at the time of issue of any Note Certificate he no longer

holds that office. Note Certificates so executed and duly authenticated will be binding and valid obligations of the Issuer.

#### **8.4 Entitlement to treat holder as owner**

The Issuer, the Note Trustee and any Agent may deem and treat the holder of any Note Certificate as the absolute owner of such Note Certificate, free of any equity, set-off or counterclaim on the part of the Issuer against the original or any intermediate holder of such Note Certificate (whether or not such Note represented by such Note Certificate shall be overdue and notwithstanding any notation of ownership or other writing thereon (other than the endorsed form of transfer) or any notice of previous loss or theft of such Note Certificate) for all purposes and, except as ordered by a court of competent jurisdiction or as required by applicable law, the Issuer, the Note Trustee and each Agent shall not be affected by any notice to the contrary. All payments made to any such holder shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for the moneys payable upon the Notes.

### **9. COVENANTS**

#### **9.1 Covenant to comply with the Note Trust Deed**

The Issuer, in respect of each Series, hereby covenants with the Note Trustee on the terms of the Issuer Covenants and covenants to comply with those provisions of the other Documents, this Note Trust Deed, any Note Trust Deed Supplement and the Conditions which are expressed to be binding on it and to perform and observe the same. The Notes are subject to the provisions contained in the Security Documents, all of which shall be binding upon the Issuer, the Noteholders and all persons claiming through or under them respectively.

#### **9.2 Note Trustee may enforce Conditions**

The Note Trustee shall itself be entitled to enforce the obligations of the Issuer under the Notes and the Conditions as if the same were set out and contained in this Note Trust Deed which shall be read and construed as one document with the Notes.

### **10. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE ISSUER**

#### **10.1 Centre of main interest**

The Issuer represents and warrants that it has its "centre of main interests", as that term is used in Article 3(i) of the EU Regulation on Insolvency Proceedings No. 1346/2000, in England & Wales.

#### **10.2 No subsidiaries, employees or premises**

The Issuer represents and warrants that it has no branch office in any jurisdiction other than England & Wales, no subsidiaries and no employees.

#### **10.3 Management and administration**

The Issuer represents and warrants that its management, the places of residence of the majority of its directors, the place at which its meetings of the board of directors are

held and the place from which its interests are administered are all situated in England & Wales.

#### 10.4 **Tax**

The Issuer represents and warrants that it is resident in the United Kingdom for United Kingdom tax purposes and is beneficially entitled to interest payments made to it under the Loan Notes.

#### 10.5 **Registered Branch**

The Issuer covenants that it maintains its registered branch in England & Wales and will not move its registered branch to another jurisdiction.

#### 10.6 **No foreign branches or employees**

The Issuer covenants that it shall not establish any branch outside England & Wales and that it will have no employees.

#### 10.7 **Board meetings, management and administration**

The Issuer covenants that it shall (i) hold all meetings of the board of directors of the Issuer in England & Wales, (ii) not hold any such meeting outside England & Wales, (iii) procure that its central management and control, the places of residence of the majority of its directors and the place where its interests are administered on a regular basis will, at all times, remain situated in England & Wales and (iv) only hold board meetings when the United Kingdom resident directors present at the Meeting in the United Kingdom are in the majority at the Meeting.

### 11. **AMENDMENTS AND SUBSTITUTION**

#### 11.1 **Waiver**

The Note Trustee may, without any consent or sanction of the Noteholders or any other Secured Creditor or Security Beneficiary and without prejudice to its rights in respect of any subsequent breach, condition, event or act, from time to time and at any time, but only if and in so far as in its opinion the interests of the Noteholders shall not be materially prejudiced thereby, authorise or waive, on such terms and conditions (if any) as shall seem fit and proper to it, any breach or proposed breach of any of the covenants or provisions contained in the Security Documents or the Notes or any of the other Documents in relation to such Series or determine that any Event of Default or Potential Event of Default in relation to such Series shall not be treated as such for the purposes of the Security Documents; any such authorisation, waiver or determination shall be binding on the Noteholders and the other Secured Creditors and the Security Beneficiaries and, unless the Note Trustee agrees otherwise, the Issuer shall cause such authorisation, waiver or determination to be notified to the Noteholders of such Series as soon as practicable thereafter in accordance with the Conditions; **provided that** the Note Trustee shall not exercise any powers conferred upon it by this Clause in contravention of any express direction by an Extraordinary Resolution or of a request in writing made by the holders of not less than one-quarter in aggregate principal amount of the Notes then outstanding (but so that no such direction or request shall affect any authorisation, waiver or determination previously given or made) or so as to

authorise or waive any such breach or proposed breach relating to any of the matters the subject of the Basic Terms Modification as specified in Schedule 4.

#### 11.2 Modifications for issuances of Notes prior to the date of this Note Trust Deed

The Note Trustee may from time to time and at any time without any consent or sanction of the Noteholders concur with the Issuer in making (a) any modification to the Conditions, the Security Documents (other than in respect of Basic Terms Modification as specified in Schedule 4 or any provision of the Security Documents referred to in that specification) or the Notes or the other Documents or any Relevant Document which in the opinion of the Note Trustee it may be proper to make provided the Note Trustee is of the opinion that such modification will not be materially prejudicial to the interests of the Noteholders or (b) any modification to the Security Documents, the other Documents, the Conditions or any Relevant Documents the Notes if in the opinion of the Note Trustee such modification is of a formal, minor or technical nature or made to correct an error which in the sole opinion of the Note Trustee is considered to be such. Any such modification shall be binding on the Noteholders and, unless the Note Trustee otherwise agrees, the Issuer shall cause such modification to be notified to the Noteholders as soon as practicable thereafter in accordance with the Conditions and the other Documents.

#### 11.3 Modifications for any issuance of a Series of Notes after 12 March 2018

In addition to the provisions of Clause 11.2 (*Modifications for issuances of Notes prior to the date of this Note Trust Deed*) but subject to Clause 11.4 (*Conditions to additional right of Modification*), the Note Trustee shall be obliged, without any consent or sanction of the Noteholders, or any of the other Secured Creditors, to concur with the Issuer in making any modification (other than a Basic Terms Modification, but subject to Clause 11.6 (*Basic Terms Modification*) below) to any Transaction Document to which it is a party or in relation to which it holds security that the Issuer (or the Cash Manager on its behalf) considers necessary:

11.3.1 for the purpose of changing the Screen Rate or the base rate that then applies in respect of the applicable Notes issued on or after 12 March 2018 (the "**Base Rate Modification Reference Date**") and/or any consequential amendments to any related Swap Agreement to an alternative base rate (any such rate, which may include an alternative Screen Rate, an "**Alternative Base Rate**") and make such other related or consequential amendments as are necessary or advisable in the reasonable judgment of the Issuer (the Cash Manager on its behalf) to facilitate such change (including, subject to Clause 11.3.2 but not limited to any consequential amendments under any related Swap Agreement) (a "**Base Rate Modification**"), provided that the Issuer (or the Cash Manager on its behalf), certifies to the Note Trustee in writing (such certificate, a "**Base Rate Modification Certificate**") that:

- (a) such Base Rate Modification is being undertaken due to:
  - (i) a material disruption to LIBOR, EURIBOR or any other relevant interest rate benchmark, an adverse change in the methodology of calculating such interest rate benchmark or such interest rate benchmark ceasing to exist or be published;



- (ii) the insolvency or cessation of business of the administrator of LIBOR, EURIBOR or any other relevant interest rate benchmark (in circumstances where no successor administrator has been appointed);
  - (iii) a public statement by the administrator of LIBOR, EURIBOR or any other relevant interest rate benchmark that it will cease publishing the relevant interest rate benchmark permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such interest rate benchmark) or has changed or will change such interest rate benchmark in an adverse manner;
  - (iv) a public statement by the supervisor of the administrator of LIBOR, EURIBOR or any other relevant interest rate benchmark that the relevant interest rate benchmark has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;
  - (v) a public statement by the supervisor of the administrator of LIBOR, EURIBOR or any other relevant interest rate benchmark that means the relevant interest rate benchmark might no longer be used or that its use is subject to restrictions or adverse consequences;
  - (vi) a public announcement of the permanent or indefinite discontinuation of the relevant Screen Rate or base rate that applies to the Notes at such time; or
  - (vii) the reasonable expectation of the Issuer (or the Cash Manager on its behalf) that any of the events specified in paragraphs (i) to (vi) above will occur or exist within six months of the proposed effective date of such Base Rate Modification; and
- (b) such Alternative Base Rate is:
- (i) a base rate published, endorsed, approved or recognised by the Federal Reserve, the Bank of England or the European Central Bank, any regulator in the United States, the United Kingdom or the European Union or any stock exchange on which the Notes are listed (or any relevant committee or other body established, sponsored or approved by any of the foregoing);
  - (ii) a base rate utilised in a material number of publicly-listed new issues of Sterling-denominated, Dollar-denominated and/or Euro-denominated asset backed notes prior to the effective date of such Base Rate Modification (for these purposes, unless agreed otherwise by the Note Trustee, five (5) such issues shall be considered material); or

- (iii) such other base rate as the Cash Manager (on behalf of the Issuer) reasonably determines,

and, for the avoidance of doubt, the Issuer (or the Cash Manager on its behalf) may propose an Alternative Base Rate on more than one occasion provided that the conditions set out in this Clause 11.3.1 are satisfied; and

- 11.3.2 for the purpose of changing the base rate that then applies in respect of the Swap Agreement to an Alternative Base Rate as is necessary or advisable in the commercially reasonable judgment of the Issuer (or the Cash Manager on its behalf) and the Swap Counterparty solely as a consequence of a Base Rate Modification and solely for the purpose of aligning the base rate of the swap to the base rate of the Notes following such Base Rate Modification (a "**Swap Rate Modification**"), provided that the Cash Manager, on behalf of the Issuer, certifies to the Note Trustee in writing (upon which certificate the Note Trustee may rely absolutely and without enquiry or liability) that such modification is required solely for such purpose and it has been drafted solely to such effect (such certificate being a "**Swap Rate Modification Certificate**").

#### 11.4 Conditions to additional right of Modification

- 11.4.1 The Note Trustee is only obliged to concur with the Issuer in making any modification (other than a Basic Terms Modification, but subject to Clause 11.6 (*Basic Terms Modification*) below) to any Transaction Document pursuant to Clause 11.3 (*Modifications for any issuance of a Series of Notes after 12 March 2018*) if:

- (a) the Base Rate Modification Certificate and/or the Swap Rate Modification Certificate (as applicable) in relation to such modification shall be provided to the Note Trustee both at the time the Note Trustee is notified of the proposed modification and on the date that such modification takes effect;
- (b) the consent of each Secured Creditor (other than the Note Trustee) which is party to the Transaction Documents proposed to be modified has been obtained (evidence of which shall be provided to the Note Trustee at the same time as the provision of the Base Rate Modification Certificate and/or Swap Rate Modification Certificate, as applicable); and
- (c) the person who proposes such modification pays all fees, costs and expenses (including legal fees) incurred by the Issuer and the Note Trustee and each other applicable party including, without limitation, any of the Agents or the Account Banks in connection with such modifications,

and provided further that:

- (i) either: (I) the Issuer (or the Cash Manager) obtains from each of the Rating Agencies written confirmation that such modification would not result in (x) a downgrade, withdrawal or suspension

of the then current ratings assigned to any Class of the Notes by such Rating Agency or (y) such Rating Agency placing any Notes on rating watch negative (or equivalent) (such written confirmation to be provided with the Base Rate Modification Certification and/or the Swap Rate Modification Certificate, as applicable); or (II) the Issuer (or the Cash Manager) certifies in the Base Rate Modification Certificate and/or the Swap Rate Modification Certificate, as applicable, that it has notified in writing each of the Rating Agencies of the proposed modification and in its opinion, formed on the basis of due consideration, such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the notes by any Rating Agency or (y) any Rating Agency placing any notes on rating watch negative (or equivalent); and

- (ii) the Issuer certifies in writing to the Note Trustee (which certification may be in the Base Rate Modification Certificate and/or the Swap Rate Modification Certificate (as applicable)) that in relation to such modification that (I) the Issuer has provided at least 30 calendar days' notice to the Noteholders of each Note Series which would be affected by the proposed Base Rate Modification (together the "**Affected Note Series**") of the proposed modification in accordance with Condition 16 (*Notices*) (and shall have provided a draft of such notice to the Note Trustee at least 5 Business Days before delivery to the Noteholders) and by publication on Bloomberg on the "Company News" screen relating to the Notes in each case specifying the date and time by which Noteholders must respond (which must be no less than 30 calendar days after the date on which the notice above is published in accordance with Condition 16 (*Notices*)), the relevant circumstance giving rise to the Base Rate Modification under Clause 11.3.1(a), the Alternative Base Rate being proposed under Clause 11.3.1(b) and details of any consequential or related amendments (including any changes to the Swap Agreement under Clause 11.3.2), and (II) Noteholders representing at least 10 per cent. of the aggregate Outstanding Principal Amount of the Most Senior Class of Notes then outstanding across the Affected Note Series have not contacted the Issuer via the Principal Paying Agent in accordance with the notice and the then current practice of any applicable clearing system through which such Notes may be held by the time specified in such notice that such Noteholders do not consent to the modification.

- 11.4.2 If Noteholders representing at least 10 per cent. of the aggregate Outstanding Principal Amount of the Most Senior Class of Notes then outstanding across the Affected Note Series have notified the Issuer via the Principal Paying Agent in accordance with the notice and the then current practice of any applicable clearing system through which such Notes may be held by the time specified in

such notice that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding across the Affected Note Series is passed in favour of such modification in accordance with this Clause 11.

- 11.4.3 When implementing any modification pursuant to Clause 11.3 (*Modifications for any issuance of a Series of Notes after 12 March 2018*), the Note Trustee shall not consider the interests of the Noteholders, any other Secured Creditor or any other person and shall act and rely solely and without further investigation on any certificate or evidence provided to it by the Issuer, the Cash Manager or the relevant Transaction Party, as the case may be, pursuant to Clause 11.3 (*Modifications for any issuance of a Series of Notes after 12 March 2018*) and shall not be liable to the Noteholders, any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person.
- 11.4.4 The Note Trustee shall not be obliged to agree to any modification pursuant to Clause 11.3 (*Modifications for any issuance of a Series of Notes after 12 March 2018*) which, in the sole opinion of the Note Trustee would have the effect of (a) exposing the Note Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (b) increasing the obligations or duties, or decreasing the rights or protection, of the Note Trustee in the Note Trust Deed, the Transaction Documents.
- 11.4.5 Any modification implemented pursuant to Clause 11.3 (*Modifications for any issuance of a Series of Notes after 12 March 2018*) shall be binding on all Noteholders and shall be notified by the Issuer as soon as reasonably practicable to:
- (a) so long as any of the notes rated by the Rating Agencies remains outstanding, each Rating Agency;
  - (b) the Secured Creditors; and
  - (c) the Noteholders in accordance with Condition 16 (*Notices*).

## 11.5 Substitution

- 11.5.1 **Procedure:** The Note Trustee may, without the consent of the Noteholders or other Secured Creditors or any Security Beneficiary, agree to the substitution, in place of the Issuer (or of any previous substitute under this Clause) of any other body corporate (the "**Substituted Issuer**") as the principal debtor in respect of the Security Documents, the Notes and the other Secured Obligations of any Series if:
- (a) a Note Trust Deed is executed or some other written form of undertaking is given by the Substituted Issuer to the Note Trustee, in form and manner satisfactory to the Note Trustee, agreeing to be bound by the terms of the Security Documents, Relevant Documents and other Documents and the Notes with any consequential amendments which

the Note Trustee may deem appropriate as fully as if the Substituted Issuer had been named in the Security Documents, Relevant Documents and the other Documents and on the Notes as the principal debtor in place of the Issuer (or of any previous substitute under this Clause);

- (b) the Issuer (or any previous substitute) and the Substituted Issuer execute such other deeds, documents and instruments (if any) as the Note Trustee may require in order that the substitution is fully effective and complies with such other requirements as the Note Trustee may direct in the interests of the Noteholders and the other Secured Creditors;
- (c) where all or substantially all the assets of the Issuer or any previous substitute are transferred to the Substituted Issuer, the Substituted Issuer:
  - (i) acquires the Issuer's (or such previous substitute's) equity of redemption in the Secured Property (other than the undertaking of the Issuer or any previous substitute);
  - (ii) becomes a party to all the Security Documents, Relevant Documents and other Documents to which the Issuer (or such previous substitute) is a party;
  - (iii) acknowledges the Security and the other matters created and effected in respect thereof pursuant to the Security Documents; and
  - (iv) takes all such action as the Note Trustee may require so that the Secured Property continues to be subject to the Security and the other matters created and effected in respect thereof pursuant to the Security Documents and otherwise effected or maintained in all respects corresponding to those previously subsisting on the part of the Issuer or such previous substitute;
- (d) (unless all or substantially all of the assets of the Issuer or any previous substitute are transferred to the Substituted Issuer) an unconditional and irrevocable guarantee secured on the Secured Property in form and substance satisfactory to the Note Trustee is given by the Issuer (or such previous substitute) of the obligations of any Substituted Issuer under the Security Documents, the Notes and the other Documents;
- (e) the Note Trustee is satisfied that (i) the Substituted Issuer has obtained all governmental and regulatory approvals and consents necessary for its assumption of liability as principal debtor in respect of the Security Documents, the Notes and the other Secured Obligations in place of the Issuer (or such previous substitute as aforesaid) and (ii) such approvals and consents are at the time of substitution in full force and effect;
- (f) the Substituted Issuer is a single purpose company similar to, and with like constitution as, and having substantially the same restrictions and prohibitions on its activities and operations as the Issuer, undertakes to

be bound by provisions corresponding to those set out in the Conditions and satisfies the SPV Criteria;

- (g) without prejudice to the rights of reliance of the Note Trustee under sub-clause 11.5.4 (*Directors' certification*) the Note Trustee is satisfied that the said substitution is not materially prejudicial to the interests of the Noteholders;
- (h) the Note Trustee is provided with legal opinions in respect of such substitution in form and substance satisfactory to it; and
- (i) each of the Rating Agencies confirms in writing to the Note Trustee that its rating of the Notes will not be lowered as a result of such substitution.

11.5.2 ***Change of governing law:*** In connection with any proposed substitution of the Issuer or any previous substitute, the Note Trustee may, in its absolute discretion and without the consent of the Noteholders or the other Secured Creditors agree to a change of the law from time to time governing the Notes and/or the Security Documents **provided that** such change of law, in the opinion of the Note Trustee, would not be materially prejudicial to the interests of the Noteholders.

11.5.3 ***Extra duties:*** The Note Trustee shall be entitled to refuse to approve any Substituted Issuer if, pursuant to the law of the country of incorporation of the Substituted Issuer, the assumption by the Substituted Issuer of its obligations hereunder imposes (in the opinion of the Note Trustee) responsibilities and Liabilities on the Note Trustee over and above those which have been assumed under the Security Documents;

11.5.4 ***Directors' certification:*** If any two directors of the Substituted Issuer certify that immediately prior to the assumption of its obligations as Substituted Issuer under the Security Documents the proposed Substituted Issuer is solvent after taking account of all prospective and contingent liabilities resulting from its becoming the Substituted Issuer, the Note Trustee need not have regard to the financial condition, profits or prospects of the proposed Substituted Issuer or compare the same with those of the Issuer (or of any previous substitute under this Clause) or have regard to the possibility of avoidance of the Security or any part thereof on the grounds of insolvency or the proximity to insolvency, liquidation or some other event of the creation of the Security;

11.5.5 ***Interests of Noteholders:*** In connection with any proposed substitution, the Note Trustee shall not have regard to, or be in any way liable for, the consequences of such substitution for individual Noteholders, the other Secured Creditors or Security Beneficiaries resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory. No Noteholder or other Secured Creditor shall, in connection with any such substitution, be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon individual Noteholders or other Secured Creditors.

11.5.6 **Release of Issuer:** Any agreement by the Note Trustee pursuant to sub-clause 11.5.1 (*Procedure*) shall, if so expressed, operate to release the Issuer (or such previous substitute) from any or all of its obligations as principal debtor under the Notes, the Security Documents and the other Secured Obligations (but without prejudice to its liabilities under any guarantee given pursuant to paragraph (c) of sub-clause 11.5.1;

11.5.7 **Completion of substitution:** Upon the execution of such documents and compliance with the said requirements, the Substituted Issuer shall be deemed to be named in the Security Documents, the Notes and the other Documents as the principal debtor in place of the Issuer (or of any previous substitute under this Clause) and the Security Documents, the Notes and the other Documents shall thereupon be deemed to be amended in such manner as shall be necessary to give effect to the substitution and without prejudice to the generality of the foregoing any references in the Security Documents, Notes and the other Documents to the Issuer shall be deemed to be references to the Substituted Issuer.

## 11.6 Basic Terms Modification

Solely for the purposes of Clause 11.3 (*Modifications for any issuance of a Series of Notes after 12 March 2018*), a Basic Terms Modification in respect of any Notes issued on or after the Base Rate Modification Reference Date shall exclude any change to any date fixed for payment of principal or interest in respect of the Notes, to reduce or cancel the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment.

## 12. ENFORCEMENT

### 12.1 Security enforceable

The Security in relation to any Series shall become enforceable upon the Note Trustee giving notice pursuant to the terms thereof to the Issuer subsequent to an Event of Default in respect of such Series or as otherwise provided in the applicable Prospectus Supplement/Final Terms and/or the Note Trust Deed Supplement for such Series.

### 12.2 Enforcement Notice

The Note Trustee shall not be bound to give any Enforcement Notice in respect of any Series of Notes, or take any steps or institute any proceedings to enforce the Security for any Series or to enforce payment of any amount due and payable under or pursuant to the Security Documents, any other Document or the Notes of any Series unless:

12.2.1 it shall have been so requested in writing by the holders of at least one-quarter in aggregate principal amount of the Notes of such Series then outstanding or it shall have been so directed by an Extraordinary Resolution of the holders of the Notes of such Series; and

12.2.2 it shall have been indemnified and/or secured and/or prefunded to its satisfaction,

and **provided that** the Note Trustee shall not be held liable for the consequence of the taking of any such action and may take such action without having regard to the effect of such action on individual Noteholders or any other beneficiary of this Note Trust Deed in relation to that Series or all or any of the Noteholders or any other beneficiary of the Security Documents in relation to any other Series.

### 12.3 Legal proceedings

At any time after the service of an Enforcement Notice pursuant to Clause 12.1 (*Security enforceable*) and 12.2 (*Enforcement Notice*) and in accordance with this Clause 12, the Note Trustee may at its discretion (but without being under any obligation to do so) and without further notice and subject always to being indemnified and/or secured and/or prefunded to its satisfaction against any liabilities, fees, costs and expenses which it may incur, recover judgment in its own name and as trustee of an express trust against the Issuer for the whole amount of principal and interest and any other sums secured under the Security Documents remaining unpaid and take:

- 12.3.1 such other steps and/or institute such proceedings as it may think fit against, or in relation to, the Issuer, and/or
- 12.3.2 such steps as it may think fit to enforce the security created in favour of the Note Trustee by, and contained in, this Note Trust Deed and any relevant Note Trust Deed Supplement; and/or
- 12.3.3 such steps as it may think fit to enforce the Issuer's obligations under this Note Trust Deed and any relevant Note Trust Deed Supplement including, without limitation, to enforce repayment of the Notes together with accrued interest and any other monies payable pursuant to this Note Trust Deed and any relevant Note Trust Deed Supplement, **provided that** the Note Trustee shall be bound by the terms of this Note Trust Deed and the relevant Note Trust Deed Supplement in determining the priority in which any monies received by it shall be applied. In enforcing the security created in favour of the Note Trustee by and contained in this Note Trust Deed, the Note Trustee shall only take steps to realise assets which are (i) secured both by this Note Trust Deed and the relevant Note Trust Deed Supplement for the relevant Series which is the subject of enforcement and/or (ii) not already secured by a fixed charge or security in favour of any other Series pursuant to the relevant Note Trust Deed Supplement.

### 12.4 Power of Sale

At any time after the Security in relation to any Series has become enforceable, the Note Trustee may take possession of all or any of the Secured Property in relation to such Series and may sell, call in, collect and convert into money, and enforce any rights it may have in respect of, all or any of the Secured Property relating to the Notes in respect of which the Security has become enforceable, in such manner and upon such terms as the Note Trustee may think fit and so that the power of sale conferred by Section 101 of the Law of Property Act 1925 (but free from the restrictions imposed by Sections 93 and 103 of such Act) shall apply and have effect on the basis that the Security Documents constitute a mortgage within the meaning of that Act and the Note Trustee is a mortgagee exercising the power of sale conferred upon mortgagees by that Act; **provided, however, that** the statutory power of sale (as extended by the Security Documents) and



the other powers of the Note Trustee referred to above shall, in relation to the property which is secured by the Issuer pursuant to Clause 4.1 (*Creation of Security*), only be exercisable by the Note Trustee after the Security in respect of all Notes then outstanding and issued by such Issuer has become enforceable.

## **12.5 Evidence of default**

Should the Note Trustee take legal or other proceedings against the Issuer to enforce any of the provisions of the Notes, or any of them or any of the provisions of this Note Trust Deed and any relevant Note Trust Deed Supplement, proof therein that, as regards any Note of any Series, the Issuer has made default in paying any principal or interest due in respect of such Note shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other Notes of such Series in respect of which the relevant payment is then due and payable. The Note Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Note Trustee, the Secured Creditors and the Noteholders allowed in any judicial proceedings relating to the Issuer, its auditors or its property.

## **13. APPLICATION OF MONEYS**

### **13.1 Application of moneys**

All moneys received by the Note Trustee in respect of the Notes of any Series or amounts payable under the Security Documents will despite any appropriation of all or part of them by the Issuer (including any moneys which represent principal or interest in respect of Notes which have become void under the Conditions) be held by the Note Trustee on trust to apply them (subject to Clause 13.2 (*Investment of moneys*)), if received prior to the delivery of an Enforcement Notice, in accordance with the following priority of application of amounts prior to enforcement of the Security (as more particularly described in the relevant Note Trust Deed Supplement) and, if received after delivery of an Enforcement Notice in accordance with the order of priority contained in Condition 4(c):

13.1.1 ***Monthly Payments of an Income Nature:*** On each Distribution Date the aggregate of the amounts (other than amounts in respect of principal), transferred on or before the immediately preceding Transfer Date by Funding 1 to the Issuer Distribution Account and credited to the Distribution Ledger for the relevant Series together with any interest earned on the Distribution Ledger for the relevant Series since the previous Distribution Date shall be applied in the order of priority set out below as follows:

- (a) *firstly*, an amount equal to the Loan Note Holder's Costs Amount for such Transfer Date shall be used or retained in the Issuer Distribution Account for payment of each item of the Loan Note Holder's Costs Amount;

- (b) *secondly*, for each Series of class A notes *pari passu* and in no priority between each item;
- (i) in respect of a Distribution Date falling during any period that is not an Amortisation Period, an amount equal to the monthly distribution amount for the relevant class A Loan Note credited to the Issuer Distribution Ledger for the relevant Series of class A notes shall be used or retained in the Issuer Distribution Account, identified for the Series in question, for payment, in each case as described in paragraph (1) or (2) in "*Annual, Semi-Annual, Quarterly Payments or Monthly Payments*" below;
  - (ii) in respect of a Distribution Date falling in the Regulated Amortisation Period or the Rapid Amortisation Period where there is no Swap Agreement entered into by the Issuer, an amount equal to the monthly distribution amount for the relevant class A Loan Note credited to the Issuer Distribution Ledger for the relevant Series of class A notes on the Transfer Date falling on or immediately prior to such Distribution Date, shall be paid by the Issuer to the Noteholders of the relevant Series of class A notes in accordance with the terms and conditions of the notes; and
  - (iii) if a Swap Agreement has been entered into in respect of the notes, then in respect of a Distribution Date during the Regulated Amortisation Period or the Rapid Amortisation Period on or prior to the relevant Scheduled Redemption Date, an amount equal to the monthly distribution amount for the relevant class A Loan Note credited to the Issuer Distribution Ledger for the relevant Series of class A note shall be retained in the Issuer Distribution Account, identified for the Series of class A notes in question, for payment, in each case, as described in "*Annual, Semi-Annual, Quarterly Payments or Monthly Payments*" below;
- (c) *thirdly*, for each Series of class B notes *pari passu* and in no priority between each item;
- (i) in respect of a Distribution Date falling during any period that is not an Amortisation Period, an amount equal to the monthly distribution amount for the relevant class B Loan Note credited to the Issuer Distribution Ledger for the relevant Series of class B notes shall be used or retained in the Issuer Distribution Account, identified for the Series in question, for payment, in each case as described in paragraph (1) or (2) in "*Annual, Semi-Annual, Quarterly Payments or Monthly Payments*" below;
  - (ii) in respect of a Distribution Date falling in the Regulated Amortisation Period or the Rapid Amortisation Period where there is no Swap Agreement entered into by the Issuer, an amount equal to the monthly distribution amount for the relevant class B Loan Note credited to the Issuer Distribution Ledger for

the relevant Series of class B notes on the Transfer Date falling on or immediately prior to such Distribution Date, shall be paid by the Issuer to the Noteholders of the relevant Series of class B notes in accordance with the terms and conditions of the notes; and

- (iii) if a Swap Agreement has been entered into in respect of the notes, then in respect of a Distribution Date during the Regulated Amortisation Period or the Rapid Amortisation Period on or prior to the relevant Scheduled Redemption Date, an amount equal to the monthly distribution amount for the relevant class B Loan Note credited to the Issuer Distribution Ledger for the relevant Series of class B Note shall be retained in the Issuer Distribution Account, identified for the Series of class B notes in question, for payment, in each case, as described in " *Annual, Semi-Annual, Quarterly Payments or Monthly Payments* " below;
- (d) *fourthly*, for each Series of class C notes *pari passu* and in no priority between each item;
  - (i) in respect of a Distribution Date falling during any period that is not an Amortisation Period, an amount equal to the monthly distribution amount for the relevant class C Loan Note credited to the Issuer Distribution Ledger for the relevant Series of class C notes shall be used or retained in the Issuer Distribution Account, identified for the Series in question, for payment, in each case as described in paragraph (1) or (2) in " *Annual, Semi-Annual, Quarterly Payments or Monthly Payments* " below;
  - (ii) in respect of a Distribution Date falling in the Regulated Amortisation Period or the Rapid Amortisation Period where there is no Swap Agreement entered into by the Issuer, an amount equal to the monthly distribution amount for the relevant class C Loan Note credited to the Issuer Distribution Ledger for the relevant Series of class C notes on the Transfer Date falling on or immediately prior to such Distribution Date, shall be paid by the Issuer to the Noteholders of the relevant Series of class C notes in accordance with the terms and conditions of the notes; and
  - (iii) if a Swap Agreement has been entered into in respect of the notes, then in respect of a Distribution Date during the Regulated Amortisation Period or the Rapid Amortisation Period on or prior to the relevant Scheduled Redemption Date, an amount equal to the monthly distribution amount for the relevant class C Loan Note credited to the Issuer Distribution Ledger for the relevant Series of class C note shall be retained in the Issuer Distribution Account, identified for the Series of class C notes in question, for payment, in each case, as described in " *Annual, Semi-Annual, Quarterly Payments or Monthly Payments* " below;

- (e) *fifthly*, for each Series of class D notes *pari passu* and in no priority between each item;
  - (i) in respect of a Distribution Date falling during any period that is not an Amortisation Period, an amount equal to the monthly distribution amount for the relevant class D Loan Note credited to the Issuer Distribution Ledger for the relevant Series of class D notes shall be used or retained in the Issuer Distribution Account, identified for the Series in question, for payment, in each case as described in paragraph (1) or (2) in "*Annual, Semi-Annual, Quarterly Payments or Monthly Payments*" below;
  - (ii) in respect of a Distribution Date falling in the Regulated Amortisation Period or the Rapid Amortisation Period where there is no Swap Agreement entered into by the Issuer, an amount equal to the monthly distribution amount for the relevant class D Loan Note credited to the Issuer Distribution Ledger for the relevant Series of class D notes on the Transfer Date falling on or immediately prior to such Distribution Date, shall be paid by the Issuer to the Noteholders of the relevant Series of class D notes in accordance with the terms and conditions of the notes; and
  - (iii) if a Swap Agreement has been entered into in respect of the notes, then in respect of a Distribution Date during the Regulated Amortisation Period or the Rapid Amortisation Period on or prior to the relevant Scheduled Redemption Date, an amount equal to the monthly distribution amount for the relevant class D Loan Note credited to the Issuer Distribution Ledger for the relevant Series of class D note shall be retained in the Issuer Distribution Account, identified for the Series of class D notes in question, for payment, in each case, as described in "*Annual, Semi-Annual, Quarterly Payments or Monthly Payments*" below;
- (f) *sixthly*, amounts equal to the Loan Note Holder's Profit Amount, in respect of Distribution Dates during all periods, will be retained in the Issuer profit retention ledger in the Issuer Distribution Account; and
- (g) *seventhly*, the remainder (if any) shall be paid to Funding 1 as deferred subscription price in respect of the Loan Notes for which the Issuer is Loan Note Holder.

13.1.2 Where the full amount of any payment described in "*Monthly Payments of an Income Nature*" in sub-clause 13.1.1 above and "*Annual, Semi-Annual, Quarterly Payments or Monthly Payments*" in sub-clause 13.1.3 below cannot be made due to insufficiency in the funds credited to the Distribution Ledger for the relevant Series or account which are available to make such payment, the payment will be made to the extent of available funds and the shortfall will be deferred to the next and succeeding Distribution Dates, Transfer Dates or Interest Payment Dates, as applicable.

13.1.3 ***Annual, Semi-Annual, Quarterly Payments or Monthly Payments:*** On each Interest Payment Date which occurs annually, semi-annually, quarterly or monthly during a period as specified below, the Issuer shall make the following payments in respect of the relevant Series:

- (a) if no Swap Agreement has been entered into in respect of the relevant Series of notes, in respect of an Interest Payment Date falling in a period that is not an Amortisation Period and prior to the Scheduled Redemption Date for the relevant Series, the aggregate of the monthly distribution amounts for the relevant Loan Note credited to the Issuer Distribution Ledger for the relevant Series on the one, three, six or twelve (depending on whether monthly, quarterly, semi-annual or annual applies and unless otherwise specified) Distribution Dates falling on or immediately prior to such Interest Payment Date, shall be paid by the Issuer to the relevant Series Noteholders in accordance with the terms and conditions of the notes; or
- (b) if a Swap Agreement has been entered into in respect of the relevant Series of notes, in respect of an Interest Payment Date falling in a period that is on or prior to the Scheduled Redemption Date for the relevant Series of notes, the aggregate of the monthly distribution amounts for the relevant Loan Note credited to the Issuer Distribution Ledger for the relevant Series on the one, three, six or twelve (depending on whether monthly, quarterly, semi-annual or annual applies and unless otherwise specified) Distribution Dates falling on or immediately prior to such Interest Payment Date, shall be paid by the Issuer to the Swap Counterparty and/or the relevant Series Noteholders (as the case may be) and converted to a sum for distribution to the Noteholders in accordance with the terms and conditions of the notes and subject to the terms of the Swap Agreement.

## 13.2 **Investment of moneys**

If, upon enforcement of the Security, the amount of the moneys at any time available for payment of principal and interest in respect of the Notes of any Series under Clause 13.1 (*Application of moneys*) shall be less than a sum sufficient to pay at least one-tenth of the Principal Amount Outstanding of the Notes of such Series then outstanding, the Note Trustee may, at its discretion, invest such moneys upon some or one of the investments authorised under Clause 13.3 (*Authorised Investments*) with power from time to time, with like discretion, to vary such investments; and such investment with the resulting income thereof may be accumulated until the accumulations together with any other funds for the time being under the control of the Note Trustee and available for the purpose shall amount to a sum sufficient to pay at least one-tenth of the Principal Amount Outstanding of the Notes of such Series then outstanding and such accumulation and funds (after deduction of any taxes and any other deductibles applicable thereto) shall then be applied in accordance with the order of priority contained in Condition 4(c).

### **13.3 Authorised Investments**

Any moneys which under the Security Documents may be invested by the Note Trustee may be invested in the name or under the control of the Note Trustee in any of the investments for the time being authorised by English law for the investment by Note Trustees of trust moneys or in any other investments, whether similar to those aforesaid or not, which may be selected by the Note Trustee or by placing the same on deposit in the name or under the control of the Note Trustee with such bank or other financial institution as the Note Trustee may think fit and in such currency as the Note Trustee in its absolute discretion may determine and the Note Trustee may at any time vary or transfer any of such investments for or into other such investments or convert any moneys so deposited into any other currency and shall not be responsible for any Liability occasioned by reason of any such investments or such deposit whether by depreciation in value, fluctuation in exchange rates or otherwise.

### **13.4 Payment to Noteholders**

The Note Trustee shall, after the delivery of an Enforcement Notice, give notice to the Noteholders in accordance with the Conditions of the date fixed for any payment under Clause 13.1 (*Application of Moneys*). Any payment to be made in respect of the Notes of any Series by the Issuer or the Note Trustee may be made in the manner provided in the Conditions, the Paying Agency Agreement and the Security Documents and any payment so made shall be a good discharge to the extent of such payment by the Issuer or the Note Trustee (as the case may be).

### **13.5 Production of Note Certificates**

Upon any payment under Clause 13.4 (*Payment to Noteholders*) of principal or interest, the Note or Note Certificate in respect of which such payment is made shall, if the Note Trustee so requires, be produced to the Note Trustee or the Paying Agent by or through whom such payment is made and the Note Trustee shall (a) in the case of part payment, require the Registrar to make a notation on the Register of the amount and date of payment thereon or (b) in the case of payment in full, cause such Certificate to be surrendered or shall cancel or procure the same to be cancelled and shall certify or procure the certification of such cancellation.

## **14. FURTHER ASSURANCES**

The Note Trustee (at the expense of the Issuer) agrees to do and perform, from time to time, any and all acts and to execute any and all further instruments required or reasonably requested by the Issuer more fully to effect the purposes of this Note Trust Deed and each Note Trust Deed Supplement.

## **15. TERMS OF APPOINTMENT**

Subject, in the case of the Issuer Jersey Secured Property, to the Jersey Security Interests Law, the Note Trustee shall have all powers conferred upon trustees by the

Trustee Act 1925 and the Trustee Act 2000 and by way of supplement to the Trustee Act 1925 and the Trustee Act 2000, it is expressly declared as follows:

15.1.1 ***Advice:*** The Note Trustee may in relation to this Note Trust Deed and any relevant Note Trust Deed Supplement act on the opinion or advice of or a certificate or any information obtained from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert (whether obtained by the Note Trustee, the Issuer, any Agent or any other Secured Creditor) and shall not be responsible for any liability occasioned by so acting; any such opinion, advice, certificate or information may be sent or obtained by letter, telegram, telex, e-mail or facsimile transmission and the Note Trustee shall not be liable for acting on any opinion, advice, certificate or information purporting to be so conveyed although the same contains some error or is not authentic and whether or not addressed to the Note Trustee;

15.1.2 ***Certificate of Directors or Authorised Signatories:*** the Note Trustee may call for and shall be at liberty to accept a certificate signed by two Directors and/or two Authorised Signatories of the Issuer (or other person duly authorised on its behalf):

- (a) as to any fact or matter *prima facie* within the knowledge of the Issuer; and
- (b) a like certificate to the effect that any particular dealing, transaction or step or thing is, in the opinion of the person so certifying, expedient;

as sufficient evidence that such is the case and the Note Trustee shall not be bound in any such case to call for further evidence or be responsible for any Liability that may be occasioned by its failing so to do;

15.1.3 ***Resolution or direction of Noteholders:*** the Note Trustee shall not be responsible for acting upon any resolution purporting to be a Written Resolution or to have been passed at any Meeting in respect whereof minutes have been made and signed or upon a direction of a specified percentage of Noteholders, even though it may subsequently be found that there was some defect in the constitution of the Meeting or the passing of the resolution or the making of the directions or that for any reason the resolution purporting to be a Written Resolution or to have been passed at any Meeting or the making of the directions was not signed by the proper persons or was not valid or binding upon the Noteholders;

15.1.4 ***Reliance on certification of clearing system:*** the Note Trustee may call for and shall be at liberty to accept and place full reliance on the facts stated in a certificate or letter of confirmation purporting to be signed on behalf of Euroclear, Clearstream, Luxembourg, DTC or any other relevant clearing system in relation to any matter, and the Note Trustee shall not be liable to the Issuer or any Noteholder by reason only of such acceptance or reliance;

15.1.5 ***Certificates of other parties to the Documents:*** the Note Trustee shall be entitled to call for and rely upon a certificate, reasonably believed by it to be genuine, of:

- (a) any of the parties to any of the Documents, in respect of every matter and circumstance for which a certificate is expressly provided for under the Security Documents, the Conditions or the other Documents; and
- (b) the Auditors or, if applicable, the liquidator (if any) of the Issuer as to the amounts to be paid to Secured Creditors or Security Beneficiaries in accordance with the order of priority of application of amounts prior to and following enforcement provided in Clause 13.1 and in the relevant Note Trust Deed Supplement;

as sufficient evidence thereof, and the Note Trustee shall not be bound in any such case to call for further evidence or be responsible for any loss, liability or inconvenience that may be occasioned by its failing to do so;

15.1.6 ***Note Trustee not responsible for investigations:*** the Note Trustee shall not be responsible for, or for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in the Security Documents, the other Documents, the Notes or any other agreement or document relating to the transactions herein or therein contemplated or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof and shall assume the accuracy and correctness thereof nor shall the Note Trustee, by execution of the Security Documents, be deemed to make any representation as to the validity, sufficiency or enforceability of either the whole or any part of the Security Documents;

15.1.7 ***No Liability as a result of the delivery of a certificate:*** the Note Trustee shall have no liability whatsoever for any Liability directly or indirectly suffered or incurred by the Issuer, any Noteholder, Secured Creditor, Security Beneficiary or any other person as a result of any determination as to material prejudice pursuant to sub-clause 15.2.1 (*Note Trustee's determination*) on the basis of an opinion formed by it in good faith;

15.1.8 ***Notes held by the Issuer:*** in the absence of knowledge or express notice to the contrary, the Note Trustee may assume without enquiry (other than requesting a certificate of the Issuer) under this sub-clause 15.1.8 (*Notes held by the Issuer*), that no Notes are for the time being held by or for the benefit of the Issuer;

15.1.9 ***Entry on the Register:*** the Note Trustee shall not be liable to the Issuer or any Noteholder by reason of having accepted as valid or not having rejected any entry on the Register later found to be forged or not authentic and can assume for all purposes in relation hereto that any entry on the Register is correct;

15.1.10 ***Events of Default:*** the Note Trustee shall not be bound to give notice to any person of the execution of the Security Documents or to take any steps to ascertain whether any Event of Default or Potential Event of Default has happened and, until it shall have actual knowledge or express notice to the



contrary, the Note Trustee shall be entitled to assume that no such Event of Default or Potential Event of Default has happened and that the Issuer is observing and performing all the obligations on its part contained in the Notes and under the Security Documents and the other Documents and no event has happened as a consequence of which any of the Notes may become repayable;

- 15.1.11 ***Legal Opinions:*** the Note Trustee shall not be responsible to any person for failing to request, require or receive any legal opinion relating to any Notes or for checking or commenting upon the content of any such legal opinion;
- 15.1.12 ***Note Trustee not Responsible:*** the Note Trustee shall not be responsible for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of this Note Trust Deed or any other document relating thereto and shall not be liable for any failure to obtain any rating of Notes (where required), any licence, consent or other authority for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, performance, enforceability or admissibility in evidence of this Note Trust Deed or any other document relating thereto. In addition the Note Trustee shall not be responsible for the effect of the exercise of any of its powers, duties and discretions hereunder;
- 15.1.13 ***Freedom to Refrain:*** notwithstanding anything else contained in the Security Documents or the other Documents, the Note Trustee may refrain from doing anything which would or might in its opinion be contrary to any law of any jurisdiction or any directive or regulation of any agency or any state of which would or might otherwise render it liable to any person and may do anything which is, in its opinion, necessary to comply with any such law, directive or regulation;
- 15.1.14 ***Right to Deduct or Withhold:*** notwithstanding anything contained in the Security Documents or any of the other Documents, to the extent required by any applicable law, if the Note Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it under the Security Documents or if the Note Trustee is or will be otherwise charged to, or is or may become liable to, tax (excluding, for the purposes of this sub-clause 15.1.14, VAT and any tax on its profits) as a consequence of performing its duties under the Security Documents or the other Documents whether as principal, agent or otherwise, and whether by reason of any assessment, prospective assessment or other imposition of liability to taxation of whatsoever nature and whensoever made upon the Note Trustee, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Note Trust Deed (other than in connection with its remuneration as provided for herein or its profits) or any investments or deposits from time to time representing the same, including any income or gains arising therefrom or any action of the Note Trustee in connection with the trusts of this Note Trust Deed (other than the remuneration herein specified or its profits) or otherwise, then the Note Trustee shall be entitled to make such deduction or withholding or, as the case may be, to retain out of sums received by it an amount sufficient to discharge any liability to tax (excluding VAT and any tax on its profits) which relates to sums so received or distributed or to discharge

any such other liability of the Note Trustee to such tax from the funds held by the Note Trustee upon the trusts of the Security Documents; and

- 15.1.15 The Note Trustee may rely and act upon the advice of an investment bank when having regard to the then current market practice or any other matter which falls within Conditions 6(i) and 7(a) and shall not be responsible for any loss occasioned by so acting.

## 15.2 Note Trustee's powers and duties

- 15.2.1 ***Note Trustee's determination:*** The Note Trustee may determine whether or not a default in the performance or observance by the Issuer of any obligation under the provisions of the Security Documents or contained in the Notes or any other Documents is capable of remedy and/or materially prejudicial to the interests of the Noteholders and if the Note Trustee shall certify that any such default is, in its opinion, not capable of remedy and/or materially prejudicial to the interests of the Noteholders such certificate shall be conclusive and binding upon the Issuer, the Noteholders, the other Secured Creditors and the Security Beneficiaries;
- 15.2.2 ***Determination of questions:*** the Note Trustee as between itself and the Noteholders and the other Secured Creditors shall have full power to determine all questions and doubts arising in relation to any of the provisions of the Security Documents and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Note Trustee, shall be conclusive and shall bind the Note Trustee, the Noteholders and the other Secured Creditors;
- 15.2.3 ***Note Trustee's discretion:*** the Note Trustee shall (save as expressly otherwise provided herein) as regards all the trusts, powers, authorities and discretions vested in it by this Note Trust Deed or by operation of law have absolute and uncontrolled discretion as to the exercise or non-exercise thereof and the Note Trustee shall not be responsible for any Liability that may result from the exercise or non-exercise thereof but, whenever the Note Trustee is under the provisions of this Note Trust Deed bound to act at the request or direction of the Noteholders, the Note Trustee shall nevertheless not be so bound unless first indemnified and/or provided with security to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing. Without limiting the general statement above, the Note Trustee may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction or, to the extent applicable, of England. Furthermore, the Note Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or England or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or in England or if it is determined by any court or other competent authority in that jurisdiction or in England that it does not have such power;

- 15.2.4 ***Note Trustee's consent:*** any consent given by the Note Trustee for the purposes of the Security Documents, the Notes and the other Documents may be given on such terms and subject to such conditions (if any) as the Note Trustee may require and (notwithstanding any provision to the contrary) may be given retrospectively;
- 15.2.5 ***Conversion of currency:*** where it is necessary or desirable for any purpose in connection with the Security Documents to convert any sum from one currency to another it shall (unless otherwise provided by the Security Documents or required by law) be converted at such rate(s) of exchange, in accordance with such method and as at such date for the determination of such rate(s) of exchange as may be specified by the Note Trustee in its absolute discretion as relevant and any rate of exchange, method and date so specified shall be binding on the Issuer, the Noteholders and the other Secured Creditors;
- 15.2.6 ***Application of proceeds:*** the Note Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes, the exchange of any Global Note Certificates for Individual Note Certificates or the delivery of any Note or Certificate to the persons entitled to them;
- 15.2.7 ***Agents:*** the Note Trustee may, in the conduct of the trusts created pursuant to the Security Documents instead of acting personally, employ and pay an agent on any terms, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Note Trustee (including the receipt and payment of money). If the Note Trustee exercises due care in selecting any such person, the Note Trustee shall not be responsible for any Liability incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of, and shall not in any way or to any extent be responsible for any liability incurred by any misconduct or default on the part of, any such person;
- 15.2.8 ***Delegation:*** the Note Trustee may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in it by the Security Documents, act by responsible officer(s) for the time being of the Note Trustee and the Note Trustee may also whenever it thinks fit, whether by power of attorney or otherwise, delegate to any person(s) or fluctuating body of persons (whether being a joint trustee of this Note Trust Deed or not) all or any of the trusts, powers, authorities and discretions vested in it by the Security Documents and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate with the consent of the Note Trustee) as the Note Trustee may think fit in the interests of the Noteholders. If the Note Trustee exercises due care in selecting any such person, the Note Trustee shall not be bound to supervise the proceedings or acts of and shall not in any way or to any extent be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of such delegate or sub-delegate;
- 15.2.9 ***Custodians and nominees:*** the Note Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to such assets of the

trust as the Note Trustee may determine, including for the purpose of depositing with a custodian this Note Trust Deed or any other Documents and the Note Trustee shall not be responsible for any Liability incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person; the Note Trustee is not obliged to appoint a custodian if the Note Trustee invests in securities payable to bearer; and

- 15.2.10 ***Confidential information:*** the Note Trustee shall not (unless required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Noteholder confidential information or other information made available to the Note Trustee by the Issuer in connection with this Note Trust Deed and no Noteholder shall be entitled to take any action to obtain from the Note Trustee any such information **provided, however, that**, for U.S. federal income tax purposes, all persons may disclose to any and all persons, without limitation of any kind, the U.S. federal, state and local tax treatment of the Notes and the Issuer, any fact that may be relevant to understanding the U.S. federal, state and local tax treatment of the Notes and the Issuer and all materials of any kind (including opinions or other tax analyses) relating to such U.S. federal, state and local tax treatment and that may be relevant to understanding such tax treatment;
- 15.2.11 ***Noteholders as a class:*** without prejudice to the provisions of sub-clause 15.2.12 (*Consideration of the interests of the Noteholders and the other Secured Creditors*) whenever in the Security Documents the Note Trustee is required in connection with any exercise of its powers, trusts, authorities or discretions to have regard to the interests of the Noteholders, it shall have regard to the interests of the Noteholders as a class. The Note Trustee shall not be obliged to have regard to the consequences (including the tax consequences) of such exercise for any individual Noteholder resulting from his or its being for any purpose domiciled or resident in, or otherwise connected in any way with, or subject to the jurisdiction of, any particular territory or taxing jurisdiction;
- 15.2.12 ***Consideration of the interests of the Noteholders and the other Secured Creditors:*** the Note Trustee shall, as regards all the powers, trusts, authorities, duties and discretions vested in it by the Security Documents, the other Documents or the Notes, except where expressly provided otherwise, have regard to the interests of both the Noteholders and the other Secured Creditors, (but not to those of the Security Beneficiaries) but if, in the Note Trustee's sole opinion, there is a conflict between their interests, it will have regard solely to the interests of the Noteholders and no other Secured Creditor or Security Beneficiary shall have any claim against the Note Trustee for so doing. Where, in the opinion of the Note Trustee there is a conflict between the interests of holders of any of the classes of Notes the Note Trustee shall in the exercise of its duties, powers and discretions, have regard solely to the interests of the Most Senior Class of Notes;
- 15.2.13 ***Note Trustee's discretion:*** save as expressly otherwise provided in the Security Documents or in the other Documents, the Note Trustee shall have absolute and uncontrolled discretion as to the exercise or non-exercise as regards all the trusts, powers, authorities and discretions vested in it by the Security Documents, the other Documents or by operation of law. The Note Trustee shall not be

responsible for any Liability that may result from the exercise or non-exercise of such discretion, but whenever the Note Trustee is under the provisions of the Security Documents bound to act at the request or direction of the Noteholders, the Note Trustee shall nevertheless not be so bound unless first indemnified and/or provided with security and/or prefunded to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all Liabilities which it may incur by so doing;

- 15.2.14 ***Determination of material prejudice:*** Notwithstanding that none of the Note Trustee and the Noteholders may have the right of recourse against the Rating Agencies in respect of confirmation given by such Rating Agencies and relied upon by the Note Trustee pursuant to this sub-clause, the Note Trustee shall be entitled to take into account, in considering whether for the purposes of exercising any power, trust, authority, duty or discretion under or in relation to the Notes, the Security Documents or any of the other Documents, that such exercise will not be materially prejudicial to the interests of the Noteholders if the Rating Agencies have confirmed in writing that the then current rating of the Notes would not be adversely affected by such exercise. It is agreed and acknowledged that, notwithstanding the foregoing, a credit rating is an assessment only of the likelihood of the timely payment of interest and ultimate payment of principal in full on the Notes on a date that is not later than the Final Redemption Date and does not address other matters that may be of relevance to Noteholders. In being entitled to take into account that the Rating Agencies have confirmed the then current rating of the relevant Notes would not be adversely affected, it is expressly agreed and acknowledged by the Note Trustee and specifically notified to Noteholders (and to which they are bound by the Conditions) that the above does not impose or extend any actual or contingent liability for the Rating Agencies to the Note Trustee, the Noteholders or any other Person or create any legal relations between the Rating Agencies and the Note Trustee, the Noteholders or any other Person whether by way of contract or otherwise;
- 15.2.15 ***No obligation to monitor performance:*** the Note Trustee shall be under no obligation to monitor or supervise the performance by the Issuer or any of the other Transaction Parties of their respective obligations under the Documents or under the Notes or any other agreement or document relating to the transactions herein or therein contemplated and shall be entitled, in the absence of actual knowledge of a breach of obligation, to assume that each such person is properly performing and complying with its obligations and that no Pay Out Event (as defined in Schedule 1 (*Master Definitions Schedule*)) to the Master Framework Agreement) or Series Pay Out Event has occurred, unless it receives express notice to the contrary;
- 15.2.16 ***Maintenance of Rating:*** the Note Trustee shall not be responsible for the maintenance of the Ratings, for the consequence on any Rating of any exercise of its duties, powers and discretions or for the obtaining or maintaining of any listing in respect of the Notes. Notwithstanding that none of the Note Trustee and the Noteholders may have the right of recourse against the Rating Agencies in respect of confirmation given by such Rating Agencies and relied upon by the Note Trustee pursuant to this sub-clause, the Note Trustee shall be entitled

to take into account, for the purposes of exercising any powers, authority or discretion under or in relation to the Notes and this Note Trust Deed or any Document that such exercise will not be materially prejudicial to the interests of the Noteholders if each of the Rating Agencies which is then rating the relevant class of Notes has confirmed that the current rating of the relevant class of Notes would not be adversely affected by such exercise. It is agreed and acknowledged that, notwithstanding the foregoing, a credit rating is an assessment only of the likelihood of the timely payment of interest and ultimate payment of principal in full on the Notes on a date that is not later than the Final Redemption Date and does not address other matters that be of relevance to Noteholders. In being entitled to take into account that the Rating Agencies have confirmed that the then current rating of the relevant Notes would not be adversely affected, it is expressly agreed and acknowledged by the Note Trustee and specifically notified to Noteholders (and to which they are bound by the Conditions) that the above does not impose or extend any actual or contingent liability for the Rating Agencies to the Note Trustee, the Noteholders or any other Person or create any legal relations between the Rating Agencies and the Note Trustee, the Noteholders or any other Person whether by way of contract or otherwise;

- 15.2.17 ***Responsibility for determination of certain matters:*** the Note Trustee acknowledges that the Agent Bank is responsible, pursuant to the Conditions for determining the amount of principal and interest payable in respect of each Series of Notes and the Note Trustee shall have no responsibility to recalculate any such amounts notwithstanding a manifest error therein. If the Agent Bank does not at any time for any reason determine such amounts, the Note Trustee may so determine the same and such calculation shall be deemed to have been made by the Agent Bank pursuant to the Conditions and the Note Trustee shall have no liability in respect thereof other than as a result of the wilful default, bad faith or manifest error of the Note Trustee; and
- 15.2.18 ***Reliance on certification of clearing system:*** The Note Trustee may call for any certificate or other document issued by Euroclear, Clearstream, DTC or any other relevant clearing system in relation to any matter. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream's CreationOnline system or any successor to either such system) in accordance with its usual procedures and in which the holder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. The Note Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by Euroclear, Clearstream, DTC or any other relevant clearing system and subsequently found to be forged or not authentic.

### 15.3 Financial matters

- 15.3.1 ***Professional charges:*** any Note Trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be

paid all usual professional and other charges for business transacted and acts done by him or his partner or firm on matters arising in connection with the trusts of the Security Documents and also his properly incurred charges in addition to disbursements for all other work and business done and all time spent by him or his partner or firm on matters arising in connection with the Security Documents, including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person;

- 15.3.2 ***Expenditure by the Note Trustee:*** nothing contained in the Security Documents or the other Documents shall require the Note Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it;
- 15.3.3 ***Note Trustee may enter into financial transactions with the Issuer:*** no Note Trustee and no director or officer of any corporation being a Note Trustee hereof shall by reason of the fiduciary position of such Note Trustee be in any way precluded from making any contracts or entering into any transactions in the ordinary course of business with the Issuer, or any person or body corporate directly or indirectly associated with the Issuer, or from accepting the trusteeship of any other debenture stock, debentures or securities of the Issuer or any person or body corporate directly or indirectly associated with the Issuer, and neither the Note Trustee nor any such director or officer shall be accountable to the Noteholders, the Issuer or any person or body corporate directly or indirectly associated with the Issuer, for any profit, fees, commissions, interest, discounts or share of brokerage earned, arising or resulting from any such contracts or transactions and the Note Trustee and any such director or officer shall also be at liberty to retain the same for its or his own benefit;
- 15.3.4 ***Note Trustee not accountable for profits:*** neither the Note Trustee nor any company associated with it nor any director or officer of any corporation being a Note Trustee shall be accountable to the Noteholders, the other Secured Creditors, the Security Beneficiaries, the Issuer or any other Transaction Party or any person or body corporate directly or indirectly associated with the Issuer or any such other Transaction Party for any profit, fees, commissions, interest, discounts or share of brokerage earned, arising or resulting from (i) any contracts or transactions referred to in Paragraph 6 of the Common Terms and the Note Trustee and any such director or officer shall also be at liberty to retain the same for its or his own benefit; and (ii) the deposit of monies with any company associated with it which is a bank save that the Note Trustee shall account for the standard amount of interest paid by it to a standard customer in respect of a deposit of the type made; and
- 15.3.5 ***Noteholder appraisal of financial condition:*** each Noteholder and each other Secured Creditor shall be solely responsible for making its own independent appraisal of and investigation into the financial condition, creditworthiness, affairs, status and nature of the Issuer and the Note Trustee shall not at any time

have any responsibility for any such appraisal or investigation and no Noteholder or other Secured Creditors shall rely on the Note Trustee in respect thereof.

#### 15.4 Matters Relating to Security

- 15.4.1 ***Reliance on title to the Security:*** the Note Trustee may accept without investigation, requisition or objection such right and title as the Issuer may have to any of the Secured Property and the other Security created in favour of the Note Trustee by the Security Documents and shall not be bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Issuer to all or any of the Secured Property whether such defect or failure was known to the Note Trustee or might have been discovered upon examination or enquiry and whether capable of remedy or not;
- 15.4.2 ***Registration and perfection of the Security:*** the Note Trustee shall not be liable for any failure, omission or defect in perfecting, protecting or further assuring the Security including:
- (a) any failure, omission or defect in registering or filing or procuring registration or filing of, or otherwise protecting or perfecting the Security or the priority thereof or the right or title of any person in or to the assets comprised in the Security; and
  - (b) any failure or omission to require any further assurances in relation to the Security;
- 15.4.3 ***Adequacy of the Security:*** the Note Trustee shall not be responsible for any unsuitability, inadequacy or unfitness of any Secured Property as security for the Secured Obligations and shall not be obliged to make any investigation into, and shall be entitled to assume, the suitability, adequacy and fitness of the Secured Property as security for the Secured Obligations;
- 15.4.4 ***Monitoring:*** the Note Trustee shall not be responsible for investigating, monitoring or supervising the observance or performance by any person in respect of the Secured Property or otherwise;
- 15.4.5 ***No responsibility for Security:*** the Note Trustee shall not be responsible for any Liabilities occasioned to the Security however caused, whether by an act or omission of the Issuer or any other party to the Documents or any other person (including any bank, broker, depositary or other intermediary or any clearing system or operator thereof) acting in accordance with or contrary to the provisions of any of the Documents or otherwise and irrespective of whether the Security is held by or to the order of any of such persons;
- 15.4.6 ***Insurance:*** without prejudice to the provisions of any Document relating to insurance, the Note Trustee shall not be under any obligation to insure any of the Security or any deeds or documents of title or other evidence in respect of the Security or to require any other person to maintain any such insurance or monitor the adequacy of any such insurance and shall not be responsible for any



Liability which may be suffered by any person as a result of the lack of or inadequacy of any such insurance;

- 15.4.7 ***Depreciation in value:*** until the delivery of an Enforcement Notice, the moneys standing to the credit of any account comprised in the Secured Property shall be dealt with in accordance with the provisions of the Documents and the Note Trustee shall not be responsible in such circumstances or at any other time for any Liability suffered by any person, whether by reason of depreciation in value or by fluctuation in exchange rates or otherwise;
- 15.4.8 ***No liability for loss:*** the Note Trustee will not be liable for any decline in the value nor any loss realised upon any sale or other disposition pursuant to the Security Documents of, any of the Secured Property. In particular and without limitation, the Note Trustee shall not be liable for any such decline or loss directly or indirectly arising from its acting or failing to act as a consequence of an opinion reached by it in good faith based on advice received by it in accordance with the Security Documents and the Conditions;
- 15.4.9 ***Liability to Tax:*** the Note Trustee shall have no responsibility whatsoever to the Issuer, any Noteholder or other Secured Creditors or any Security Beneficiary as regards any deficiency which might arise because the Note Trustee is subject to any Tax in respect of all or any of the Secured Property, the income therefrom or the proceeds thereof;
- 15.4.10 ***Responsibility:*** the Note Trustee shall not be responsible for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or suitability of any Note or other documents entered into in connection therewith, nor shall it be responsible or liable to any person because of any invalidity of any provisions of such documents or the unenforceability thereof, whether arising from statute, law or decision of any court. The Note Trustee shall not have any responsibility for, or have any duty to make any investigation in respect of or in any way be liable whatsoever for:
- (a) the nature, status, creditworthiness or solvency of BOS, the Issuer or any Obligor or any other person or entity who has at any time provided any security or support whether by way of guarantee, charge or otherwise in respect of any advance made to BOS, the Issuer or any Obligor;
  - (b) the execution, legality, validity, adequacy, admissibility in evidence or enforceability of the Notes or any other document entered into in connection therewith;
  - (c) the title, ownership, value, sufficiency or existence of any Receivables;
  - (d) the scope or accuracy of any representations, warranties or statements made by or on behalf of any Obligor in any application for any advance or any document entered into in connection therewith;
  - (e) the performance or observance by any party of any provisions of the Notes or in any document entered into in connection therewith or the fulfilment or satisfaction of any conditions contained therein or relating

thereto or as to the existence or occurrence at any time of any default, event of default or similar event contained therein or waiver or consent which has at any time been granted in relation to any of the foregoing;

- (f) the registration, filing, protection or perfection of any assignment or security interest or the priority of the security thereby created;
- (g) the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations delivered or obtained or required to be delivered or obtained at any time in connection herewith;
- (h) the suitability, adequacy or sufficiency of any Credit Card Guidelines and any arrears and enforcement procedures;
- (i) the failure by BOS, or a Material Originator (as applicable), Funding 1 or the Servicer to obtain or comply with any licence, consent or other authority in connection with the origination, sale, purchase or administration of any of the Receivables or the failure to effect or procure registration of or to give notice to any person in relation to the Receivables Securitisation Deed or other Documents or otherwise protect interests in, and/or the security created or purported to be created by or pursuant to any of the Receivables or other documents entered into connection therewith;
- (j) the failure to call for delivery of documents of title to or require any transfers, legal mortgages, charges or other further assurances in relation to any of the assets the subject matter of any of the Documents or any other document;
- (k) any accounts, books, records or files maintained by Funding 1, the Receivables Trustee, BOS or any other person in respect of any of the Receivables;
- (l) any other matter or thing relating to or in any way connected with any Receivables or any document entered into in connection therewith, whether or not similar to the foregoing;
- (m) obtaining insurance for any of the security constituted by the Deed of Charge or any deeds or documents of title or other evidence in respect thereof and shall not be responsible for any loss, expense or liability which may be suffered as a result of the lack of or inadequacy of any such insurance; or
- (n) any deficiency in amounts payable to Noteholders by virtue of the Note Trustee being liable to tax or obliged to deduct tax in respect of sums received, held or paid out by it under the Documents;

15.4.11 ***No duty to creditors except payment:*** in acting as Note Trustee under the Documents, the Note Trustee shall not assume any duty or responsibility toward any Secured Creditors or any Security Beneficiary (other than the Noteholders)

other than to pay to any such party any moneys received and payable to it in accordance with the order of priority of payments prior to and post enforcement and shall have regard solely to the interests of the Noteholders;

15.4.12 ***No responsibility to monitor Notes:*** the Note Trustee shall not be responsible for monitoring whether an Event of Default has occurred and shall have no obligation to give an Enforcement Notice or to procure the giving of such, or to instruct any party to give such a notice or to act in any way, unless it has been instructed and indemnified in accordance with Clause 16.1 (*Remuneration*);

15.4.13 ***Swap Counterparty:*** in acting as Note Trustee under the Note Trust Deed, the Note Trustee shall not assume any duty or responsibility to any Swap Counterparty, custodian or Paying Agent (other than to pay to any such party any moneys received and payable to it and to act in accordance with the provisions of Condition 4 (*Status, Security and Priority of Payment*)) and shall have regard solely to the interests of the Noteholders of any Series, or as the case may be, all Series. In addition, the Note Trustee need not make any investigation into the creditworthiness of any Swap Counterparty or into the validity of any such party's obligations in respect of any of the Secured Property (including, without limitation, whether the cashflows in respect of the Secured Property relating to any Notes are matched); and

15.4.14 ***Certification:*** The Note Trustee may call for and accept as sufficient evidence of the existence and amount of any termination payment or other amounts due in accordance with the terms of the Swap Agreement a certificate to that effect signed by an authorised signatory or a director of the relevant Swap Counterparty and the Note Trustee shall not be bound to call for further evidence and shall not be responsible for any loss that may be occasioned by acting on any such certificate.

## 15.5 Disapplication

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Note Trustee in relation to the trusts constituted by this Note Trust Deed. Where there are any inconsistencies between the Trustee Acts and the provisions of this Note Trust Deed, the provisions of this Note Trust Deed shall, to the extent allowed by law, prevail and, in the case of any such inconsistency with the Note Trustee Act 2000, the provisions of this Note Trust Deed shall constitute a restriction or exclusion for the purposes of that Act.

## 15.6 Note Trustee Liability

None of the provisions of the Security Documents shall in any case in which the Note Trustee has failed to show the degree of care and diligence required by it as Note Trustee, having regard to the provisions of the Security Documents conferring on the Note Trustee any powers, authorities or discretions, relieve or indemnify the Note Trustee against any liability for breach of trust or any liability which by virtue of any rule of law would otherwise attach to it in respect of any Breach of Duty of which it may be guilty in relation to its duties under the Security Documents.

## 16. COSTS AND EXPENSES

### 16.1 Remuneration

16.1.1 **Normal remuneration:** The Issuer shall pay to the Note Trustee remuneration for its services as Note Trustee as from the initial Issue Date, such remuneration to be at such rate as may from time to time be agreed between the Issuer and the Note Trustee. Such remuneration shall accrue from day to day and be payable in accordance with the order of priority of payments prior to and post enforcement until the trusts of the Security Documents are discharged.

16.1.2 **Extra remuneration:** In the event of the occurrence of an Event of Default or a Potential Event of Default or the Note Trustee considering it expedient or necessary or being requested by the Issuer to undertake duties which the Note Trustee and the Issuer agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Note Trustee under this Note Trust Deed, the Issuer shall pay to the Note Trustee such additional remuneration as shall be agreed between them.

16.1.3 **Failure to agree:** In the event of the Note Trustee and the Issuer failing to agree:

- (a) (in a case to which sub-clause 16.1.1 applies) upon the amount of the remuneration; or
- (b) (in a case to which sub-clause 16.1.2 applies) upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Note Trustee under the Security Documents, or upon such additional remuneration;

such matters shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Note Trustee and approved by the Issuer or, failing such approval, nominated (on the application of the Note Trustee) by the President for the time being of The Law Society of England and Wales (the expenses involved in such nomination and the fees of such investment bank being payable by the Issuer) and the determination of any such investment bank shall be final and binding upon the Note Trustee and the Issuer.

16.1.4 **Expenses:** The Issuer shall also pay or discharge all costs, charges and expenses incurred by the Note Trustee in relation to the preparation and execution of, the exercise of its powers and the performance of its duties under, and in any other manner in relation to, the Security Documents and the other Documents, including but not limited to legal and travelling expenses and any stamp, issue, registration, documentary and other similar taxes (excluding, without limitation and for the avoidance of doubt, VAT) or duties paid or payable by the Note Trustee in connection with any action taken or contemplated by or on behalf of the Note Trustee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, the Security Documents and the other Documents.

16.1.5 **Reimbursement:** As full reimbursement for any costs and expenses incurred by it in connection with its activities in respect of (i) a particular Series, the Issuer prior to the service of an Enforcement Notice, and the Note Trustee thereafter,

shall be entitled to utilise Secured Property in respect of each Series allocated to the Secured Creditors for the relevant Series to meet such costs and expenses attributable solely to a particular Series with respect to each Interest Period, solely to the extent of Secured Property allocable with respect thereto as provided in this Note Trust Deed, any Note Trust Deed Supplement and the relevant Conditions, on the related Distribution Date for such Series (which shall include all sums due to the Note Trustee under Clause 13 (*Application of Moneys*)) and, (ii) some or all Series, the Issuer prior to the service of an Enforcement Notice, and the Note Trustee thereafter, shall be entitled to use Secured Property in respect of those Series allocated to the Secured Creditors for each Series to meet such costs and expenses attributable to those Series with respect to each Interest Period, solely to the extent of Secured Property allocable with respect thereto as provided in this Note Trust Deed, any Note Trust Deed Supplement and the relevant Conditions, on the related Distribution Date for each Series. The amount of any reimbursement for its activities as the Issuer will be determined in accordance with the relevant Note Trust Deed Supplement for each Series. For the avoidance of any doubt, the amounts due to the Note Trustee under Clause 13 (*Application of Moneys*) shall be considered expenses of the Issuer and will be allocated to the particular Series the Note Trustee is owed an amount in respect of (if this is capable of calculation).

16.1.6 **Indemnity:** The Issuer covenants with and undertakes to the Note Trustee to indemnify the Note Trustee on demand against any Liabilities which are incurred by the Note Trustee, any Receiver or any Appointee or any other person appointed by the Note Trustee under the Security Documents to whom any trust, power, authority or discretion may be delegated by the Note Trustee in the execution, or the purported execution, of the trusts, powers, authorities and discretions vested in it by the Security Documents, in, or in connection with, (except insofar as the same are incurred because of a Breach of Duty of the Note Trustee):

- (a) the performance of the terms of the Security Documents;
- (b) anything done or purported to be done by the Note Trustee, any Appointee or the Receiver in relation to the Secured Property or under the Security Documents or any other Document;
- (c) the exercise or attempted exercise by or on behalf of the Note Trustee, any Appointee or the Receiver of any of the powers of the Note Trustee, any Appointee or the Receiver or any other action taken by or on behalf of the Note Trustee with a view to or in connection with enforcing any obligations of the Issuer or any other person under any Document or the recovery by the Note Trustee, any Appointee or the Receiver from the Issuer of the Secured Obligations;
- (d) any payment made in respect of the Secured Obligations (whether by the Issuer or any other person) which is subsequently impeached or declared void for any reason whatsoever; or

- (e) the Note Trustee being held to be, or treated as, or being deemed to be a creditor for the purposes of the Consumer Credit Act 1974 in respect of a Regulated Agreement (as defined in the Consumer Credit Act 1974).
- 16.1.7 **Priority of Indemnity:** The Note Trustee and the Receiver shall (except for any liability for Breach of Duty for which no indemnity is available under this Note Trust Deed) be entitled to be indemnified out of the Secured Property against all actions, liabilities payable pursuant to Clause 16.1.6 (*Indemnity*), proceedings (or threats of actions or proceedings) costs, claims and demands in respect of any matter or thing in any way omitted or done in any way in relation to the Security Documents in accordance with the order of priority of payments prior to and post enforcement as contained in Clause 13.1 (*Application of moneys*) and in the relevant Note Trust Deed Supplement and the Note Trustee may retain and pay out of the monies in its hands arising from the Secured Property all sums necessary to effect such indemnity.
- 16.1.8 **Payment of amounts due:** All amounts due and payable pursuant to sub-clauses 16.1.4 (*Expenses*) and 16.1.6 (*Indemnity*) shall be payable by the Issuer on the date specified in a demand by the Note Trustee; the rate of interest applicable to such payments shall be three per cent. per annum above the base rate from time to time of Bank of Scotland plc and interest shall accrue:
- (a) in the case of payments made by the Note Trustee prior to the date of the demand, from the date on which the payment was made or such later date as specified in such demand;
  - (b) in the case of payments made by the Note Trustee on or after the date of the demand, from the date specified in such demand, which date shall not be a date earlier than the date such payments are made.
- All remuneration payable to the Note Trustee shall carry interest at the rate specified in this sub-clause 16.1.8 (*Payment of amounts due*) from the due date thereof.
- 16.1.9 **Apportionment of expenses:** The Note Trustee shall apportion the costs, charges, expenses and liabilities incurred by the Note Trustee in the preparation and execution of the trusts of this Note Trust Deed (including remuneration of the Note Trustee) between the several Series of Notes in such manner and in such amounts as it shall, in its absolute discretion, consider appropriate.
- 16.1.10 **Discharges:** Unless otherwise specifically stated in any discharge of this Note Trust Deed the provisions of this Clause 16.1 (*Remuneration*) shall continue in full force and effect notwithstanding such discharge.
- 16.1.11 **Payments:** All payments to be made by the Issuer to the Note Trustee under this Note Trust Deed shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within any relevant jurisdiction or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the

Issuer shall pay such additional amounts as would have been received by it had no such withholding or deduction been required.

- 16.1.12 *VAT*: All sums payable by the Issuer to the Note Trustee under this Note Trust Deed shall be deemed to be exclusive of any VAT chargeable on any supply by the Note Trustee for which that sum is the consideration (in whole or in part) for VAT purposes. Where, under the terms of this Note Trust Deed, the Note Trustee makes a supply to the Issuer for VAT purposes and VAT is or becomes chargeable on such supply for which the Note Trustee is required to account to H.M. Revenue and Customs, the Issuer shall pay an amount to the Note Trustee equal to that VAT (in addition to and at the same time as paying or providing any other consideration for such supply).

## 16.2 Exchange rate indemnity

- 16.2.1 *Currency of Account and Payment*: Unless otherwise specified in any relevant Note Trust Deed Supplement, pounds sterling (the "**Contractual Currency**") is the sole currency of account and payment for all sums (including damages) payable by the Issuer under or in connection with the Security Documents, the other Documents and the Notes;
- 16.2.2 *Extent of Discharge*: An amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding up or dissolution of the Issuer or otherwise) by the Note Trustee or any Noteholder in respect of any sum expressed to be due to it from the Issuer will only discharge the Issuer to the extent of the Contractual Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so); and
- 16.2.3 *Indemnity*: If that Contractual Currency amount is less than the Contractual Currency amount expressed to be due to the recipient under this Note Trust Deed or the Notes, the Issuer will indemnify it against any Liability sustained by it as a result. In any event, the Issuer will indemnify the recipient against the cost of making any such purchase.
- 16.3 The above indemnities shall constitute obligations of the Issuer separate and independent from its obligations under the Notes and shall apply irrespective of any indulgence granted by the Note Trustee or the Noteholders from time to time and shall continue in full force and effect notwithstanding the judgment or filing of any proof or proofs in any bankruptcy, insolvency or liquidation of the Issuer for a liquidated sum or sums in respect of amounts due under this Note Trust Deed (other than this Clause) or the Notes. Any such discrepancy as aforesaid shall be deemed to constitute a loss suffered by the Note Trustee and the Noteholders and no proof or evidence of any actual loss shall be required by the Issuer or its liquidator.

## **17. APPOINTMENT AND RETIREMENT**

### **17.1 Appointment of Note Trustees**

The power of appointing new trustees of the Security Documents shall be vested in the Issuer but no person shall be appointed who shall not previously have been approved by an Extraordinary Resolution of the Noteholders of all Series acting as one Class. A trust corporation may be appointed sole trustee hereof but subject thereto there shall be at least two trustees hereof one at least of which shall be a trust corporation. Any appointment of a new trustee hereof shall as soon as practicable thereafter be notified by the Issuer to the Agents and the Noteholders of all Series acting as one Class. The Noteholders shall together have the power, exercisable by Extraordinary Resolution, to remove any trustee or trustees for the time being hereof. The removal of any trustee shall not become effective unless there remains a Note Trustee hereof (being a trust corporation) in office after such removal.

### **17.2 Co-Note Trustees**

Notwithstanding the provisions of Clause 17.1 (*Appointment of Note Trustees*), the Note Trustee may, upon giving prior notice to the Issuer but without the consent of the Issuer or the Noteholders or anyone else, appoint any person established or resident in any jurisdiction (whether a trust corporation or not) to act either as a separate trustee or as a co-trustee jointly with the Note Trustee:

- 17.2.1 if the Note Trustee considers such appointment to be in the interests of the Noteholders or the other Secured Creditors; or
- 17.2.2 for the purposes of conforming to any legal requirements, restrictions or conditions in any jurisdiction in which any particular act or acts are to be performed; or
- 17.2.3 for the purposes of obtaining a judgment in any jurisdiction or the enforcement in any jurisdiction either of a judgment already obtained or of the Security Documents or any other Document.

### **17.3 Attorneys**

The Issuer hereby irrevocably appoints the Note Trustee to be its attorney in its name and on its behalf to execute any such instrument of appointment. Such a person shall (subject always to the provisions of this Note Trust Deed) have such trusts, powers, authorities and discretions (not exceeding those conferred on the Note Trustee by this Note Trust Deed) and such duties and obligations as shall be conferred on such person or imposed by the instrument of appointment. The Note Trustee shall have power in like manner to remove any such person. Such proper remuneration as the Note Trustee may pay to any such person, together with any attributable costs, charges and expenses incurred by it in performing its function as such separate trustee or co-trustee, shall for the purposes of this Note Trust Deed be treated as costs, charges and expenses incurred by the Note Trustee.



#### **17.4 Retirement of Note Trustees**

Any Note Trustee for the time being of the Security Documents may retire at any time upon giving not less than three calendar months' notice in writing to the Issuer without assigning any reason therefor and without being responsible for any costs occasioned by such retirement. The retirement of any Note Trustee shall not become effective unless there remains a trustee hereof (being a trust corporation) in office after such retirement. The Issuer hereby covenants that in the event of the only trustee hereof which is a trust corporation giving notice under this Clause it shall use its best endeavours to procure a new trustee, being a trust corporation, to be appointed and if the Issuer has not procured the appointment of a new trustee within 30 days of the expiry of the Note Trustee notice referred to in this Clause 17.4, the Note Trustee shall be entitled to procure forthwith a new trustee.

#### **17.5 Competence of a majority of Note Trustees**

Whenever there shall be more than two trustees hereof the majority of such trustees shall (provided such majority includes a trust corporation) be competent to execute and exercise all the trusts, powers, authorities and discretions vested by the Security Documents in the Note Trustee generally.

#### **17.6 Powers additional**

The powers conferred by the Security Documents upon the Note Trustee shall be in addition to any powers which may from time to time be vested in it by general law or as the holder of any of the Notes.

#### **17.7 Entire Agreement**

Except as specifically stated otherwise herein, this Note Trust Deed together with the relevant Note Trust Deed Supplement sets forth the entire understanding of the parties relating to the subject matter hereof, and all prior understandings, written or oral, are superseded by this Note Trust Deed together with the relevant Note Trust Deed Supplement. This Note Trust Deed may not be modified, amended, waived or supplemented except as provided herein.

#### **17.8 Merger and Integration**

Any corporation into which the Note Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Note Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Note Trustee, shall be the successor of the Note Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Clause, without the execution or filing of any paper or any further act on the part of any of the parties hereto.

## 18. NOTICES

### 18.1 Addresses for notices

All notices and other communications hereunder shall be made in writing and in English (by letter, telex or fax) and shall be sent as follows:

18.1.1 **Issuer:** If to the Issuer, to it at:

35 Great St. Helen's  
London  
EC3A 6AP

Fax: +44 (0) 207 398 6325  
Attention: The Directors

18.1.2 **Note Trustee:** if to the Note Trustee, to it at:

Deutsche Bank Trust Company Americas  
60 Wall Street  
26<sup>th</sup> Floor  
Mail Stop NYC 60-2606  
New York  
New York 10005  
USA

Fax: +1 212 553 2460  
Attention: Irene Siegel

### 18.2 Effectiveness

Every notice or other communication sent in accordance with Clause 18.1 (*Addresses for notices*) shall be effective as follows:

18.2.1 **Letter or fax:** if sent by letter, it shall be deemed to have been delivered 7 days after the time of despatch and if sent by fax it shall be deemed to have been delivered at the time of despatch; and

18.2.2 **Telex:** if sent by telex, upon receipt by the sender of the addressee's answerback at the end of transmission;

**provided that** any such notice or other communication which would otherwise take effect after 4.00 p.m. on any particular day shall not take effect until 10.00 a.m. on the immediately succeeding business day in the place of the addressee.

## 19. NO WAIVER; CUMULATIVE REMEDIES

No failure to exercise and no delay in exercising, in respect of any Series, on the part of the Issuer, the Note Trustee or any Secured Creditor, any right, remedy, power or privilege hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

The rights, remedies, powers and privileges herein provided are cumulative and not exhaustive of any rights, remedies, powers and privileges provided by law.

## **20. RELEASE OF COLLATERAL**

20.1 Except to the extent expressly provided in this Clause 20, the Note Trustee shall release property from the security constituted by this Note Trust Deed as supplemented by the relevant Note Trust Deed Supplement either in respect of all secured property or in respect of security created in respect of a particular Note Trust Deed Supplement, only upon receipt of a notice from the Issuer accompanied by an Officer's Certificate (as further described below), **provided that** the Issuer shall be obliged to issue such notice:

20.1.1 to release all Secured Property from the Security constituted by this Note Trust Deed and all relevant Note Trust Deed Supplement, where all outstanding Series of Notes have been repaid in full and no Noteholder has any further obligation to make any further subscription payment in respect of such Notes; or

20.1.2 to release all secured property from the security constituted in respect of a particular Note Trust Deed Supplement, where the relevant outstanding Series of Notes issued pursuant to such Note Trust Deed Supplement have been repaid in full and no Noteholder under such Note Trust Deed Supplement has any further obligation to make any further subscription payment in respect of such Notes.

20.2 Whenever any property is to be released from the Security constituted by this Note Trust Deed as supplemented by the relevant Note Trust Deed Supplement, the Issuer shall also furnish to the Note Trustee an Officer's Certificate certifying that either (a) or (b) above is true, and that in the opinion of such person the proposed release will not impair the Security under this Note Trust Deed in contravention of the provisions hereof.

20.3 Following irrevocable discharge in full of the Secured Obligations of which the Note Trustee has notice, the Note Trustee shall reassign to the Issuer the Issuer Jersey Secured Property.

## **21. THIRD PARTY BENEFICIARIES**

21.1 This Note Trust Deed will enure to the benefit of and be binding upon the parties hereto, and, in respect of any Series, the Secured Creditors named in the relevant Note Trust Deed Supplement, and their respective successors and permitted assigns as Secured Creditors and beneficiaries of the Secured Property in respect of a relevant Series;

21.2 To the extent specified in any relevant Note Trust Deed Supplement, any third party that is not a Secured Creditor of the Secured Property of a Series, may by execution of such Note Trust Deed Supplement, as a matter of contract only, be entitled to the benefit of the provisions of this Note Trust Deed as if such third party were a Secured Creditor hereunder and the rights of such third parties so provided shall enure to the benefit of such third parties and be binding upon the parties hereto and the Secured Creditors of the Secured Property in respect of such Series; and

21.3 Except as otherwise provided in this Clause 21, no other Person will have any right or obligation hereunder.

## 22. ACTIONS BY NOTEHOLDERS

- 22.1 Wherever in this Note Trust Deed a provision is made that an action may be taken or a notice, demand or instruction given by a Noteholder of a Series, such action, notice or instruction may be taken or given by any Noteholder of such Series, unless such provision requires a specific aggregate percentage of the Principal Amount Outstanding of a Series. Where a provision requires a specific aggregate percentage of the Principal Amount Outstanding of a Series any Noteholder so voting shall have one vote per pound sterling of such Principal Amount Outstanding which is held by it and shall be entitled to cast each vote in a different manner.
- 22.2 Any request, demand, authorisation, direction, notice, consent, waiver or other act by a Noteholder of a Series shall bind each and every successor of such Noteholder.

## 23. GOVERNING LAW AND JURISDICTION

### 23.1 Governing Law

This Note Trust Deed (and the Security Trust constituted hereby) and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law save that those parts of this Note Trust Deed concerned with the creation, subsistence or enforcement of Issuer Jersey Security Interest are governed by, and shall be construed in accordance with, Jersey law.

### 23.2 Jurisdiction

- 23.2.1 **English courts:** The courts of England have exclusive jurisdiction to settle any Dispute.
- 23.2.2 **Convenient forum:** Each of the Issuer and the Secured Creditors other than the Note Trustee agrees that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.
- 23.2.3 **Jurisdiction:** Sub-clause 23.2.1 (*English Courts*) is for the benefit of the Note Trustee for the purpose of this Paragraph 23 in any Document. As a result each of the Issuer and the Secured Creditors acknowledges that sub-clause 23.2.1 (*English Courts*), does not prevent the Note Trustee from taking any Proceedings in any other courts with jurisdiction. To the extent allowed by law, the Note Trustee may take concurrent Proceedings in any number of jurisdictions.
- 23.2.4 **Consent to enforcement etc.:** Each of the Issuer and the Secured Creditors consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgement which is made or given in such Proceedings.

## **24. SEVERABILITY**

In case any provision in or obligation under this Note Trust Deed shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

## **25. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

Without prejudice to the rights of the persons mentioned in clauses 9.1, 9.3 and 24 of the Common Terms, no person who is not a party to this Note Trust Deed shall have any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Note Trust Deed, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

## **26. COUNTERPARTS**

This Note Trust Deed may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

## **27. CERTAIN U.S. TAX MATTERS**

### **27.1 Qualified Electing Fund**

The Issuer will, upon request of U.S. holders of Notes issued pursuant to Rule 144A ("**144A Notes**") that are treated as equity for U.S. federal income tax purposes, reasonably endeavour to provide the requesting Noteholder with information that the Issuer deems in its sole opinion to be necessary for the investor to make a proper qualified electing fund election ("**QEF election**"). Requesting Noteholders should address their request for information in writing to the registered office of the Issuer. While the Issuer does not expect to charge for this information, by making a request the investor agrees (and must confirm in any request) that it will secure, indemnify and reimburse the Issuer for all costs, expenses and fees incurred in or associated with the preparation, verification and provision of this information, which may be substantial. Requesting investors should ensure that any request is submitted with sufficient time for the Issuer and its advisors to prepare, verify and provide the information. The Issuer expects to provide a holder with the necessary information within 60 days of the end of the Issuer's taxable year, which is 31 December. The Issuer expects to process requests for QEF election forms received after the 60th day after the end of its taxable year within 15 Business Days of receiving the request.

### **27.2 Information required pursuant to Controlled Foreign Corporation Rules**

The Issuer will, upon request of U.S. holders of 144A Notes that are treated as equity for U.S. federal income tax purposes, reasonably endeavour to provide the requesting Noteholder with information that the Issuer deems in its sole opinion to be necessary for the Noteholder with regard to filing requirements the Noteholder is required to satisfy as a result of the controlled foreign corporation rules under the Internal Revenue Code of 1986, as amended (the "**Code**"). Requesting Noteholders should address their request for information in writing to the registered office of the Issuer. While the Issuer

does not expect to charge for this information, by making a request the investor agrees (and must confirm in any request) that it will secure, indemnify and reimburse the Issuer for all costs, expenses and fees incurred in or associated with the preparation, verification and provision of this information, which may be substantial. Requesting investors should ensure that any request is submitted with sufficient time for the Issuer and its advisors to prepare, verify and provide the information. The Issuer expects to provide a holder with the necessary information within 60 days of the end of the Issuer's taxable year, which is 31 December. The Issuer expects to process requests for controlled foreign corporation information received after the 60th day after the end of its taxable year within 15 Business Days of receiving the request.

### **27.3 Original Issue Discount Information Requests**

Upon the Note Trustee's receipt of a request of a U.S. holder of a 144A Note issued with original issue discount for U.S. federal income tax purposes, or the written request of a person certifying that it is a holder of a beneficial interest in a 144A Note that is issued with original issue discount for U.S. federal income tax purposes, the Issuer will cause its independent accountants to provide promptly to the Trustee and such requesting Noteholder all of the information described in United States Treasury Regulations section 1.1275-3(b)(1)(i) that is applicable to such 144A Note.

### **27.4 Tax Classification**

The Issuer will not elect to be treated as other than a corporation for U.S. federal income tax purposes.

### **27.5 Filing of Tax Returns**

The Issuer shall file, or cause to be filed, any tax returns, including information tax returns, required by any governmental authority; **provided, however, that** the Issuer shall not file, or cause to be filed, any income or franchise tax return in the United States or any state of the United States (other than any information returns required under section 6045 and 6049 of the Code and the Treasury Regulations thereunder) unless it shall have obtained an opinion of tax counsel of nationally recognised standing experienced in such matters prior to such filing that, under the laws of such jurisdiction, the Issuer is required to file such tax return.

### **27.6 Tax Certifications**

27.6.1 Each holder and beneficial owner of a Note, by acceptance of such Note or its interest in such Note, shall be deemed to understand and acknowledge that failure to provide the Issuer, the Trustee or any Paying Agent with the applicable U.S. federal income tax certifications (generally, a United States Internal Revenue Service Form W-9 (or successor applicable form) in the case of a person that is a "United States person" within the meaning of section 7701(a)(30) of the Code or an applicable United States Internal Revenue Service Form W-8 (or successor applicable form) in the case of a person that is not a "United States person" within the meaning of section 7701(a)(30) of the Code) may result in U.S. federal back up withholding from payments in respect of such Note.

- 27.6.2 Each holder and beneficial owner of a Note that is not a "United States Person" (as defined in section 7701(a)(30) of the Code) will make, or by acquiring such Note or an interest therein will be deemed to make, a representation to the effect that (a) either (i) it is not a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business (within the meaning of section 881(c)(3)(A) of the Code), or (ii) it is a person that is eligible for benefits under an income tax treaty with the United States that eliminates U.S. federal Income Taxation of U.S. source interest not attributable to a permanent establishment in the United States, and (b) each holder and beneficial owner of such Note will make, or by acquiring such Note or an interest therein will be deemed to make, a representation to the effect that it is not purchasing such Note in order to reduce its U.S. federal income tax liability pursuant to a tax avoidance plan.

**IN WITNESS WHEREOF** this Note Trust Deed has been amended and restated as a deed by the parties hereto and is intended to be and is hereby delivered on the date first before written.

**ISSUER**

**EXECUTED** as a **DEED** by )  
**PENARTH MASTER ISSUER PLC** )  
acting by )  
Intertrust Directors 1 Limited as Director )  
Intertrust Directors 2 Limited as Director )  
 )  
 )  
 )  
 )

**NOTE TRUSTEE**

Executed as a deed by )  
**DEUTSCHE BANK TRUST COMPANY** )  
**AMERICAS** )  
by ..... )  
 )  
 )  
 )  
 )

**Process Agent**  
Deutsche Trustee Company Limited  
1 Great Winchester Street  
London EC2N 2DB



## SCHEDULE 1

### TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, subject to completion and as supplemented, amended and/or replaced in accordance with the provisions of the relevant Final Terms or Drawdown Prospectus, as applicable, will be endorsed on each note in definitive form issued under the Programme. References in these terms and conditions to "notes" are to the notes of a particular Series only and not to all notes that may be issued under the Programme.

#### 1. Introduction

- (a) **Programme:** Penarth Master Issuer plc (the "**Issuer**") has established a medium term note programme (the "**Programme**"). The notes of a particular Note Series (the "**notes**") are constituted and secured by a Note Trust Deed dated 16 October 2008 (as amended and restated from time to time) (the "**Note Trust Deed**") between the Issuer and Deutsche Bank Trust Company Americas (the "**Note Trustee**"), (which expression includes the trustee or trustees for the time being of the Note Trust Deed) and a supplement to the Note Trust Deed (the "**Note Trust Deed Supplement**") in respect of notes issued in each Note Series. References to the Note Trust Deed include reference to the relevant Note Trust Deed Supplement where the context admits.
- (b) **Final Terms or Drawdown Prospectus:** Notes issued under the Programme are issued in series (each a "**Note Series**") and each Note Series comprises only one class of notes. A Note Series may be constituted of a single class of either class A notes, class B notes, class C notes or class D notes, as designated in the relevant Final Terms or Drawdown Prospectus, as applicable. Each Note Series is the subject of a Final Terms or Drawdown Prospectus (the "**Final Terms or Drawdown Prospectus**") which supplements these terms and conditions (the "**Conditions**"). The terms and conditions applicable to any particular Note Series are these Conditions as supplemented, amended and/or replaced by the relevant Final Terms or Drawdown Prospectus, as applicable. In the event of any inconsistency between these Conditions and the relevant Final Terms or Drawdown Prospectus, as applicable, the relevant Final Terms or Drawdown Prospectus, as applicable shall prevail.
- (c) **Paying Agency Agreement:** The notes are the subject of a Paying Agency Agreement dated 16 October 2008 (as amended and restated from time to time) (the "**Paying Agency Agreement**") between (*inter alios*) the Issuer, Deutsche Bank AG, London Branch as Principal Paying Agent (the "**Principal Paying Agent**"), the Paying Agents named in the Paying Agency Agreement (the "**Paying Agents**"), the Agent Bank named in the Paying Agency Agreement (the "**Agent Bank**"), the Registrar named in the Paying Agency Agreement (the "**Registrar**"), the Exchange Agent named in the Paying Agency Agreement (the "**Exchange Agent**") and in each case, the expression "**Principal Paying Agent**", the "**Paying Agents**", the "**Agent Bank**" and the "**Registrar**" includes any successor to such Person in such capacity.
- (d) **The Notes:** All subsequent references in these Conditions to "notes" are to the notes which are the subject of the relevant Final Terms or Drawdown Prospectus, as applicable. Copies of the relevant Final Terms or Drawdown Prospectus, as applicable are available for inspection by the Noteholders during normal business hours at the Specified Office of the Principal Paying Agent, the initial Specified Office of which is set out below.

- (e) **Summaries:** Certain provisions of these Conditions are summaries of the Note Trust Deed and the Paying Agency Agreement and are subject to their detailed provisions. The Noteholders are bound by, and are deemed to have notice of, all the provisions of the Note Trust Deed, the Note Trust Deed Supplement, the Final Terms or Drawdown Prospectus, as applicable and the Paying Agency Agreement applicable to them. Copies of the Note Trust Deed, the Note Trust Deed Supplement, the Final Terms or Drawdown Prospectus, as applicable and the Paying Agency Agreement are available for inspection by Noteholders during normal business hours at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below.

## 2. Interpretation

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

**"Accelerated Amortisation Period"** means, for any Note Series, for the purposes of these Conditions, the period beginning at the close of business on the last day of the Monthly Period in which the Beneficiaries deliver a notice to the Receivables Trustee, in accordance with the applicable Loan Note Supplement, to the effect that they intend to commence an accelerated amortisation period. The amount of any such amortisation for any Monthly Period during the Accelerated Amortisation Period shall be an amount equal to the Nominal Liquidation Amount of the relevant Loan Note as at the close of business on the last day of the Monthly Period (determined after giving effect to any allocation of shortfalls and any reallocations, payments or deposits of LNI Available Principal Amounts on the related Transfer Date). The Accelerated Amortisation Period shall end on the earlier of the commencement of the Regulated Amortisation Period or the Rapid Amortisation Period, the Scheduled Redemption Date or the date on which the relevant Loan Note is redeemed in full.

**"Account Bank Agreements"** means the Issuer Distribution Account Bank Agreement and the Call Protection Accumulation Deposit Account Bank Agreement and **"Account Bank Agreement"** means either one of them;

**"Accumulation Period"** means for any Note Series, for the purposes of these Note Conditions, unless an Amortisation Period has earlier commenced, the period commencing on the close of business on the Accumulation Period Commencement Date for that Note Series or such later date as is determined in accordance with the provisions of the Loan Note Supplement for the Related Loan Note and ending (for the purposes of these Note Conditions) on the first to occur of (a) the commencement of an Amortisation Period for that Note Series (b) the day the Outstanding Principal Amount of the Related Loan Note is reduced to zero and (c) the date specified in the relevant Final Terms or Drawdown Prospectus, as applicable;

**"Accumulation Period Commencement Date"** has the meaning given to such term in the relevant Final Terms or Drawdown Prospectus, as applicable;

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

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

**"Additional Interest Margin"** has the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable (if applicable);

**"Amortisation Period"** means the Regulated Amortisation Period or the Rapid Amortisation Period or if specified as an Amortisation Period in the relevant Final Terms or Drawdown Prospectus, as applicable an Accelerated Amortisation Period, an Optional Amortisation Period or a Partial Amortisation Period, as the case may be;

**"Base Rate Modification Reference Date"** means 12 March 2018;

**"Basic Terms Modification"** means any change to any date fixed for payment of principal or interest in respect of the notes, to reduce the amount of principal or interest payable on any date in respect of the notes, to alter the method of calculating the amount of any payment in respect of the notes or the date for any such payment, to change the currency of any payment under the notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution;

**"Business Day"** means, unless otherwise specified in the relevant Final Terms or Drawdown Prospectus, as applicable, in relation to any sum payable in any currency, a day on which commercial banks and foreign exchange markets settle payments generally in London, England; Jersey, Channel Islands; New York, the United States; the Principal Financial Centre of the relevant currency and in each (if any) Additional Financial Centre;

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

- (i) **"Following Business Day Convention"** means that the Relevant Date shall be postponed to the first following day that is a Business Day;
- (ii) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the Relevant Date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (iii) **"Preceding Business Day Convention"** means that the Relevant Date shall be brought forward to the first preceding day that is a Business Day; and
- (iv) **"No Adjustment"** means that the Relevant Date shall not be adjusted in accordance with any Business Day Convention;

**"Calculation Agent"** means the Agent Bank or such other Person specified in the relevant Final Terms or Drawdown Prospectus, as applicable as the party responsible for calculating the rate(s) of interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms or Drawdown Prospectus, as applicable;

**"Call Protection Accumulation Deposit Account"** means the account or ledger of an account opened pursuant to any call protection accumulation deposit account bank

agreement in relation to all notes of a Note Series with a Swap Agreement, with call protection for that Note Series;

**"class A notes"** means any Note Series designated as such in the relevant Final Terms or Drawdown Prospectus, as applicable;

**"Class A Swap Termination Amount"** has the meaning given to it in Condition 4(c)(iii)(A);

**"class B notes"** means any Note Series designated as such in the relevant Final Terms or Drawdown Prospectus, as applicable;

**"Class B Swap Termination Amount"** has the meaning given to it in Condition 4(c)(v)(A);

**"class C notes"** means any Note Series designated as such in the relevant Final Terms or Drawdown Prospectus, as applicable;

**"Class C Swap Termination Amount"** has the meaning given to it in Condition 4(c)(vii)(A);

**"class D notes"** means any Note Series designated as such in the relevant Final Terms or Drawdown Prospectus, as applicable;

**"Class D Swap Termination Amount"** has the meaning given to it in Condition 4(c)(ix)(A);

**"Closing Date"** has the meaning given in the relevant Final Terms or Drawdown Prospectus;

**"Counterparty Swap Event of Default"** means either (i) an Event of Default (as defined in the relevant Swap Agreement) in respect of which the Swap Counterparty is the Defaulting Party (as defined in the relevant Swap Agreement) has occurred and is continuing, or (ii) a termination by the Issuer of the Swap Agreement as a result of a failure to comply with the requirements set out in the Swap Agreement following a downgrade occurring with respect to the rating of the Swap Counterparty which failure is not cured by the Swap Counterparty during the requisite cure period pursuant to the terms of the Swap Agreement;

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

- (i) if **"Actual/Actual (ICMA)"** is so specified, means:
  - (a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

- (b) where the Calculation Period is longer than one Regular Period, the sum of:
  - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (ii) if "**Actual/365**" or "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iii) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;
- (iv) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;
- (v) if "**30/360**" is so specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and
- (vi) if "**30E/360**" or "**Eurobond Basis**" is so specified means, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the date of final maturity is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month),

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

**"Dealer Agreement"** means the agreement between the Issuer and certain Dealer (as named therein) concerning the subscription and purchase of notes to be issued pursuant

to the Programme as amended from time to time or any restatement thereof for the time being in force;

**"Distribution Date"** means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms or Drawdown Prospectus, as applicable, and where the relevant Distribution Date is not a Business Day, as the same may be adjusted in accordance with the relevant Business Day Convention;

**"Distribution Ledger"** means a ledger within the Issuer Distribution Account in relation to a specific Note Series;

**"Extraordinary Resolution"** has the meaning given in the Issuer Master Framework Agreement;

**"Final Redemption Date"** means the date specified as such in, or determined in accordance with the provisions of, the relevant Final Terms or Drawdown Prospectus, as applicable, and where the Final Redemption Date is not a Business Day, as the same may be adjusted in accordance with the relevant Business Day Convention;

**"First Interest Payment Date"** means the date specified as such in, or determined in accordance with the provisions of, the relevant Final Terms or Drawdown Prospectus, as applicable, and where the First Interest Payment Date is not a Business Day, as the same may be adjusted in accordance with the relevant Business Day Convention;

**"Floating Rate Commencement Date"** is specified in the relevant Final Terms or Drawdown Prospectus, as applicable as either the Interest Payment Date of the first month falling in the Regulated Amortisation Period or the Rapid Amortisation Period (or if such date has passed, the immediately following Interest Payment Date) or the Scheduled Redemption Date;

**"Global Note Certificate"** means a Note Certificate in global form;

**"Indebtedness"** means any Indebtedness of any Person for money borrowed or raised including (without limitation) any Indebtedness for or in respect of:

- (i) amounts raised by acceptance under any acceptance credit facility;
- (ii) amounts raised under any note purchase facility;
- (iii) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;
- (iv) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 60 days; and
- (v) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

**"Individual Note Certificate"** means an Individual Note Certificate issued in the circumstances set out in the Note Trust Deed;

**"Initial Rate"** has the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable;

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

**"Interest Commencement Date"** means the Issue Date of the notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms or Drawdown Prospectus, as applicable;

**"Interest Determination Date"** has the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable;

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

**"Issue Date"** has the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable for a Note Series;

**"Issuer Bank Accounts"** means the Issuer Distribution Account and the Call Protection Accumulation Deposit Account;

**"Issuer Distribution Account"** means the Accounts opened pursuant to the Issuer Distribution Account Bank Agreement in relation to all notes issued by the Issuer;

**"Issuer Master Framework Agreement"** means the Issuer master framework agreement dated 16 October 2008 between, amongst others, the Issuer and the Note Trustee, as amended and restated from time to time;

**"Loan Note"** means each notional tranche of Global Loan Note No. 1 created pursuant to a Loan Note Supplement;

**"Loan Note Holder's Profit Amount"** means in respect of each Loan Note Holder with respect to:

- (a) any Transfer Date falling on or up to 16 October 2009, an amount of £1,750; and
- (b) any Transfer Date falling after 16 October 2009, an amount rounded up to the nearest penny, equal to the lesser of one-twelfth of (i) £12,000 and (ii) the aggregate of £1,200 per Note Series outstanding during the course of the previous 11 Monthly Periods;

**"Loan Note Supplement"** means the relevant supplement to Global Loan Note No.1 creating a Loan Note certain details of which are set out in the relevant Final Terms or Drawdown Prospectus, as applicable to these terms and conditions;

**"London Business Day"** means a day on which commercial banks and foreign exchange markets settle payments generally in London, England;

**"Mandatory Purchase Agreement"** means an agreement between a Mandatory Purchaser and the Issuer under which a Mandatory Purchaser agrees to purchase the relevant notes on a Mandatory Transfer Date in certain circumstances;

**"Mandatory Purchaser"** means the entity specified in the relevant Final Terms or Drawdown Prospectus;

**"Mandatory Transfer"** means the obligation on the Issuer to procure the purchase of (and the then Noteholders' obligation to transfer) the relevant notes on a Mandatory Transfer Date;

**"Mandatory Transfer Date"** means the Interest Payment Date specified in the relevant Final Terms or Drawdown Prospectus, as applicable;

**"Mandatory Transfer Price"** means the amount of the payment to the relevant Noteholders on the relevant Mandatory Transfer Date constituting the Principal Amount Outstanding on the notes on that date (following application of monies pursuant to clause 13.1 (*Application of Monies*) of the Note Trust Deed on that date and without prejudice to the issuing entity's obligations to make payments on the relevant note on that date);

**"Margin"** has the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable;

**"Most Senior Class of Notes"** means the Class A Notes for so long as there are any Class A Notes outstanding, thereafter the Class B Notes for so long as there are any Class B Notes outstanding, thereafter the Class C Notes for so long as there are any Class C Notes outstanding, thereafter the Class D Notes for so long as there are any Class D Notes outstanding;

**"Note Certificate"** means a Global Note Certificate, an Individual Note Certificate or a Registered Uncleared Note Certificate;

**"Note Series"** means those notes of the same class and with the same terms and conditions issued in accordance with a particular Final Terms or Drawdown Prospectus, as applicable;

**"Noteholders"** means the persons in whose name such note is for the time being registered in the Register maintained by the relevant Registrar (or, in the case of a joint holding, the first named thereof);

**"Optional Amortisation Period"** means, for any Note Series, for the purposes of these Conditions, the period beginning at the close of business on the date on which notification is given by the Beneficiaries to the Receivables Trustee, in accordance with the applicable Loan Note Supplement, of an optional amortisation in whole or in part of the relevant Loan Note. Such optional amortisation shall be in a minimum amount of £10,000,000 and an integral multiple of £1,000,000 and shall utilise Undivided Bare Trust Property standing to the credit of the Trustee Investment Account (having taken into account any other transfers to be made from the Trustee Investment Account on



such date) on the date that such optional amortisation is to be made. The Optional Amortisation Period will end on the date specified in such notification for the completion of such amortisation;

**"Partial Amortisation Period"** means, for any Note Series, for the purposes of these Conditions, a period beginning at the close of business on the Distribution Date as notified by the Beneficiaries to the Receivables Trustee specifying the commencement of a partial amortisation from time to time, in accordance with the applicable Loan Note Supplement. Such partial amortisation shall be in a minimum amount of £10,000,000 and an integral multiple of £1,000,000 and shall utilise LNI Available Principal Amounts to make distributions on each Distribution Date during the Partial Amortisation Period subject to the provisions of the Security Trust Deed and Cash Management Agreement. The Partial Amortisation Period shall end on the earlier of (i) the Distribution Date on which the applicable amount to be amortised shall have been paid in full and (ii) the commencement of the Regulated Amortisation Period or the Rapid Amortisation Period;

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

**"Pay Out Event"** means a **"Trust Pay Out Event"** or **"Trust Series Pay Out Event"** as defined in *"The Penarth Receivables Trust - Trust Pay Out Events"*;

**"Payment Business Day"** means, unless otherwise specified in the Final Terms or Drawdown Prospectus, as applicable, a Business Day;

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

**"Principal Amount Outstanding"** means, in relation to a note on any date, the principal amount of that Note on the Issue Date (and, in respect of any variable funding notes, any other advances made in respect of such note) less the aggregate amount of all Principal Payments in respect of that Note that have become due and payable by the Issuer to the Noteholder concerned by virtue of the Issuer having received funds in respect thereof from Loan Note Issuer No. 1 as described in Condition 7 (*Redemption and Purchase*) (whether or not such Principal Payments have been paid to such Noteholder) prior to such date in accordance with the conditions of the Related Loan Notes; **provided, however, that** solely for the purpose of calculating the Principal Amount Outstanding under Condition 6 (*Interest*), 7 (*Redemption and Purchase*) and 10 (*Events of Default*) all such Principal Payments due and unpaid on or prior to such date shall also be taken into account as forming part of such Principal Amount Outstanding;

**"Principal Financial Centre"** means, in relation to Sterling, London, in relation to US Dollars, New York and in relation to Euro, it means the Principal Financial Centre of such member state of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

**"Rapid Amortisation Period"** means, for any Note Series, for the purposes of these Conditions, the period commencing on the day on which a Rapid Amortisation Trigger

Event is deemed to occur for the Related Loan Note pursuant to the provisions of the relevant Loan Note Supplement, and ending on the earlier of (i) the day on which the Outstanding Principal Amount of the Related Loan Note is reduced to zero; (ii) the Final Redemption Date of the notes; and (iii) the date of dissolution of the Penarth Receivables Trust;

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

**"Rating Agencies"** means Standard & Poor's Credit Market Services Europe Limited, Fitch Ratings Ltd. and Moody's Investors Service Limited;

**"Redemption Period Interest Payment Dates"** means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms or Drawdown Prospectus, as applicable, and where the relevant Redemption Period Interest Payment Date is not a Business Day, as the same may be adjusted in accordance with the relevant Business Day Convention;

**"Reference Banks"** means the principal London office of each of Barclays Bank plc, Citibank, N.A., HSBC Bank plc and The Royal Bank of Scotland plc, or any duly appointed substitute reference bank(s) as may be appointed by the Issuer to provide the Agent Bank with its offered quotation to leading banks in the London interbank market;

**"Regular Interest Payment Dates"** means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms or Drawdown Prospectus, as applicable, and where the relevant regular Interest Payment Date is not a Business Day, as the same may be adjusted in accordance with the relevant Business Day Convention;

**"Regular Period"** means unless specified otherwise in a Condition containing a specific provision or the relevant Final Terms or Drawdown Prospectus, as applicable:

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

month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

**"Regulated Amortisation Period"** means, for any Note Series, for the purposes of these Conditions, the period commencing on the day on which a **"Regulated Amortisation Trigger Event"** is deemed to occur for the Related Loan Note pursuant to the provisions of the relevant Loan Note Supplement, and ending on the earlier of (i) the day on which the Outstanding Principal Amount of the Related Loan Note is reduced to zero (ii) the commencement of a Rapid Amortisation Period for the Related Loan Note and (iii) the Final Redemption Date of the notes;

**"Related Loan Note"** means, for any Note Series, the Loan Note specified in the relevant Final Terms or Drawdown Prospectus, as applicable as the Loan Note the subject of first fixed Loan Note Security to collateralise that Series;

**"Relevant Date"** means in relation to any payment whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in London by the Principal Paying Agent or the Note Trustee on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders in accordance with Condition 16 (*Notices*);

**"Relevant Indebtedness"** means any Indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market);

**"Relevant Screen Page"** means the page of the Reuters screen (presently CAR2) or such other medium for the electronic display of data as may be approved by the Note Trustee and notified to the Noteholders of a relevant Note Series;

**"Revolving Period"** means for any Note Series, for the purposes of these Conditions, any period which is not an Accumulation Period or Amortisation Period for that Note Series;

**"Scheduled Redemption Date"** has the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable;

**"Security Interest"** means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction;

**"Specified Currency"** has the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable;

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

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

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

**"Swap Agreement"** means the relevant currency swap agreement and/or the interest swap agreement in respect of a Note Series, in each case, in the form of an ISDA Master Agreement, including a schedule, one or more confirmations and a credit support annex;

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

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

**"Treaty"** means the Treaty on the Functioning of the European Union, as amended.

(b) **Interpretation:** In these Conditions:

- (i) any reference to principal shall be deemed to include the Redemption Amount, any premium (excluding interest) payable to the holder in respect of a note and any other amount in the nature of principal payable pursuant to these Conditions;
- (ii) any reference to interest shall be deemed to include any other amount in the nature of interest payable pursuant to these Conditions;
- (iii) references to Notes being **"outstanding"** shall be construed in accordance with the Paying Agency Agreement and the Note Trust Deed;
- (iv) if an expression is stated in Condition 2(a) to have the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable, but the relevant Final Terms or Drawdown Prospectus, as applicable gives no such meaning or specifies that such expression is "not applicable" then such expression is Not Applicable to the notes; and
- (v) any reference to the Paying Agency Agreement and the Note Trust Deed shall be construed with respect to any Note Series as a reference to the Paying Agency Agreement or the Note Trust Deed, as the case may be, as amended and/or supplemented up to and including the Issue Date of the notes of that Note Series.

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

Unless otherwise specified in the relevant Note Trust Deed Supplement, the notes will be issued in registered form ("**Registered Notes**"), in the minimum authorised denomination of €100,000 or its equivalent or as otherwise specified in the related Final Terms or Drawdown Prospectus, as applicable and higher integral multiples of €1,000 **provided that** in the case of any notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive, the minimum

denomination shall be €100,000 (or such amount as shall be at least equal to its equivalent in any other currency as at the date of issue of those notes as specified in the relevant Final Terms or Drawdown Prospectus, as applicable). References in these Conditions to "Notes" include Registered Notes and all applicable classes (if any) in the Note Series.

- (a) **Register:** The relevant Registrar will maintain a register of holders (a "**Register**") in respect of the notes in accordance with the provisions of the Paying Agency Agreement. The 'holder' of a note means the Person in whose name such note is for the time being registered in the Register maintained by the relevant Registrar (or, in the case of a joint holding, the first named thereof).
- (b) **Title:** The holder of each note shall (except as otherwise required by law) be treated as the absolute owner of such note for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft of such Note Certificate) and no Person shall be liable for so treating such holder. A certificate (each, a "**Note Certificate**") will be issued to each Noteholder in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register maintained by the relevant Registrar.
- (c) **Transfers:** Subject to paragraphs (g) (*Closed periods*) and (h) (*Regulations concerning transfers and registration*) below, a note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the relevant Registrar together with such evidence as such Registrar may reasonably require to prove the title of the Transferor and the authority of the individuals who have executed the form of transfer; **provided, however, that** a note may not be transferred unless the principal amount of notes transferred and (where not all of the notes held by a holder are being transferred) the principal amount of the balance of notes not transferred are an authorised denomination or multiple thereof. Where not all the notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the notes will be issued to the Transferor.
- (d) **Denomination:** So long as the notes are represented by a Global Note Certificate and the relevant clearing system(s) so permit, the notes shall be tradeable only in the minimum authorised denomination of €100,000 (or such amount as shall be at least equal to its equivalent in any other currency as at the date of issue of those notes as specified in the relevant Final Terms or Drawdown Prospectus, as applicable) and higher integral multiples of €1,000 as specified in the relevant Final Terms or Drawdown Prospectus, as applicable (or such amount as shall be at least equal to its equivalent in any other currency as at the date of issue of those notes as specified in the relevant Final Terms or Drawdown Prospectus, as applicable).
- (e) **Registration and delivery of Note Certificates:** Within five Business Days of the surrender of a Note Certificate in accordance with paragraph (c) (*Transfers*) above, the relevant Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the notes transferred to each relevant holder at its Specified Office or (at the request and risk of any such relevant holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant holder.

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

#### 4. **Status, Security and Priority of Payment**

##### (a) **Status**

The Notes of each Note Series are direct, secured and unconditional obligations of the Issuer which will at all times rank *pari passu* and *pro rata* without preference or priority amongst themselves.

Each Note Series will rank *pari passu* with each other Note Series of the same class with respect to the cashflows available to that Note Series secured by first fixed Security both prior to and following enforcement but otherwise a Note Series of class A notes will rank in priority to a Note Series of class B notes, a Note Series of class C notes and a Note Series of class D notes, if any, and a Note Series of class B notes will rank in priority to a Note Series of class C notes and a Note Series of class D notes, if any, and a Note Series of class C notes will rank in priority to a Note Series of class D notes, if any, and each Note Series of a class will rank *pari passu* without preference or priority amongst other Note Series of the same class.

##### (b) **Security**

As Security for the payment of all monies payable in respect of a Note Series under the Note Trust Deed (including the remuneration, expenses and any other claims of the Note Trustee and any receiver appointed under the Note Trust Deed), the Issuer will pursuant to the Note Trust Deed and the Note Trust Deed Supplement create the following security (the "**Security**") in favour of the Note Trustee for itself and on trust for, *inter alios*, the Noteholders of such Note Series:

- (i) Security under Jersey law in respect of the Issuer Jersey collateral (as described in the relevant Note Trust Deed Supplement);
- (ii) an assignment by way of first fixed Security under English law of the Issuer's right, title, interest and benefit in and to the Related Loan Note for that Note Series under Global Loan Note No. 1 and the Loan Note Supplement for the Related Loan Note for that Note Series, save to the extent that such right, title and interest constitutes assets situated in Jersey;

- (iii) an assignment by way of first fixed Security under English law of the Issuer's right, title and interest in the Security Interest created in favour of the Security Trustee by Loan Note Issuer No. 1 in respect of Global Loan Note No. 1 (to the extent it relates to such Note Series), save to the extent that such right, title and interest constitutes assets situated in Jersey;
- (iv) an assignment by way of first fixed Security under English law of the Issuer's right, title, interest and benefit in and to any agreements or documents to which the Issuer is a party (and sums received or recoverable thereunder) save to the extent that such right, title and interest constitutes assets situated in Jersey;
- (v) an assignment by way of first fixed Security under English law of the Issuer's right, title, interest and benefit in and to all monies credited in respect of the relevant Distribution Ledger(s) of the Issuer Distribution Account or to any bank or other account in which the Issuer may at any time have any right, title, interest or benefit save to the extent that such right, title and interest constitutes assets situated in Jersey; and
- (vi) a first floating charge under English law over the Issuer's undertaking and assets not charged under (i) to (v) above (excluding however, the Issuer's right, title and interest in assets situated in Jersey and including all assets governed by or otherwise subject to Scots law),

all as more particularly described in the Note Trust Deed and the Note Trust Deed Supplement. In addition, pursuant to the Note Trust Deed, the Issuer has, by way of first fixed Security for payment of all monies payable in respect of the notes of such Series under the Note Trust Deed, assigned to the Note Trustee those assets that are situated in Jersey.

(c) *Application of Proceeds Upon Enforcement*

The Note Trust Deed and each Note Trust Deed Supplement will contain provisions regulating the priority of application of amounts prior to the enforcement of any Security. Following the enforcement of any Security, payments shall be applied in the following order of priority:

- (i) *first*, in no order of priority among the respective amounts then due but proportionally to such amounts, to pay remuneration then due to any receiver or the Note Trustee and all amounts due in respect of legal fees and other costs, charges, liabilities, expenses, losses, damages, proceedings, claims and demands then incurred by the Note Trustee under and in respect of the Related Documents (as defined in Condition 5(ii)(a), but excluding the Dealer Agreement) and in enforcing the Security created by or pursuant to the Note Trust Deed and each Note Trust Deed Supplement thereto or in perfecting title to the Security, together with interest thereon as provided in any such document;
- (ii) *secondly*, in priority (A) (to the extent not met by (i) above) in payment or satisfaction of all amounts then due and unpaid to the Note Trustee and/or any appointee and/or any agent of the Note Trustee under the Related Documents (other than the Dealer Agreement), Note Trust Deed and each Note Trust Deed

Supplement thereto, and then (B) in payment or satisfaction of all amounts then due and unpaid under the Issuer Corporate Services Agreement;

- (iii) *thirdly*, for each Note Series of class A notes *pari passu* and in no order of priority among themselves but proportionally to the respective amounts then due (such amount not to exceed an amount equal to the proceeds from the first fixed Security granted in favour of that Note Series less its *pro rata* share of items (i) and (ii)):
  - (A) if the Issuer has entered into a Swap Agreement for the particular Note Series of class A notes (and subject to (iv) below) in meeting the claims of the Swap Counterparty in respect of any termination payment under the Swap Agreement to be paid to the Swap Counterparty by the Issuer in accordance with the early termination provisions of the relevant Swap Agreement (the "**Class A Swap Termination Amount**"); and
  - (B) if the Issuer has entered into a Swap Agreement for the particular Note Series of class A notes, then prior to the Final Redemption Date, in or towards payment of all principal, premium (if any) and interest then due and unpaid in respect of the Note Series of class A notes and (on and following the Final Redemption Date) in and towards payments of amounts due and unpaid in respect of the Note Series in priority, first to interest, secondly to premium (if any) and thirdly to principal, **provided that** in the event that enforcement of the Security created by the Note Trust Deed and the relevant Supplement thereto is as a result of the termination of the applicable Swap Agreement for a reason other than a Counterparty Swap Event of Default (and without prejudice to the continuing liability of the Issuer to make payments to the Noteholders of the relevant Note Series of class A notes in accordance with the terms and conditions of the Note Series apart from these paragraphs (A) and (B)), amounts available to be paid under these paragraphs (A) and (B) will be limited to amounts which are paid to the Issuer and referable to (1) the Note Series only, or (2) the Swap Agreement; and
  - (C) if the Issuer has not entered into a Swap Agreement for the particular Note Series of class A notes, (prior to the Final Redemption Date) in or towards payment of all principal, premium (if any) and interest (such monies to be applied first to the payment of any Interest Amount, secondly to the payment of any outstanding Deferred Interest and thereafter for the payment of any Additional Interest) then due and unpaid in respect of any notes of the relevant Note Series of class A notes and (on and following the Final Redemption Date) in or towards payment of amounts due and unpaid in respect of any notes in priority first to interest (such monies to be applied first to the payment of any Interest Amount, secondly to the payment of any outstanding Deferred Interest and thereafter for the payment of any Additional Interest on class A notes), secondly to premium (if any) and thirdly to principal;
- (iv) *fourthly*, if the Issuer has entered into a Swap Agreement for the particular Note Series of class A notes, then in the event the Swap Agreement is terminated as a result of a Counterparty Swap Event of Default, in meeting the claims of the



Swap Counterparty in respect of any swap termination amount (such amount not to exceed an amount equal to the proceeds from the first fixed Security granted in favour of that Note Series less its *pro rata* share of items (i) and (ii) and item (iii));

- (v) *fifthly*, for each Note Series of class B notes *pari passu* and in no order of priority among themselves but proportionally to the respective amounts then due such amount not to exceed an amount equal to the proceeds from the first fixed Security granted in favour of that Note Series less its *pro rata* share of items (i) and (ii):
  - (A) if the Issuer has entered into a Swap Agreement for the particular Note Series of class B notes (and subject to (vi) below) in meeting the claims of the Swap Counterparty in respect of any termination payment under the Swap Agreement to be paid to the Swap Counterparty by the Issuer in accordance with the early termination provisions of the relevant Swap Agreement (the "**Class B Swap Termination Amount**"); and
  - (B) if the Issuer has entered into a Swap Agreement for the particular Note Series of class B notes, then prior to the Final Redemption Date, in or towards payment of all principal, premium (if any) and interest then due and unpaid in respect of the Note Series of class B notes and (on and following the Final Redemption Date) in and towards payments of amounts due and unpaid in respect of the Note Series in priority, first to interest, secondly to premium (if any) and thirdly to principal, **provided that** in the event that enforcement of the Security created by the Note Trust Deed and the relevant Supplement thereto is as a result of the termination of the applicable Swap Agreement for a reason other than a Counterparty Swap Event of Default (and without prejudice to the continuing liability of the Issuer to make payments to the Noteholders of the relevant Note Series of class B notes in accordance with the terms and conditions of the Note Series apart from these paragraphs (A) and (B)), amounts available to be paid under these paragraphs (A) and (B) will be limited to amounts which are paid to the Issuer and referable to (1) the Note Series only, or (2) the Swap Agreement; and
  - (C) if the Issuer has not entered into a Swap Agreement for the particular Note Series of class B notes, (prior to the Final Redemption Date) in or towards payment of all principal, premium (if any) and interest (such monies to be applied first to the payment of any Interest Amount, secondly to the payment of any outstanding Deferred Interest and thereafter for the payment of any Additional Interest) then due and unpaid in respect of any notes of the relevant Note Series of class B notes and (on and following the Final Redemption Date) in or towards payment of amounts due and unpaid in respect of any notes in priority first to interest (such monies to be applied first to the payment of any Interest Amount, secondly to the payment of any outstanding Deferred Interest and thereafter for the payment of any Additional Interest on class B notes), secondly to premium (if any) and thirdly to principal;

- (vi) *sixthly*, if the Issuer has entered into a Swap Agreement for the particular Note Series of class B notes, then in the event the Swap Agreement is terminated as a result of a Counterparty Swap Event of Default, in meeting the claims of the Swap Counterparty in respect of any swap termination amount such amount not to exceed an amount equal to the proceeds from the first fixed Security granted in favour of that Note Series less its *pro rata* share of items (i) and (ii) and item (v);
- (vii) *seventhly*, for each Note Series of class C notes *pari passu* and in no order of priority among themselves but proportionally to the respective amounts then due such amount not to exceed an amount equal to the proceeds from the first fixed Security granted in favour of that Note Series less its *pro rata* share of items (i) and (ii):
  - (A) if the Issuer has entered into a Swap Agreement for the particular Note Series of class C notes (and subject to (viii) below) in meeting the claims of the Swap Counterparty in respect of any termination payment under the Swap Agreement to be paid to the Swap Counterparty by the Issuer in accordance with the early termination provisions of the relevant Swap Agreement (the "**Class C Swap Termination Amount**"); and
  - (B) if the Issuer has entered into a Swap Agreement for the particular Note Series of class C notes, then prior to the Final Redemption Date, in or towards payment of all principal, premium (if any) and interest then due and unpaid in respect of the Note Series of class C notes and (on and following the Final Redemption Date) in and towards payments of amounts due and unpaid in respect of the Note Series in priority, first to interest, secondly to premium (if any) and thirdly to principal, **provided that** in the event that enforcement of the Security created by the Note Trust Deed and the relevant Supplement thereto is as a result of the termination of the applicable Swap Agreement for a reason other than a Counterparty Swap Event of Default (and without prejudice to the continuing liability of the Issuer to make payments to the Noteholders of the relevant Note Series of class C notes in accordance with the terms and conditions of the Note Series apart from these paragraphs (A) and (B)), amounts available to be paid under these paragraphs (A) and (B) will be limited to amounts which are paid to the Issuer and referable to (1) the Note Series only, or (2) the Swap Agreement; and
  - (C) if the Issuer has not entered into a Swap Agreement for the particular Note Series of class C notes, (prior to the Final Redemption Date) in or towards payment of all principal, premium (if any) and interest (such monies to be applied first to the payment of any Interest Amount, secondly to the payment of any outstanding Deferred Interest and thereafter for the payment of any Additional Interest) then due and unpaid in respect of any notes of the relevant Note Series of class C notes and (on and following the Final Redemption Date) in or towards payment of amounts due and unpaid in respect of any notes in priority first to interest (such monies to be applied first to the payment of any Interest Amount, secondly to the payment of any outstanding Deferred Interest and thereafter for the

payment of any Additional Interest on class C notes), secondly to premium (if any) and thirdly to principal;

- (viii) *eighthly*, if the Issuer has entered into a Swap Agreement for the particular Note Series of class C notes, then in the event the Swap Agreement is terminated as a result of a Counterparty Swap Event of Default, in meeting the claims of the Swap Counterparty in respect of any swap termination amount such amount not to exceed an amount equal to the proceeds from the first fixed Security granted in favour of that Note Series less the *pro rata* share of items (i) and (ii) and item (vii);
- (ix) *ninthly*, for each Note Series of class D notes *pari passu* and in no order of priority among themselves but proportionally to the respective amounts then due such amount not to exceed an amount equal to the proceeds from the first fixed Security granted in favour of that Note Series less its *pro rata* share of items (i) and (ii):
  - (A) if the Issuer has entered into a Swap Agreement for the particular Note Series of class D notes (and subject to (x) below) in meeting the claims of the Swap Counterparty in respect of any termination payment under the Swap Agreement to be paid to the Swap Counterparty by the Issuer in accordance with the early termination provisions of the relevant Swap Agreement (the "**Class D Swap Termination Amount**"); and
  - (B) if the Issuer has entered into a Swap Agreement for the particular Note Series of class D notes, then prior to the Final Redemption Date, in or towards payment of all principal, premium (if any) and interest then due and unpaid in respect of the Note Series of class D notes and (on and following the Final Redemption Date) in and towards payments of amounts due and unpaid in respect of the Note Series in priority, first to interest, secondly to premium (if any) and thirdly to principal, **provided that** in the event that enforcement of the Security created by the Note Trust Deed and the relevant Supplement thereto is as a result of the termination of the applicable Swap Agreement for a reason other than a Counterparty Swap Event of Default (and without prejudice to the continuing liability of the Issuer to make payments to the Noteholders of the relevant Note Series of class D notes in accordance with the terms and conditions of the Note Series apart from these paragraphs (A) and (B)), amounts available to be paid under these paragraphs (A) and (B) will be limited to amounts which are paid to the Issuer and referable to (1) the Note Series only, or (2) the Swap Agreement; and
  - (C) if the Issuer has not entered into a Swap Agreement for the particular Note Series of class D notes, (prior to the Final Redemption Date) in or towards payment of all principal, premium (if any) and interest (such monies to be applied first to the payment of any Interest Amount, secondly to the payment of any outstanding Deferred Interest and thereafter for the payment of any Additional Interest) then due and unpaid in respect of any notes of the relevant Note Series of class D notes and (on and following the Final Redemption Date) in or towards payment of amounts due and unpaid in respect of any notes in priority first to interest (such monies to

be applied first to the payment of any Interest Amount, secondly to the payment of any outstanding Deferred Interest and thereafter for the payment of any Additional Interest on class D notes), secondly to premium (if any) and thirdly to principal;

- (x) *tenthly*, if the Issuer has entered into a Swap Agreement for the particular Note Series of class D notes, then in the event the Swap Agreement is terminated as a result of a Counterparty Swap Event of Default, in meeting the claims of the Swap Counterparty in respect of any swap termination amount such amount not to exceed an amount equal to the proceeds from the first fixed Security granted in favour of that Note Series less the *pro rata* share of items (i) and (ii) and item (ix);
- (xi) *eleventhly*, in or towards payment of any sums due from (or required to be provided for by) the Issuer to meet its liabilities to any taxation authority (including in respect of corporation tax to HM Revenue & Customs but save insofar as such payment may be made out of sums retained as the Loan Note Holder's Profit Amount);
- (xii) *twelfthly*, in or towards retention of any sums received as the Loan Note Holder's Profit Amount;
- (xiii) *thirteenthly*, in payment of the balance (if any) of the aggregate amount remaining from the proceeds of the first fixed Security granted in favour of each relevant Note Series after the payment of the items set out above shall be paid to Loan Note Issuer No. 1 identified as deferred subscription price in respect of Global Loan Note No. 1; and
- (xiv) *fourteenthly*, in or towards payment of any other sums due to Noteholders of a Note Series or sums due to third parties under obligations incurred in the course of the Issuer's business or, in the event that all such sums due have been paid, as deferred subscription price in respect of Global Loan Note No. 1, **provided that** amounts paid to Noteholders of a Note Series should be paid in priority to (A) *pari passu* and *pro rata* to the amounts due to Noteholders of each Note Series of class A notes, then (B) *pari passu* and *pro rata* to the amounts due to Noteholders of each Note Series of class B notes, then (C) *pari passu* and *pro rata* to the amounts due to Noteholders of each Note Series of class C notes and then (D) *pari passu* and *pro rata* to the amounts due to Noteholders of each Note Series of class D notes.

## 5. Negative Covenants of the Issuer

So long as any of the notes remains outstanding (as defined in the Note Trust Deed), the Issuer shall not, save to the extent permitted by the Related Documents or with the prior written consent of the Note Trustee:

- (i) create or permit to subsist any mortgage, charge, pledge, lien or other Security Interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital);

- (ii) carry on any business other than as described in this Base Prospectus relating to the issue of the notes and in respect of that business shall not engage in any activity or do anything whatsoever except:
  - (a) preserve and/or exercise and/or enforce any of its rights and perform and observe its obligations under the notes appertaining thereto, the Note Trust Deed and each Note Trust Deed Supplement thereto, the Paying Agency Agreement, the Dealer Agreement, each Swap Agreement, Global Loan Note No. 1, each Loan Note Supplement, each Final Terms or Drawdown Prospectus, as applicable and the Account Bank Agreement and any bank mandate regarding the Issuer Distribution Account (together the "**Related Documents**");
  - (b) use, invest or dispose of any of its property or assets in the manner provided in or contemplated by the Related Documents; and
  - (c) perform any act incidental to or necessary in connection with paragraphs (a) or (b) above;
- (iii) have or form, or cause to be formed, any subsidiaries or subsidiary undertakings or undertakings of any other nature or have any employees or premises or have an interest in a bank account other than the Issuer Bank Accounts;
- (iv) create, incur or suffer to exist any Indebtedness (other than Indebtedness permitted to be incurred under the terms of its articles of association and pursuant to or as contemplated in any of the Related Documents) or give any guarantee or indemnity in respect of any obligation of any Person;
- (v) repurchase any shares of its capital stock or declare or pay any dividend or other distribution to its shareholders other than a lawful dividend under English Law of amounts not exceeding the Loan Note Holder's Profit Amount from time to time received by it (after payment of any applicable taxes thereon);
- (vi) waive, modify or amend, or consent to any waiver, modification or amendment of, any of the provisions of the Related Documents without the prior written consent of the Note Trustee or, as the case may be, the Noteholders (and, in the case of the notes, of (i) the Rate of Interest), or (ii) any Interest Period, without the prior written consent of the Transferor Beneficiary;
- (vii) offer to surrender to any company any amounts which are available for surrender by way of group relief; or
- (viii) consolidate or merge with any other Persons or convey or transfer its properties or assets substantially as an entirety to any other Person.

## 6. **Interest**

### (a) ***Specific Provision: Floating Rate Sterling Notes***

This Condition 6(a) is applicable to the notes if the Specified Currency is Sterling and the notes are issued as floating rate notes.

Each note bears interest at a floating rate on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in Sterling on each Interest Payment Date.

If there is a shortfall between the amounts received by the Issuer from the Swap Counterparty or otherwise and the amount of interest due on any class of notes on that Interest Payment Date, that shortfall will be borne by each note in that class in a proportion equal to the proportion that the interest outstanding on the relevant note bears to the total amount of interest outstanding on all the notes of that class. This will be determined on the Interest Payment Date on which the shortfall arises. Payment of the shortfall will be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer, or, if earlier, the Final Redemption Date, from payments made to it from the Swap Counterparty or otherwise on that Interest Payment Date, to make the payment. The shortfall will accrue interest at the rate described for each class of note below plus the Margin, and payment of that interest will also be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer to make the payment or, if earlier, on the Final Redemption Date.

**"Interest Payment Date"** means the following dates:

- (i) during any period that is not an Amortisation Period, the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Final Terms or Drawdown Prospectus, as applicable); and
- (ii) during an Amortisation Period, each Distribution Date.

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an **"Interest Period"**; **provided, however, that** with respect to an Interest Period that commences during any period that is not an Amortisation Period and ends during the Regulated Amortisation Period or the Rapid Amortisation Period, such Interest Period will end on the originally scheduled Interest Payment Date (and for the avoidance of doubt, in the case of an Interest Period which commences on the Interest Payment Date which falls at the end of the Interest Period during which the Rapid Amortisation Period or Regulated Amortisation Period begins, the Interest Period shall end on the next Distribution Date). The first interest payment will be made on the First Interest Payment Date in respect of the Interest Period from (and including) the Interest Commencement Date to the First Interest Payment Date.

The Rate of Interest applicable to the notes (the **"Rate of Interest"**) for each Interest Period will be determined by the Agent Bank as the sum of the Margin and LIBOR for the relevant Interest Period (or in the case of the first Interest Period, a linear interpolation of the LIBOR rates for such periods as specified in the relevant Final Terms or Drawdown Prospectus, as applicable), **provided that** the Rate of Interest shall at any time be at least zero per cent..

LIBOR shall be determined on the following basis:

- (i) on the Interest Commencement Date in respect of the first Interest Period and thereafter on each **"Determination Date"**, namely the first day of the Interest Period for which the rate will apply, the Agent Bank will determine the offered

quotation to leading banks in the London interbank market, in respect of the first Interest Period from (and including) the Interest Commencement Date to (but excluding) the First Interest Payment Date, a linear interpolation of the rates for Sterling deposits for such period as specified in the relevant Final Terms or Drawdown Prospectus, as applicable and for each Interest Period thereafter, for Sterling deposits for the relevant Interest Period, by reference to the display designated as the ICE LIBOR Rates as quoted on the Reuters Screen LIBOR01 or (aa) such other pages may replace Reuters Screen LIBOR01 on that service for the purposes of displaying such information or (bb) 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 Note Trustee) as may replace the Reuters Monitor as at or about 11.00 a.m. (London time) on that date, (the "**Screen Rate**");

- (ii) if, on any Determination Date, the Screen Rate is unavailable, the Agent Bank will:
  - (1) request each Reference Bank to provide the Agent Bank with its offered quotation to leading banks in the London interbank market, in respect of the first Interest Period from (and including) the Interest Commencement Date to (but excluding) the First Interest Payment Date, a linear interpolation of the rates for such periods as specified in the relevant Final Terms or Drawdown Prospectus, as applicable and for each Interest Period thereafter, for Sterling deposits for the relevant Interest Period, as at approximately 11.00 a.m. (London time) on the Determination Date in question and in an amount that is representative for a single transaction in that market at that time; and
  - (2) determine the arithmetic mean (rounded upwards to four decimal places) of such quotations;
- (iii) if on any Determination Date the Screen Rate is unavailable and two or three only of the Reference Banks provide offered quotations, LIBOR for the relevant Interest Period shall be determined in accordance with the provisions of paragraph (ii) on the basis of the arithmetic mean (rounded upwards to four decimal places) of the offered quotations of those Reference Banks providing the offered quotations; and
- (iv) if fewer than two such quotations are provided by the Reference Banks as requested, the Agent Bank will determine the arithmetic mean (rounded upwards to four decimal places) of the rates quoted by major banks in London, selected by the Agent Bank, at approximately 11.00 a.m. (London time) on the first day of the relevant Interest Period for loans in Sterling to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

**provided that** if the Agent Bank is unable to determine LIBOR in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the notes during such Interest Period will be the sum of the Margin in respect of the notes and LIBOR last determined in relation to the notes in respect of the preceding Interest Period; and

**provided further that**, in respect of the Floating Rate Sterling Notes issued on or after the Base Rate Modification Reference Date, if there has been a public announcement of the permanent or indefinite discontinuation of the Screen Rate or the relevant base rate that applies to the Floating Rate Sterling Notes at that time (the date of such public announcement being the "**Relevant Time**"), the Issuer (acting on the advice of the Cash Manager) shall, without undue delay, use commercially reasonable endeavours to propose an Alternative Base Rate in accordance with Condition 14(c) (*Additional right of Modification*) (the "**Relevant Condition**"). For the avoidance of doubt, if an Alternative Base Rate proposed by or on behalf of the Issuer (including any Alternative Base Rate which was proposed prior to the Relevant Time in accordance with the Relevant Condition) has failed to be implemented in accordance with the Relevant Condition as a result of Noteholder objections to the modification, the Issuer shall not be obliged to propose an Alternative Base Rate under this Condition 6(a). It is further provided that the Rate of Interest shall at any time be at least zero per cent.

The Agent Bank will, as soon as practicable after the Determination Date in relation to each Interest Period, calculate the amount of interest (the "**Interest Amount**") payable in respect of the notes for such Interest Period.

The Interest Amount in respect of the notes will be calculated by applying the relevant Rate of Interest for such Interest Period to the Principal Amount Outstanding of the notes during such Interest Period, multiplying by the relevant Day Count Fraction and rounding the resulting figure to the nearest pence (half a pence rounded upwards).

(b) ***Specific Provisions: Floating Rate US Dollar Notes***

This Condition 6(b) is applicable to the notes if the Specified Currency is US Dollars and the notes are designated as floating rate notes.

Each note bears interest at a floating rate on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in US Dollars on each Interest Payment Date.

If there is a shortfall between the amounts received by the Issuer from the Swap Counterparty or otherwise and the amount of interest due on any class of notes on that Interest Payment Date, that shortfall will be borne by each note in that class in a proportion equal to the proportion that the interest outstanding on the relevant note bears to the total amount of interest outstanding on all the notes of that class. This will be determined on the Interest Payment Date on which the shortfall arises. Payment of the shortfall will be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer, or, if earlier, the Final Redemption Date, from payments made to it from the Swap Counterparty or otherwise on that Interest Payment Date, to make the payment. The shortfall will accrue interest at the rate described for each class of note below plus the Margin, and payment of that interest will also be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer to make the payment or, if earlier, on the Final Redemption Date.

**"Interest Payment Date "** means the following dates:



- (i) during any period that is not an Amortisation Period, the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Final Terms or Drawdown Prospectus, as applicable); and
- (ii) during an Amortisation Period, each Distribution Date.

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an "**Interest Period**"; **provided, however, that** with respect to an Interest Period that commences during any period that is not an Amortisation Period and ends during the Regulated Amortisation Period or the Rapid Amortisation Period, such Interest Period will end on the originally scheduled Interest Payment Date (and for the avoidance of doubt, in the case of an Interest Period which commences on the Interest Payment Date which falls at the end of the Interest Period during which the Rapid Amortisation Period or Regulated Amortisation Period begins, the Interest Period shall end on the next Distribution Date). The first interest payment will be made on the First Interest Payment Date in respect of the Interest Period from (and including) the Interest Commencement Date to the First Interest Payment Date.

The Rate of Interest applicable to the notes for each Interest Period will be determined by the Agent Bank as the sum of the Margin and LIBOR for the relevant interest period (or, in the case of the first Interest Period, a linear interpretation of the LIBOR rates for such periods as specified in the relevant Final Terms or Drawdown Prospectus, as applicable), **provided that** the Rate of Interest shall at any time be at least zero per cent..

LIBOR shall be determined on the following basis:

- (i) on each Quotation Date (as defined below) until the first Quotation Date during the Regulated Amortisation Period or the Rapid Amortisation Period, the Agent Bank will determine the offered quotation to leading banks in the London interbank market — called LIBOR — for one-month US Dollar deposits or three-month US Dollar deposits (in accordance with the relevant Interest Period specified in the relevant Final Terms or Drawdown Prospectus, as applicable). In the case of the first Interest Period the Agent Bank will determine LIBOR based upon the linear interpolation of LIBOR for US Dollar deposits as specified in the relevant Final Terms or Drawdown Prospectus, as applicable. On each Quotation Date during the Regulated Amortisation Period or the Rapid Amortisation Period, the Agent Bank will determine the offered quotation to leading banks in the London interbank market for one-month US Dollar deposits.

This will be determined by reference to the ICE LIBOR Rates display as quoted on the Reuters Screen LIBOR01. If Reuters Screen LIBOR01 stops providing these quotations, the replacement service for the purposes of displaying this information will be used. If the replacement service stops displaying the information, any page showing this information will be used. If there is more than one service displaying the information, the one approved in writing by the Note Trustee in its sole discretion will be used.

In each case above, the determination will be made as at or about 11.00 a.m. London time, on that date. These are called the "**Screen Rates**".

A "**Quotation Date**" means the second London Business Day before the first day of an Interest Period;

- (ii) if, on any Quotation Date, a Screen Rate is unavailable, the Agent Bank will:
  - (1) request each Reference Bank to provide the Agent Bank with its offered quotation to leading banks in the London interbank market of the equivalent of that Screen Rate on that Quotation Date in an amount that represents a single transaction in that market at that time; and
  - (2) determine the arithmetic mean rounded upwards to four decimal places, of those quotations;
- (iii) if, on any quotation date, the Screen Rate is unavailable and two or three only of the Reference Banks provide offered quotations, the Rate of Interest for that Interest Period will be the arithmetic mean of the quotations provided by those Reference Banks calculated in the manner described in (ii) above; and
- (iv) if fewer than two Reference Banks provide quotations, the Agent Bank will determine (in its absolute discretion) the arithmetic mean (rounded upwards to four decimal places) of the leading rates quoted by major banks in London — selected by the Agent Bank at approximately 11.00 a.m. London time on the relevant Quotation Date — to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time, for loans in US Dollars,

**provided that** if the Agent Bank is unable to determine LIBOR in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the notes during such Interest Period will be the sum of the Margin in respect of the notes and LIBOR last determined in relation to the notes in respect of the preceding Interest Period; and

**provided further that**, in respect of the Floating Rate U.S. Dollar Notes issued on or after the Base Rate Modification Reference Date, if there has been a public announcement of the permanent or indefinite discontinuation of the Screen Rate or the relevant base rate that applies to the Floating Rate U.S. Dollar Notes at that time (the date of such public announcement being the "**Relevant Time**"), the Issuer (acting on the advice of the Cash Manager) shall, without undue delay, use commercially reasonable endeavours to propose an Alternative Base Rate in accordance with Condition 14(c) (*Additional right of Modification*) (the "**Relevant Condition**"). For the avoidance of doubt, if an Alternative Base Rate proposed by or on behalf of the Issuer (including any Alternative Base Rate which was proposed prior to the Relevant Time in accordance with the Relevant Condition) has failed to be implemented in accordance with the Relevant Condition as a result of Noteholder objections to the modification, the Issuer shall not be obliged to propose an Alternative Base Rate under this Condition 6(b). It is further provided that the Rate of Interest shall at any time be at least zero per cent..

The Agent Bank will, as soon as practicable after the Quotation Date in relation to each Interest Period, calculate the amount of interest (the "**Interest Amount**") payable in respect of the notes for such Interest Period. The Interest Amount in respect of the notes

will be calculated by applying the relevant Rate of Interest for such Interest Period to the Principal Amount Outstanding of the notes during such Interest Period and multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest US Dollar 0.01 (half of a cent being rounded upwards).

(c) ***Specific Provision: Floating Rate Euro Notes***

This Condition 6(c) is applicable to the notes if the Specified Currency is Euro and the notes are designated to be floating rate notes.

Each note bears interest at a floating rate on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in Euros on each Interest Payment Date.

If there is a shortfall between the amounts received by the Issuer from the Swap Counterparty or otherwise and the amount of interest due on any class of notes on that Interest Payment Date, that shortfall will be borne by each note in that class in a proportion equal to the proportion that the interest outstanding on the relevant note bears to the total amount of interest outstanding on all the notes of that class. This will be determined on the Interest Payment Date on which the shortfall arises. Payment of the shortfall will be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer, or, if earlier, the Final Redemption Date, from payments made to it from the Swap Counterparty or otherwise on that Interest Payment Date, to make the payment. The shortfall will accrue interest at the rate described for each class of note below plus the Margin, and payment of that interest will also be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer to make the payment or, if earlier, on the Final Redemption Date.

**"Interest Payment Date"** means the following dates:

- (i) during any period that is not an Amortisation Period, the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Final Terms or Drawdown Prospectus, as applicable); and
- (ii) during an Amortisation Period, each Distribution Date.

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an **"Interest Period"**; **provided, however, that** with respect to an Interest Period that commences during any period that is not an Amortisation Period and ends during the Regulated Amortisation Period or the Rapid Amortisation Period, such Interest Period will end on the originally scheduled Interest Payment Date (and for the avoidance of doubt, in the case of an Interest Period which commences on the Interest Payment Date which falls at the end of the Interest Period during which the Rapid Amortisation Period or Regulated Amortisation Period begins, the Interest Period shall end on the next Distribution Date). The first interest payment will be made on the First Interest Payment Date in respect of the Interest Period from (and including) the Interest Commencement Date to the First Interest Payment Date.

The Rate of Interest applicable to the notes (the **"Rate of Interest"**) for each Interest Period will be determined by the Agent Bank as the sum of the Margin and EURIBOR

for the relevant Interest Period (or in the case of the first Interest Period, a linear interpolation of the EURIBOR rates for such periods as specified in the relevant Final Terms or Drawdown Prospectus, as applicable), provided that the Rate of Interest shall at any time be at least zero per cent..

"EURIBOR" shall be determined on the following basis:

- (i) on the second TARGET Settlement Day before the Interest Commencement Date in respect of the first Interest Period and thereafter on each "Determination Date", namely 11.00 a.m. (Brussels time) on the second TARGET Settlement Day before the first day of the Interest Period for which the rate will apply, the Agent Bank will determine the offered quotation to prime banks in the Euro-Zone interbank market, in respect of the first Interest Period from (and including) the Interest Commencement Date to (but excluding) the First Interest Payment Date, a linear interpolation of the rates for Euro deposits for such period as specified in the relevant Final Terms or Drawdown Prospectus, as applicable and for each Interest Period thereafter, for Euro deposits for the relevant Interest Period, by reference to (aa) on the display page designated EURIBOR01 on the Reuters Service (or such other page as may replace that page on that service, or such other service as may be nominated by the Agent Bank as the information vendor, for the purpose of displaying comparable rates) on the Determination Date or (bb) 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 Note Trustee) as may replace the Dow Jones Monitor as at or about 11.00 a.m. (Brussels time) on that date (the "**Screen Rate**");
- (ii) if, on any Determination Date, the Screen Rate is unavailable, the Agent Bank will:
  - (1) request the principal euro-zone office of each of four major banks in the Euro-Zone interbank market to provide a quotation of the rate at which deposits in Euro are offered by it at approximately 11.00 a.m. (Brussels time) on the Determination Date to prime banks in the Euro-Zone interbank market for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time; and
  - (2) determine the arithmetic mean (rounded, if necessary, to the nearest one hundred thousandth of a percentage point, 0.000005 being rounded upwards) of such quotations; and
- (iii) if fewer than two such quotations are provided as requested, the Agent Bank will determine the arithmetic mean (rounded, if necessary, as aforesaid) of the rates quoted by major banks in the Euro-Zone interbank market, selected by the Agent Bank, at approximately 11.00 a.m. (Brussels time) on the Determination Date for loans in Euro to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

**provided that** if the Agent Bank is unable to determine EURIBOR in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the notes during such Interest Period will be the sum of the Margin and the EURIBOR last determined in relation to such notes in respect of a preceding Interest Period; and

**provided further that**, in respect of the Floating Rate Euro Notes issued on or after the Base Rate Modification Reference Date, if there has been a public announcement of the permanent or indefinite discontinuation of the Screen Rate or the relevant base rate that applies to the Floating Rate Euro Notes at that time (the date of such public announcement being the "**Relevant Time**"), the Issuer (acting on the advice of the Cash Manager) shall, without undue delay, use commercially reasonable endeavours to propose an Alternative Base Rate in accordance with Condition 14(c) (*Additional right of Modification*) (the "**Relevant Condition**"). For the avoidance of doubt, if an Alternative Base Rate proposed by or on behalf of the Issuer (including any Alternative Base Rate which was proposed prior to the Relevant Time in accordance with the Relevant Condition) has failed to be implemented in accordance with the Relevant Condition as a result of Noteholder objections to the modification, the Issuer shall not be obliged to propose an Alternative Base Rate under this Condition 6(c). It is further provided that the Rate of Interest shall at any time be at least zero per cent..

The Agent Bank will, as soon as practicable after the Determination Date in relation to each Interest Period, calculate the amount of interest (the "**Interest Amount**") payable in respect of the notes for such Interest Period. The Interest Amount in respect of the notes will be calculated by applying the relevant Rate of Interest for such Interest Period to the Principal Amount Outstanding of the notes during such Interest Period and multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest Euro 0.01 (half of a cent being rounded upwards).

(d) ***Specific Provision: Fixed Rate Sterling Notes (Option 1)***

This Condition 6(d) is applicable to the notes if the Specified Currency is Sterling and the notes are designated to be fixed rate notes (Option 1).

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in Sterling on each Interest Payment Date.

If there is a shortfall between the amounts received by the Issuer from the Swap Counterparty or otherwise and the amount of interest due on any class of notes on that Interest Payment Date, that shortfall will be borne by each note in that class in a proportion equal to the proportion that the interest outstanding on the relevant note bears to the total amount of interest outstanding on all the notes of that class. This will be determined on the Interest Payment Date on which the shortfall arises. Payment of the shortfall will be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer, or, if earlier, the Final Redemption Date, from payments made to it from the Swap Counterparty or otherwise on that Interest Payment Date, to make the payment. The shortfall will accrue interest at the rate described for each class of note below plus the Margin, and payment of that interest will also be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer to make the payment or, if earlier, on the Final Redemption Date.

**"Interest Payment Date"** means the following dates:

- (i) during any period that is not an Amortisation Period, the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Final Terms or Drawdown Prospectus, as applicable); and
- (ii) during an Amortisation Period, each Distribution Date.

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an **"Interest Period"**, **provided, however, that** with respect to an Interest Period that commences during any period that is not an Amortisation Period and ends during the Regulated Amortisation Period or the Rapid Amortisation Period, such Interest Period will end on the originally scheduled Interest Payment Date (and for the avoidance of doubt, in the case of an Interest Period which commences on the Interest Payment Date which falls at the end of the Interest Period during which the Rapid Amortisation Period or Regulated Amortisation Period begins, the Interest Period shall end on the next Distribution Date). The first interest payment will be made on the first Interest Payment Date in respect of the Interest Period from (and including) the Interest Commencement Date to the First Interest Payment Date.

Subject to the following paragraph, each note bears interest at the Initial Rate on its Principal Amount Outstanding during the period from (and including) the Interest Commencement Date to, but excluding, the Floating Rate Commencement Date (the **"Initial Period"**). Interest in respect of the notes during the Initial Period is payable in arrear in Sterling on each Regular Interest Payment Date and the final Interest Payment Date during the Initial Period shall be the Scheduled Redemption Date.

The amount of the interest payable (the **"Interest Amount"**) in respect of the notes for any Interest Period during the Initial Period shall be calculated by applying the Initial Rate to the Principal Amount Outstanding of the notes, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest Sterling 0.01 (half of a pence being rounded upwards).

However, in the event that the Regulated Amortisation Period or the Rapid Amortisation Period has commenced, then from and including the Floating Rate Commencement Date to, but excluding, the Final Redemption Date (the **"Redemption Period"**), each note bears interest at a floating rate on its Principal Amount Outstanding to be determined in accordance with the provisions below, payable in arrear on each Distribution Date. During the Redemption Period, each period beginning on, and including, a Distribution Date to but excluding the next Distribution Date is called an **"Interest Period"**.

The Rate of Interest applicable to the notes which are the subject of this Condition 6(d) (the **"Redemption Rate"**) for each Interest Period during the Redemption Period will be determined by the Agent Bank as the sum of the Margin and LIBOR for the relevant Interest Period.

LIBOR shall be determined on the following basis:

- (i) on the Floating Rate Commencement Date in respect of the first Interest Period during the Redemption Period and thereafter on each "**Determination Date**", namely the first day of the Interest Period for which the Redemption Rate will apply, the Agent Bank will determine the offered quotation to leading banks in the London interbank market, for Sterling deposits for the relevant Interest Period, by reference to the display designated as the ICE LIBOR Rates as quoted on Reuters Screen LIBOR01 or (aa) such other page as may replace Reuters Screen LIBOR01 on that service for the purposes of displaying such information or (bb) 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 Note Trustee) as may replace the Reuters Screen as at or about 11.00 a.m. (London time) on that date, (the "**Screen Rate**");
- (ii) if, on any Determination Date, the Screen Rate is unavailable, the Agent Bank will:
  - (1) request each Reference Bank to provide the Agent Bank with its offered quotation to leading banks in the London interbank market, for Sterling deposits for the relevant Interest Period, as at approximately 11.00 a.m. (London time) on the Determination Date in question and in an amount that is representative for a single transaction in that market at that time; and
  - (2) determine the arithmetic mean (rounded upwards to four decimal places) of such quotations;
- (iii) if on any Determination Date the Screen Rate is unavailable and two or three only of the Reference Banks provide offered quotations, LIBOR for the relevant Interest Period shall be determined in accordance with the provisions of paragraph (ii) on the basis of the arithmetic mean (rounded upwards to four decimal places) of the offered quotations of those Reference Banks providing the offered quotations; and
- (iv) if fewer than two such quotations are provided by the Reference Banks as requested, the Agent Bank will determine the arithmetic mean (rounded upwards to four decimal places) of the rates quoted by major banks in London, selected by the Agent Bank, at approximately 11.00 a.m. (London time) on the first day of the relevant Interest Period for loans in Sterling to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

**provided that** if the Agent Bank is unable to determine LIBOR in accordance with the above provisions in relation to any Interest Period, the Redemption Rate applicable to the notes in respect of such Interest Period during the Redemption Period will be the sum of the Margin in respect of the notes and LIBOR last determined in relation to the notes in respect of the preceding Interest Period; and

**provided further that**, in respect of the Fixed Rate Sterling Notes (Option 1) issued on or after the Base Rate Modification Reference Date, if there has been a public announcement of the permanent or indefinite discontinuation of the Screen Rate or the relevant base rate that applies to the Fixed Rate Sterling Notes (Option 1) at that time

(the date of such public announcement being the "**Relevant Time**"), the Issuer (acting on the advice of the Cash Manager) shall, without undue delay, use commercially reasonable endeavours to propose an Alternative Base Rate in accordance with Condition 14(c) (*Additional right of Modification*) (the "**Relevant Condition**"). For the avoidance of doubt, if an Alternative Base Rate proposed by or on behalf of the Issuer (including any Alternative Base Rate which was proposed prior to the Relevant Time in accordance with the Relevant Condition) has failed to be implemented in accordance with the Relevant Condition as a result of Noteholder objections to the modification, the Issuer shall not be obliged to propose an Alternative Base Rate under this Condition 6(d).

During the Redemption Period, the Agent Bank will, as soon as practicable after the Determination Date in relation to each Interest Period during the Redemption Period, calculate the amount of interest (the "**Interest Amount**") payable in respect of the notes for such Interest Period. The Interest Amount will be calculated by applying the Redemption Rate for such Interest Period to the Principal Amount Outstanding of the notes during such Interest Period and multiplying the product by the relevant Day Count Fraction, and rounding the resulting figure to the nearest Sterling 0.01 (half of a penny being rounded upwards).

(e) ***Specific Provision: Fixed Rate Dollar Notes (Option 1)***

This Condition 6(e) is applicable to the notes if the Specified Currency is US Dollars and the notes are designated to be fixed rate notes (Option 1).

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in US Dollars on each Interest Payment Date.

If there is a shortfall between the amounts received by the Issuer from the Swap Counterparty or otherwise and the amount of interest due on any class of notes on that Interest Payment Date, that shortfall will be borne by each note in that class in a proportion equal to the proportion that the interest outstanding on the relevant note bears to the total amount of interest outstanding on all the notes of that class. This will be determined on the Interest Payment Date on which the shortfall arises. Payment of the shortfall will be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer, or, if earlier, the Final Redemption Date, from payments made to it from the Swap Counterparty or otherwise on that Interest Payment Date, to make the payment. The shortfall will accrue interest at the rate described for each class of note below plus the Margin, and payment of that interest will also be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer to make the payment or, if earlier, on the Final Redemption Date.

**"Interest Payment Date"** means the following dates:

- (i) during any period that is not an Amortisation Period, the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Final Terms or Drawdown Prospectus, as applicable); and
- (ii) during an Amortisation Period, each Distribution Date.



Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an "**Interest Period**"; **provided however, that**, where the Floating Rate Commencement Date is a date falling prior to the Scheduled Redemption Date, with respect to an Interest Period that commences during the Revolving Period or the Accumulation Period and ends during the Regulated Amortisation Period or the Rapid Amortisation Period, such Interest Period will end on, and exclude, the Floating Rate Commencement Date.

Subject to the following paragraph, each note bears interest at the Initial Rate on its Principal Amount Outstanding during the period from (and including) the Interest Commencement Date to, but excluding, the Floating Rate Commencement Date (the "**Initial Period**"). Interest in respect of such note during the Initial Period is payable in arrear in US Dollars on each Regular Interest Payment Date and the final Interest Payment Date during the Initial Period shall be the Scheduled Redemption Date.

The amount of the interest payable (the "**Interest Amount**") in respect of the notes for any Interest Period during the Initial Period shall be calculated by applying the Initial Rate to the Principal Amount Outstanding of the notes, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest US Dollar 0.01 (half of a cent being rounded upwards).

However, in the event that the Regulated Amortisation Period or the Rapid Amortisation Period has commenced, then from and including the Floating Rate Commencement Date to, but excluding, the Final Redemption Date (the "**Redemption Period**"), each note bears interest at a floating rate on its Principal Amount Outstanding to be determined in accordance with the provisions below, payable in arrear on each Distribution Date. During the Redemption Period, each period beginning on, and including, a Distribution Date to but excluding the next Distribution Date is called an "**Interest Period**".

The Rate of Interest applicable to the notes which are the subject of this Condition 6(e) (the "**Redemption Rate**") for each Interest Period during the Redemption Period will be determined by the Agent Bank as the sum of the Margin and LIBOR for the relevant Interest Period.

LIBOR shall be determined on the following basis:

- (i) on each Quotation Date during the Redemption Period, the Agent Bank will determine the offered quotation to leading banks in the London interbank market - called LIBOR - for one-month US Dollar deposits.

This will be determined by reference to the ICE LIBOR Rates display as quoted on the Reuters Screen LIBOR01. If the Reuters Screen LIBOR01 stops providing these quotations, the replacement service for the purposes of displaying this information will be used. If the replacement service stops displaying the information, any page showing this information will be used. If there is more than one service displaying the information, the one approved in writing by the Note Trustee in its sole discretion will be used.

In each case above, the determination will be made as at or about 11.00 a.m. London time, on that date. These are called the "**Screen Rates**".

A "**Quotation Date**" means the second London Business Day before the Floating Rate Commencement Date in respect of the first Interest Period during the Redemption Period and thereafter the second London Business Day before the first day of an Interest Period;

- (ii) if, on any Quotation Date, a Screen Rate is unavailable, the Agent Bank will:
  - (1) request each Reference Bank to provide the Agent Bank with its offered quotation to leading banks of the equivalent of that Screen Rate on that Quotation Date in an amount that represents a single transaction in that market at that time; and
  - (2) determine the arithmetic mean rounded upwards to four decimal places, of those quotations;
- (iii) if, on any Quotation Date, the Screen Rate is unavailable and only two or three of the Reference Banks provide offered quotations, LIBOR for that Interest Period will be the arithmetic mean of the quotations provided by those Reference Banks calculated in the manner described in (ii) above; and
- (iv) if fewer than two Reference Banks provide quotations, the Agent Bank will determine (in its absolute discretion) the arithmetic mean (rounded upwards to four decimal places) of the leading rates quoted by major banks in London — selected by the Agent Bank at approximately 11.00 a.m. London time on the relevant Quotation Date — to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time, for loans in US Dollars,

**provided that** if the Agent Bank is unable to determine LIBOR in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the notes during such Interest Period will be the sum of the Margin in respect of the notes and LIBOR last determined in relation to the notes in respect of the preceding Interest Period; and

**provided further that**, in respect of the Fixed Rate Dollar Notes (Option 1) issued on or after the Base Rate Modification Reference Date, if there has been a public announcement of the permanent or indefinite discontinuation of the Screen Rate or the relevant base rate that applies to the Fixed Rate Dollar Notes (Option 1) at that time (the date of such public announcement being the "**Relevant Time**"), the Issuer (acting on the advice of the Cash Manager) shall, without undue delay, use commercially reasonable endeavours to propose an Alternative Base Rate in accordance with Condition 14(c) (*Additional right of Modification*) (the "**Relevant Condition**"). For the avoidance of doubt, if an Alternative Base Rate proposed by or on behalf of the Issuer (including any Alternative Base Rate which was proposed prior to the Relevant Time in accordance with the Relevant Condition) has failed to be implemented in accordance with the Relevant Condition as a result of Noteholder objections to the modification, the Issuer shall not be obliged to propose an Alternative Base Rate under this Condition 6(e).

During the Redemption Period, the Agent Bank will, as soon as practicable after the Quotation Date in relation to each Interest Period during the Redemption Period, calculate the amount of interest (the "**Interest Amount**") payable in respect of the notes for such Interest Period. The Interest Amount will be calculated by applying the Redemption Rate for such Interest Period to the Principal Amount Outstanding of the notes during such Interest Period and multiplying the product by the relevant Day Count Fraction, and rounding the resulting figure to the nearest US Dollar 0.01 (half of a cent being rounded upwards).

(f) ***Specific Provision: Fixed Rate Euro Notes (Option 1)***

This Condition 6(f) is applicable to the notes if the Specified Currency is Euro and the notes are designated to be fixed rate notes (Option 1).

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in Euro on each Interest Payment Date.

If there is a shortfall between the amounts received by the Issuer from the Swap Counterparty or otherwise and the amount of interest due on any class of notes on that Interest Payment Date, that shortfall will be borne by each note in that class in a proportion equal to the proportion that the interest outstanding on the relevant note bears to the total amount of interest outstanding on all the notes of that class. This will be determined on the Interest Payment Date on which the shortfall arises. Payment of the shortfall will be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer, or, if earlier, the Final Redemption Date, from payments made to it from the Swap Counterparty or otherwise on that Interest Payment Date, to make the payment. The shortfall will accrue interest at the rate described for each class of note below plus the Margin, and payment of that interest will also be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer to make the payment or, if earlier, on the Final Redemption Date.

**"Interest Payment Date"** means the following dates:

- (i) during any period that is not an Amortisation Period, the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Final Terms or Drawdown Prospectus, as applicable); and
- (ii) during an Amortisation Period, each Distribution Date.

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an "**Interest Period**"; **provided, however, that**, where the Floating Rate Commencement Date is a date falling prior to the Scheduled Redemption Date, with respect to an Interest Period that commences during the Revolving Period or the Accumulation Period and ends during the Regulated Amortisation Period or the Rapid Amortisation Period, such Interest Period will end on, and exclude, the Floating Rate Commencement Date.

Subject to the following paragraph, each note bears interest at the Initial Rate on its Principal Amount Outstanding during the period from (and including) the Interest

Commencement Date to, but excluding, the Floating Rate Commencement Date (the "**Initial Period**"). Interest in respect of such note during the Initial Period is payable in arrear in Euro on each Regular Interest Payment Date and the final Interest Payment Date during the Initial Period shall be the Scheduled Redemption Date.

The amount of the interest payable (the "**Interest Amount**") in respect of the notes for any Interest Period during the Initial Period shall be calculated by applying the Initial Rate to the Principal Amount Outstanding of the notes, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest Euro 0.01 (half of a cent being rounded upwards).

However, in the event that the Regulated Amortisation Period or the Rapid Amortisation Period has commenced, then from and including the Floating Rate Commencement Date to, but excluding, the Final Redemption Date (the "**Redemption Period**"), each note bears interest at a floating rate on its Principal Amount Outstanding to be determined in accordance with the provisions below, payable in arrear on each Distribution Date. During the Redemption Period, each period beginning on, and including, a Distribution Date to but excluding the next Distribution Date is called an "**Interest Period**".

The Rate of Interest applicable to the notes which are the subject of this Condition 6(f) (the "**Redemption Rate**") for each Interest Period during the Redemption Period will be determined by the Agent Bank as the sum of the Margin and EURIBOR for the relevant Interest Period.

EURIBOR shall be determined on the following basis:

- (i) on the second TARGET Settlement Day before the Floating Rate Commencement Date in respect of the first Interest Period during the Redemption Period and thereafter on each "**Determination Date**", namely 11.00 a.m. (Brussels time) on the second TARGET Settlement Day before the first day of the Interest Period for which the rate will apply, the Agent Bank will determine the offered quotation to prime banks in the Euro-Zone interbank market for Euro deposits for the relevant Interest Period, by reference to (aa) on Reuters Screen (or such other page as may replace that page on that service, or such other service as may be nominated by the Agent Bank as the information vendor, for the purpose of displaying comparable rates) on the Determination Date or (bb) 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 Note Trustee) as may replace the Reuters Screen as at or about 11.00 a.m. (Brussels time) on that date (the "**Screen Rate**");
- (ii) if, on any Determination Date, the Screen Rate is unavailable, the Agent Bank will:
  - (1) request the principal Euro-Zone office of each of four major banks in the Euro-Zone interbank market to provide a quotation of the rate at which deposits in Euro are offered by it at approximately 11.00 a.m. (Brussels time) on the Determination Date to prime banks in the euro-zone interbank market for a period equal to the relevant Interest Period and in

an amount that is representative for a single transaction in that market at that time; and

- (2) determine the arithmetic mean (rounded, if necessary, to the nearest one hundred thousandth of a percentage point, 0.000005 being rounded upwards) of such quotations; and
- (iii) if fewer than two such quotations are provided as requested, the Agent Bank will determine the arithmetic mean (rounded, if necessary, as aforesaid) of the rates quoted by major banks in the Euro-Zone interbank market, selected by the Agent Bank, at approximately 11.00 a.m. (Brussels time) on the Determination Date for loans in Euro to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

**provided that** if the Agent Bank is unable to determine EURIBOR in accordance with the above provisions in relation to any Interest Period, the Redemption Rate applicable to the notes during such Interest Period will be the sum of the Margin and EURIBOR last determined in relation to such notes in respect of the preceding Interest Period; and

**provided further that**, in respect of the Fixed Rate Euro Notes (Option 1) issued on or after the Base Rate Modification Reference Date, if there has been a public announcement of the permanent or indefinite discontinuation of the Screen Rate or the relevant base rate that applies to the Fixed Rate Euro Notes (Option 1) at that time (the date of such public announcement being the "**Relevant Time**"), the Issuer (acting on the advice of the Cash Manager) shall, without undue delay, use commercially reasonable endeavours to propose an Alternative Base Rate in accordance with Condition 14(c) (*Additional right of Modification*) (the "**Relevant Condition**"). For the avoidance of doubt, if an Alternative Base Rate proposed by or on behalf of the Issuer (including any Alternative Base Rate which was proposed prior to the Relevant Time in accordance with the Relevant Condition) has failed to be implemented in accordance with the Relevant Condition as a result of Noteholder objections to the modification, the Issuer shall not be obliged to propose an Alternative Base Rate under this Condition 6(f).

During the Redemption Period, the Agent Bank will, as soon as practicable after the Determination Date in relation to each Interest Period during the Redemption Period, calculate the amount of interest (the "**Interest Amount**") payable in respect of the notes for such Interest Period. The Interest Amount will be calculated by applying the Redemption Rate for such Interest Period to the Principal Amount Outstanding of the notes during such Interest Period and multiplying the product by the relevant Day Count Fraction, and rounding the resulting figure to the nearest Euro 0.01 (half of a cent being rounded upwards).

(g) ***Specific Provision: Fixed Rate Sterling Notes (Option 2)***

This Condition 6(g) is applicable to the notes if the Specified Currency is Sterling and the notes are designated to be fixed rate notes (Option 2).

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in Sterling on each Interest Payment Date.

If there is a shortfall between the amounts received by the Issuer from the Swap Counterparty or otherwise and the amount of interest due on any class of notes on that Interest Payment Date, that shortfall will be borne by each note in that class in a proportion equal to the proportion that the interest outstanding on the relevant note bears to the total amount of interest outstanding on all the notes of that class. This will be determined on the Interest Payment Date on which the shortfall arises. Payment of the shortfall will be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer, or, if earlier, the Final Redemption Date, from payments made to it from the Swap Counterparty or otherwise on that Interest Payment Date, to make the payment. The shortfall will accrue interest at the rate described for each class of note below plus the Margin, and payment of that interest will also be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer to make the payment or, if earlier, on the Final Redemption Date.

**"Interest Payment Date"** means the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Final Terms or Drawdown Prospectus, as applicable).

Each period beginning on (and including) any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an **"Interest Period"**. Subject to the following paragraph, each note bears interest at the Initial Rate on its Principal Amount Outstanding during the period from (and including) the Interest Commencement Date. Interest in respect of the such note is payable in arrear in Sterling on each Regular Interest Payment Date.

The amount of the interest payable (the **"Interest Amount"**) in respect of the notes for any Interest Period shall be calculated by applying the Initial Rate to the Principal Amount Outstanding of the notes, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest Sterling 0.01 (half of a pence being rounded upwards).

(h) ***Specific Provision: Fixed Rate Dollar Notes (Option 2)***

This Condition 6(h) is applicable to the notes if the Specified Currency is US Dollars and the notes are designated to be fixed rate notes (Option 2).

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in US Dollars on each Interest Payment Date.

If there is a shortfall between the amounts received by the Issuer from the Swap Counterparty or otherwise and the amount of interest due on any class of notes on that Interest Payment Date, that shortfall will be borne by each note in that class in a proportion equal to the proportion that the interest outstanding on the relevant note bears to the total amount of interest outstanding on all the notes of that class. This will be determined on the Interest Payment Date on which the shortfall arises. Payment of the shortfall will be deferred and will be due on the next Interest Payment Date on which

funds are available to the Issuer, or, if earlier, the Final Redemption Date, from payments made to it from the Swap Counterparty or otherwise on that Interest Payment Date, to make the payment. The shortfall will accrue interest at the rate described for each class of note below plus the Margin, and payment of that interest will also be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer to make the payment or, if earlier, on the Final Redemption Date.

**"Interest Payment Date"** means the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Final Terms or Drawdown Prospectus, as applicable).

Each period beginning on (and including) any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an **"Interest Period"**.

Subject to the following paragraph, each note bears interest at the Initial Rate on its Principal Amount Outstanding during the period from (and including) the Interest Commencement Date. Interest in respect of the such note is payable in arrear in US Dollars on each Regular Interest Payment Date.

The amount of the interest payable (the **"Interest Amount"**) in respect of the notes for any Interest Period shall be calculated by applying the Initial Rate to the Principal Amount Outstanding of the notes, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest US Dollar 0.01 (half of a cent being rounded upwards).

(i) ***Specific Provision: Fixed Rate Euro Notes (Option 2)***

This Condition 6(i) is applicable to the notes if the Specified Currency is Euro and the notes are designated to be fixed rate notes (Option 2).

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in Euro on each Interest Payment Date.

If there is a shortfall between the amounts received by the Issuer from the Swap Counterparty or otherwise and the amount of interest due on any class of notes on that Interest Payment Date, that shortfall will be borne by each note in that class in a proportion equal to the proportion that the interest outstanding on the relevant note bears to the total amount of interest outstanding on all the notes of that class. This will be determined on the Interest Payment Date on which the shortfall arises. Payment of the shortfall will be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer, or, if earlier, the Final Redemption Date, from payments made to it from the Swap Counterparty or otherwise on that Interest Payment Date, to make the payment. The shortfall will accrue interest at the rate described for each class of note below plus the Margin, and payment of that interest will also be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer to make the payment or, if earlier, on the Final Redemption Date.

**"Interest Payment Date"** means the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Final Terms or Drawdown Prospectus, as applicable).

Each period beginning on (and including) any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an "**Interest Period**".

Subject to the following paragraph, each note bears interest at the Initial Rate on its Principal Amount Outstanding during the period from (and including) the Interest Commencement Date. Interest in respect of the such note is payable in arrear in Euro on each Regular Interest Payment Date.

The amount of the interest payable (the "**Interest Amount**") in respect of the notes for any Interest Period shall be calculated by applying the Initial Rate to the Principal Amount Outstanding of the notes, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest Euro 0.01 (half of a cent being rounded upwards).

(j) ***Specific Provision: Fixed Rate Dollar Notes (Option 3)***

This Condition 6(j) is applicable to the notes if the Specified Currency is US Dollars and the notes are designated to be fixed rate notes (Option 3).

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in US Dollars on each Interest Payment Date.

If there is a shortfall between the amounts received by the Issuer from the Swap Counterparty or otherwise and the amount of interest due on any class of notes on that Interest Payment Date, that shortfall will be borne by each note in that class in a proportion equal to the proportion that the interest outstanding on the relevant note bears to the total amount of interest outstanding on all the notes of that class. This will be determined on the Interest Payment Date on which the shortfall arises. Payment of the shortfall will be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer, or, if earlier, the Final Redemption Date, from payments made to it from the Swap Counterparty or otherwise on that Interest Payment Date, to make the payment. The shortfall will accrue interest at the rate described for each class of note below plus the Margin, and payment of that interest will also be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer to make the payment or, if earlier, on the Final Redemption Date.

**"Interest Payment Date"** means the following dates:

- (i) during any period that is not an Amortisation Period, the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Final Terms or Drawdown Prospectus, as applicable); and
- (ii) during an Amortisation Period, each Distribution Date.

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an "**Interest Period**"; **provided, however, that**, where the Floating Rate Commencement Date is a date falling prior to the Scheduled Redemption Date with respect to an Interest Period that commences during the Revolving Period or the Accumulation Period and ends during the Regulated Amortisation Period or the Rapid



Amortisation Period, such Interest Period will end on, and exclude the Floating Rate Commencement Date.

Subject to the second following paragraph, each note bears interest at the Initial Rate on its Principal Amount Outstanding during the period from (and including) the Interest Commencement Date to, but excluding, the Floating Rate Commencement Date (the "**Initial Period**"). Interest in respect of the such note during the Initial Period is payable in arrear in US Dollars on each Regular Interest Payment Date and the final Interest Payment Date during the Initial Period shall be the Scheduled Redemption Date.

The amount of the interest payable (the "**Interest Amount**") in respect of the notes for any Interest Period during the Initial Period shall be calculated by applying the Initial Rate to the Principal Amount Outstanding of the notes, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest US Dollar 0.01 (half of a cent being rounded upwards).

However, in the event that the Regulated Amortisation Period or the Rapid Amortisation Period has commenced, then from and including the Floating Rate Commencement Date to, but excluding, the Final Redemption Date (the "**Redemption Period**"), each note bears interest on its Principal Amount Outstanding in accordance with this Condition 6(j), but subject as provided in the following paragraph, payable in arrear on each Distribution Date. During the Redemption Period, each period beginning on, and including, a Distribution Date to but excluding the next Distribution Date is called an "**Interest Period**".

Interest will be payable on the relevant notes by the relevant Paying Agent in accordance with the provisions of the Paying Agency Agreement.

(k) **Specific Provision:** *Fixed Rate Euro Notes (Option 3)*

This Condition 6(k) is applicable to the notes if the Specified Currency is Euro and the notes are designated to be fixed rate notes (Option 3).

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in Euro on each Interest Payment Date.

If there is a shortfall between the amounts received by the Issuer from the Swap Counterparty or otherwise and the amount of interest due on any class of notes on that Interest Payment Date, that shortfall will be borne by each note in that class in a proportion equal to the proportion that the interest outstanding on the relevant note bears to the total amount of interest outstanding on all the notes of that class. This will be determined on the Interest Payment Date on which the shortfall arises. Payment of the shortfall will be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer, or, if earlier, the Final Redemption Date, from payments made to it from the Swap Counterparty or otherwise on that Interest Payment Date, to make the payment. The shortfall will accrue interest at the rate described for each class of note below plus the Margin, and payment of that interest will also be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer to make the payment or, if earlier, on the Final Redemption Date.

**"Interest Payment Date"** means the following dates:

- (i) during any period that is not an Amortisation Period, the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Final Terms or Drawdown Prospectus, as applicable); and
- (ii) during an Amortisation Period, each Distribution Date.

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an **"Interest Period"**; **provided, however, that**, where the Floating Rate Commencement Date is a date falling prior to the Scheduled Redemption Date, with respect to an Interest Period that commences during the Revolving Period or the Accumulation Period and ends during the Regulated Amortisation Period or the Rapid Amortisation Period, such Interest Period will end on, and exclude, the Floating Rate Commencement Date.

Subject to the second following paragraph, each note bears interest at the Initial Rate on its Principal Amount Outstanding during the period from (and including) the Interest Commencement Date to, but excluding, the Floating Rate Commencement Date (the **"Initial Period"**). Interest in respect of the notes during the Initial Period is payable in arrear in Euro on each Regular Interest Payment Date and the final Interest Payment Date during the Initial Period shall be the Scheduled Redemption Date.

The amount of the interest payable (the **"Interest Amount"**) in respect of the notes for any Interest Period during the Initial Period shall be calculated by applying the Initial Rate to the Principal Amount Outstanding of the notes, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest Euro 0.01 (half of a cent being rounded upwards).

However, in the event that the Regulated Amortisation Period or the Rapid Amortisation Period has commenced, then from and including the Floating Rate Commencement Date to, but excluding, the Final Redemption Date (the **"Redemption Period"**), each note bears interest on its Principal Amount Outstanding in accordance with this Condition 6(k), but subject as provided in the following paragraph, payable in arrear on each Distribution Date. During the Redemption Period, each period beginning on, and including, a Distribution Date to but excluding the next Distribution Date is called an **"Interest Period"**.

Interest will be payable on the relevant notes by the relevant Paying Agent in accordance with the provisions of the Paying Agency Agreement.

(l) ***Specific Provisions: Commercial Paper Cost of Funds Notes***

This Condition 6(l) is applicable to the notes if the notes are issued as notes with an interest rate calculated by reference to commercial paper costs of funds of the relevant note purchaser or its related commercial paper Issuer.

Each note bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date. Interest in respect of the notes is payable in arrear in Sterling on each Interest Payment Date.

If there is a shortfall between the amounts received by the Issuer from the Swap Counterparty (if any) or otherwise and the amount of interest due on any class of notes on that Interest Payment Date, that shortfall will be borne by each note in that class in a proportion equal to the proportion that the interest outstanding on the relevant note bears to the total amount of interest outstanding on all the notes of that class. This will be determined on the Interest Payment Date on which the shortfall arises. Payment of the shortfall will be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer, or, if earlier, the Final Redemption Date, from payments made to it from the Swap Counterparty or otherwise on that Interest Payment Date, to make the payment. The shortfall will accrue interest at the rate described for each class of note below plus the Margin, and payment of that interest will also be deferred and will be due on the next Interest Payment Date on which funds are available to the Issuer to make the payment or, if earlier, on the Final Redemption Date.

**"Interest Payment Date"** means the following dates:

- (i) during any period that is not an Amortisation Period, the First Interest Payment Date and each Regular Interest Payment Date (as specified in the relevant Final Terms or Drawdown Prospectus, as applicable); and
- (ii) during an Amortisation Period, each Distribution Date.

Each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an "Interest Period"; **provided, however, that** with respect to an Interest Period that commences during any period that is not an Amortisation Period and ends during the Regulated Amortisation Period or the Rapid Amortisation Period, such Interest Period will end on the originally scheduled Interest Payment Date (and for the avoidance of doubt, in the case of an Interest Period which commences on the Interest Payment Date which falls at the end of the Interest Period during which the Rapid Amortisation Period or Regulated Amortisation Period begins, the Interest Period shall end on the next Distribution Date). The first interest payment will be made on the First Interest Payment Date in respect of the Interest Period from (and including) the Interest Commencement Date to, but excluding, the First Interest Payment Date.

The Rate of Interest applicable to the notes for each Interest Period will be determined by the party specified in the relevant Final Terms or Drawdown Prospectus, as applicable as the party responsible for calculating such Rate of Interest (the **"CP Calculation Agent"**) as the sum of the CP Funding Cost and Margin and (if specified in the relevant Final Terms or Drawdown Prospectus, as applicable) Liquidity Funding Margin for the relevant Interest Period specified in the relevant Final Terms or Drawdown Prospectus, as applicable, subject to the maximum interest rate specified in the relevant Final Terms or Drawdown Prospectus, as applicable.

For the purposes of this Condition 6(1):

**"CP Funding Cost"** means, on any date of determination, or with respect to any period, the per annum rate equivalent to the weighted average of the per annum rates paid or payable by the relevant note purchaser from time to time as accreted discount, interest or otherwise (including, without limitation, breakage costs, dealers' fees and placement agents' fees and costs of related swap or forward exchange rate contracts and related

swap termination costs) in respect of the commercial paper notes issued or sponsored by the relevant note purchaser that are allocated, in whole or in part, by, or on behalf of, such relevant note purchaser to fund, purchase or maintain or increase (directly or indirectly) the notes or any portion thereof during the related period, as determined by, or on behalf of, such relevant note purchaser and notified by the relevant CP Calculation Agent to the Issuer and the Calculation Agent; **provided, however, that** if any component of such rate is a discount rate, in calculating the CP Funding Cost for such period, the relevant CP Calculation Agent (or its agent) shall, for such component, use the rate resulting from converting such discount rate to an interest bearing equivalent rate per annum. For the avoidance of doubt, CP Funding Cost shall not include any Liquidity Funding Margin and CP Funding Cost and Liquidity Funding Margin shall be mutually exclusive; and

**"Liquidity Funding Margin"** means, if specified in the relevant Final Terms or Drawdown Prospectus, as applicable, a percentage per annum payable to the relevant note purchaser solely in respect of (a) the period during which any Principal Amount Outstanding of any notes, held by such note purchaser, is not being funded through the issuance of such note purchaser's (or, if applicable, its related commercial paper Issuer's) respective commercial paper and (b) the Principal Amount Outstanding of the notes, held by such notes purchaser, which is not being funded through the issuance of such note purchaser's (or, if applicable, its related commercial paper Issuer's) respective commercial paper.

The Calculation Agent will, as soon as practicable after the Determination Date in relation to each Interest Period, calculate the amount of interest (the **"Interest Amount"**) payable in respect of the notes for such Interest Period following the notification to it by the CP Calculation Agent of the Rate of Interest no later than 3 Business Days before the relevant Interest Payment Date.

The Interest Amount in respect of the notes will be calculated by applying the relevant Rate of Interest for such Interest Period to the Principal Amount Outstanding of the notes during such Interest Period, multiplying by the relevant Day Count Fraction and rounding the resulting figure to the nearest pence (half a pence rounded upwards).

(m) **General Provision:** *Deferred Interest and Additional Interest*

To the extent that the monies which are deposited in the Distribution Ledger for a Note Series by Loan Note Issuer No. 1 on an Interest Payment Date in accordance with the provisions of the Loan Note Supplement for the Related Loan Note are insufficient to pay the full amount of interest on any notes on such Interest Payment Date, payment of the interest shortfall (**"Deferred Interest"**), which will be borne by each note of the relevant Note Series in a proportion equal to the proportion that the Principal Amount Outstanding of the Note of the relevant Note Series bears to the aggregate Principal Amount Outstanding of the relevant notes of the relevant Note Series (as determined on the Interest Payment Date on which such Deferred Interest arises), will be deferred and will be due on the Interest Payment Date occurring thereafter on which funds are available to the Issuer (by being deposited to the Issuer Distribution Account to the credit of the Distribution Ledger for that Note Series by Loan Note Issuer No. 1 on such Interest Payment Date in accordance with the provisions of the Loan Note Supplement for the Related Loan Note, or otherwise) to pay such Deferred Interest to the extent of such Available Funds. Such Deferred Interest will accrue interest (**"Additional**

**Interest**") at the then current Rate of Interest (or in the case of a fixed rate Note, the Initial Rate (during the Initial Period) or the Redemption Rate (during the Redemption Period)), and payment of any Additional Interest will also be deferred until the Interest Payment Date thereafter on which funds are available to the Issuer (by being deposited to the Issuer Distribution Account to the credit of the Distribution Ledger for a Note Series by Loan Note Issuer No. 1 on such Interest Payment Date in accordance with the provisions of the Loan Note Supplement, or otherwise) for the Related Loan Note to pay such Additional Interest to the extent of such Available Funds.

(n) **General Provision:** *Calculation of Interest Amount*

In relation to each Interest Payment Date, the Calculation Agent shall determine the actual amount of interest which will be paid on the notes on that Interest Payment Date and the amount of Deferred Interest (if any) on the notes in respect of the related Interest Period and the amount of Additional Interest (if any) which will be paid on such Interest Payment Date. The amount of Additional Interest shall be calculated by applying the then current relevant Rate of Interest for the notes to the Deferred Interest and any Additional Interest from prior Interest Periods which remains unpaid, multiplying such sum by the relevant Day Count Fraction.

In the event that, on any Interest Payment Date, the amount of monies which are deposited to the Distribution Ledger for a Note Series by Loan Note Issuer No. 1 on such day in accordance with the provisions of the Loan Note Supplement for the Related Loan Note is insufficient to pay in full the Interest Amount, any outstanding Deferred Interest and any Additional Interest due on such Interest Payment Date in respect of any class of notes, such monies will be applied first to the payment of any Interest Amount, secondly to the payment of any outstanding Deferred Interest and thereafter to the payment of any Additional Interest in respect of the relevant class.

(o) **General Provision:** *Interest cease to accrue*

Interest will cease to accrue on any part of the Principal Amount Outstanding of a note from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of the relevant notes up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent or the Note Trustee has notified the relevant Noteholders either in accordance with Condition 16 or individually that it has received all sums due in respect of the relevant notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(p) **General Provision:** *Failure of Agent Bank*

If the Calculation Agent or, in respect of the Rate of Interest under Condition 6(l) only, the CP Calculation Agent, fails at any time to determine a Rate of Interest or to calculate an Interest Amount or amount of Deferred Interest (if any) or amount of Additional Interest (if any), the Note Trustee, or its appointed agent without any liability therefor, may determine such Rate of Interest as it considers fair and reasonable in the circumstances (having such regard as it thinks fit to the other provisions of these Conditions, including without limitation paragraph (m) or (n) above (as applicable), and

with respect to the Rate of Interest under Condition 6(1) only, having regards to the most recent notification from the CP Calculation Agent to the Calculation Agent) or (as the case may be) calculate such Interest Amount or amount of Deferred Interest (if any) or amount of Additional Interest (if any), in accordance with paragraph (l) above, and each such determination or calculation shall be deemed to have been made by the Calculation Agent or, in respect of the Rate of Interest under Condition 6(1) only, the CP Calculation Agent.

(q) **General Provision:** *Publication*

The Calculation Agent will cause each Rate of Interest, Interest Amount, amount of Deferred Interest (if any) and amount of Additional Interest (if any) determined by it or notified to it, together with the relevant Interest Payment Date, to be notified to the Issuer, the Paying Agents, the Note Trustee and, for so long as the respective notes are admitted to trading on the Regulated Market of the London Stock Exchange plc (the "**London Stock Exchange**"), the London Stock Exchange as soon as practicable after such determination but in any event not later than the seventh day thereafter or such earlier day as the Regulated Market of the London Stock Exchange may require and the Calculation Agent will cause the same to be published in accordance with Condition 16 as soon as possible thereafter. The Calculation Agent will be entitled to recalculate any Interest Amount and amount of Additional Interest (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period.

(r) **General Provision:** *Notifications etc.*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 6, whether by the Calculation Agent, the CP Calculation Agent (in respect of the Rate of Interest under Condition 6(1) only) or the Note Trustee will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Paying Agents, the Note Trustee, the Calculation Agent and the Noteholders and no liability to any such Person will attach to the Calculation Agent, the CP Calculation Agent or the Note Trustee in connection with the exercise or non-exercise by them or of them of their powers, duties and discretions for such purposes.

7. **Redemption and Purchase**

(a) **Scheduled Redemption**

Unless previously redeemed and cancelled or unless an Amortisation Period has earlier commenced or, if the Issuer has entered into a Swap Agreement with or without call protection in respect of a Note Series, regardless of whether an Amortisation Period has commenced, the notes of a Note Series will be redeemed on the Interest Payment Date which falls on the Scheduled Redemption Date specified in the relevant Final Terms or Drawdown Prospectus, as applicable for such Note Series as follows and to the following extent:

- (i) if, on the Scheduled Redemption Date, Loan Note Issuer No. 1 deposits into the relevant Distribution Ledger for the relevant Note Series in the Issuer Distribution Account in accordance with the provisions of the Loan Note

Supplement for the Related Loan Note an amount equal to the Principal Amount Outstanding on the Scheduled Redemption Date, then the notes of such Note Series will be redeemed *pro rata* to the extent of that amount (after exchange of such amount to the relevant currency pursuant to the relevant Swap Agreement, if such a currency Swap Agreement has been entered into); and

- (ii) if, on the Scheduled Redemption Date, Loan Note Issuer No. 1 deposits into the relevant Distribution Ledger for the relevant Note Series in the Issuer Distribution Account in accordance with the provisions of the Loan Note Supplement an amount which is less than the Principal Amount Outstanding, then the notes of such Note Series will be redeemed *pro rata* in part to the extent of the amount which is so deposited (after exchange of such amount to the relevant currency pursuant to the relevant Swap Agreement, if such a currency swap has been entered into), and the Rapid Amortisation Period will commence with effect from the Scheduled Redemption Date.

If the Rapid Amortisation Period for a Note Series commences in the circumstances referred to in (ii) above, then on each Interest Payment Date which thereafter occurs during the Amortisation Period, the notes will be redeemed in whole or, as the case may be, *pro rata* in part to the extent of the amount (after exchange of such amount to the relevant currency at the rate of exchange applicable to such Note Series under the Swap Agreement or if there is no longer a Swap Agreement then at a spot rate of exchange, if such Note Series is denominated in a currency other than Sterling) which is deposited to the relevant Distribution Ledger for the relevant Note Series in the Issuer Distribution Account on such day in accordance with the provisions of the Loan Note Supplement for the Related Loan Note until the earlier of (a) such time as the Note Series is redeemed in full or (b) the Final Redemption Date specified in the relevant Final Terms or Drawdown Prospectus, as applicable for such Note Series.

The Principal Paying Agent will cause each Principal Payment and Principal Amount Outstanding to be notified to the Issuer, the Paying Agents, the Note Trustee and, for so long as the notes are admitted to trading on the Regulated Market of the London Stock Exchange, the London Stock Exchange, as soon as practicable after such determination, but in any event not later than the seventh day thereafter or such earlier day as the Regulated Market of the London Stock Exchange may require and will cause the same to be published in accordance with Condition 16 as soon as possible thereafter. All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Principal Paying Agent will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Paying Agents, the Note Trustee and the Noteholders and (subject as aforesaid) no liability to any such Person will attach to the Principal Paying Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

If the Principal Paying Agent fails at any time to determine a Principal Payment or Principal Amount Outstanding as aforesaid, the Note Trustee, or its appointed agent without accepting liability therefor, shall calculate such Principal Payment or Principal Amount Outstanding in accordance with the above provisions of this Condition, and each such determination or calculation shall be deemed to have been made by the Principal Paying Agent. Any such determination or calculation will be binding on the Issuer, the Paying Agents, the Note Trustee and the Noteholders.

(b) ***Mandatory Early Redemption***

If an Amortisation Period commences prior to the Scheduled Redemption Date (or, if the Issuer has entered into a Swap Agreement in respect of the notes, an Amortisation Period commences (or is continuing) on or after the Scheduled Redemption Date) then on each Interest Payment Date (including the Scheduled Redemption Date) which thereafter occurs during an Amortisation Period, the notes will be redeemed *pro rata* in part to the extent of the amount (being the "**Available Redemption Funds**") which is deposited into the relevant Distribution Ledger (in respect of the relevant Note Series) by Loan Note Issuer No. 1 on each such date in accordance with the provisions of the relevant Loan Note Supplement until the earlier of (a) such time as the Note Series is redeemed in full, (b) such date prior to the Final Redemption Date (if any) specified in the relevant Final Terms or Drawdown Prospectus, as applicable and (c) the Final Redemption Date specified in the relevant Final Terms or Drawdown Prospectus, as applicable; **provided that** if the Issuer has entered into a Swap Agreement in respect of the notes, then on each Interest Payment Date which occurs on and after the Scheduled Redemption Date, the notes will be redeemed *pro rata* in part to the extent of the Available Redemption Funds (after exchange of such amount to the relevant currency at the rate of exchange applicable to such Note Series under the Swap Agreement or if there is no longer a Swap Agreement then at a spot rate of exchange, if such Note Series is denominated in a currency other than Sterling) until the earlier of (a) such time the Note Series is redeemed in full, and (b) the Final Redemption Date specified in the relevant Final Terms or Drawdown Prospectus, as applicable.

In relation to each Interest Payment Date, the Agent Bank shall determine (i) the amount of each "**Principal Payment**" payable on each note, which will be the *pro rata* share of that Note in the Available Redemption Funds (converted into the relevant currency if such Note Series is denominated in a currency other than Sterling) calculated by dividing such Available Redemption Funds by the number of notes in the relevant Note Series then outstanding, and (ii) the Principal Amount Outstanding of each note on the first day of the next following Interest Period (after deducting any Principal Payment due to be made in respect of each note on the Interest Payment Date).

(c) ***Optional Early Redemption in Full***

If a Note Series is specified in the relevant Final Terms or Drawdown Prospectus, as applicable as being able to be redeemed on any call date then (subject to any additional Conditions (if any) specified in the relevant Final Terms or Drawdown Prospectus, as applicable) on any Interest Payment Date falling on or after the relevant date of exercise and upon giving not more than 60 nor less than 30 days' prior written notice to the Note Trustee, the Swap Counterparty and the Noteholders (in accordance with Condition 16) (a "**Call Date**"), the Issuer may redeem all (but not some only) of the notes of such Note Series then outstanding at their then Principal Amount Outstanding together with accrued interest **provided that**, prior to giving any such notice, (i) the Issuer shall have provided to the Note Trustee a certificate signed by two directors of the Issuer to the effect that it will have the funds, not subject to any interest of any other person, required to redeem the relevant Note Series on such Interest Payment Date as aforesaid and to pay any amounts required to be paid in priority or *pari passu* with such Note Series outstanding in accordance with the conditions of the Note Trust Deed and relevant Note Trust Deed Supplement and (ii) the Note Trustee is satisfied in accordance with the terms of the Note Trust Deed, Note Trust Deed Supplement or any other Related



Document that there are sufficient funds to allow the Issuer to redeem the relevant Note Series.

(d) ***Final Redemption***

If the notes have not previously been redeemed and cancelled or redeemed in full pursuant to Conditions 7(a), 7(b), 7(c) or 10 (including any case where any interest (including Deferred Interest and Additional Interest) thereon has not earlier been paid), the notes will be finally redeemed at their then Principal Amount Outstanding together with accrued interest (including Deferred Interest and Additional Interest) thereon on the Final Redemption Date specified in the relevant Final Terms or Drawdown Prospectus, as applicable.

(e) ***Mandatory Transfer Arrangements***

- (i) If a note series is specified in the relevant Final Terms or Drawdown Prospectus, as applicable as being able to be redeemed on a Mandatory Transfer Date, then such notes shall be transferred in accordance with paragraphs (ii) and (iii) below on that Mandatory Transfer Date in exchange for payment of the Mandatory Transfer Price by the Mandatory Purchaser to the Noteholders of the relevant series, **provided that** the Issuer shall not be liable for the failure to make payment of the Mandatory Transfer Price by the Mandatory Purchaser to the extent that such failure is a result of the failure of the Mandatory Purchaser to perform its obligations under the Mandatory Purchase Agreement.
- (ii) There shall be no Mandatory Transfer on a Mandatory Transfer Date if the relevant notes are fully redeemed on or prior to such Mandatory Transfer Date. In such event, the Issuer will not be obliged to procure any subsequent purchase of the relevant notes and the Mandatory Purchaser will not be obliged to purchase any of the relevant notes.
- (iii) Subject to (i) above, all of the Noteholders' interests in the relevant notes shall be transferred on the relevant Mandatory Transfer Date to the Mandatory Purchaser, or, if Individual Note Certificates in respect of the relevant notes are then issued, the relevant notes will be registered by the Registrar as notified by the Issuer in the name of the Mandatory Purchaser and the Register will be amended accordingly with effect from the relevant Mandatory Transfer Date.

(f) ***Other Redemption***

The Issuer shall not be entitled to redeem the notes otherwise than as provided in paragraphs (a), (b), (c), (d) or (e) above.

(g) ***Purchase***

The Issuer may not, at any time, purchase the notes in the open market or otherwise.

(h) ***Cancellation***

All notes redeemed pursuant to the foregoing provisions shall be cancelled forthwith and may not be reissued or resold.

## 8. Payments

### (a) *Interest and Principal*

- (i) *Principal in Euro:* Payments of principal shall be made by Euro cheque drawn on, or, upon application by a holder of a note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to a Euro account (or other account to which Euro may be credited or transferred) maintained by the payee with, a bank in a city in which banks have access to TARGET2 and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (ii) *Interest in Euro:* Payments of interest shall be made by Euro cheque drawn on, or, upon application by a holder of a note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to a Euro account (or other account to which Euro may be credited or transferred) maintained by the payee with, a bank in a city in which banks have access to TARGET2 and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (iii) *Principal in US dollars:* Payments of principal shall be made by US dollar cheque drawn on, or, upon application by a holder of a note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to a US dollar account (or other account to which US dollars may be credited or transferred) maintained by the payee with, a bank in New York City and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (iv) *Interest in US dollars:* Payments of interest shall be made by US dollar cheque drawn on, or, upon application by a holder of a note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to a US Dollar account (or other account to which US dollars may be credited or transferred) maintained by the payee with, a bank in New York City and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (v) *Principal in Sterling:* Payments of principal shall be made by sterling cheque drawn on, or, upon application by a holder of a note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to a sterling account (or other account to which sterling may be credited or transferred) maintained by the payee with a bank in the City of London and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (vi) *Interest in Sterling:* Payments of interest shall be made by sterling cheque drawn on, or, upon application by a holder of a note to the Specified Office of the

Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to a sterling account (or other account to which sterling may be credited or transferred) maintained by the payee with a bank in the City of London and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

(b) *Payments subject to fiscal laws*

All payments in respect of the notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

(c) *Payments on Business Days*

If the due date for payment of any amount in respect of any note is not a Payment Business Day in the place of payment, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

(i) *Partial payments:* If a Paying Agent makes a partial payment in respect of any note, the Issuer shall procure that the amount and date of such payment are noted on the relevant Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.

(ii) *Record date:* Each payment in respect of a note will be made to the Person shown as the holder in the Register maintained by the relevant Registrar at the close of business in the place of such Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where payment in respect of a note is to be made by cheque, the cheque will be mailed to the address shown as the address of the holder in such Register at the opening of business on the relevant Record Date.

(d) *Paying Agent*

The Issuer reserves the right, subject to the prior written approval of the Note Trustee, and in accordance with the provisions of the Paying Agency Agreement at any time to vary or terminate the appointment of the Principal Paying Agent and to appoint additional or other Paying Agents. The Issuer will at all times maintain a Paying Agent with a Specified Office in London (so long as the Notes are admitted to the Official List of the UK Listing Authority (the "**UKLA**") and/or admitted to trading on the Regulated Market of the London Stock Exchange).

9. **Taxation**

All payments of principal and interest in respect of the notes by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever

nature imposed, levied, collected, withheld or assessed by or on behalf of Jersey, the United Kingdom or any other jurisdiction to whose tax laws such payments may be subject or any political subdivision therein or any authority in or of any of the foregoing having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer or the Paying Agents on behalf of the Issuer shall make such payment after such withholding or deduction of such amounts has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer nor the Paying Agents will be required to make any additional payments to any Noteholder in respect of any amounts deducted or withheld as mentioned in this Condition 9.

Notwithstanding any other provision in these Conditions, the Issuer shall be permitted to withhold or deduct any amounts in connection with FATCA. Neither the Issuer nor any Paying Agent will have any obligation to pay additional amounts or otherwise indemnify a holder or any other person for any withholding deducted or withheld by any party on account of FATCA as a result of any person not receiving payments free of FATCA withholding.

"FATCA" means the rules of US Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), any current or future regulations or official interpretations thereof, any inter-governmental agreement or implementing legislation, rules, practices or guidance notes adopted by another jurisdiction or any agreement with the US Internal Revenue Service in each case in connection with these provisions.

#### 10. **Events of Default**

If any of the following events (each an "**Event of Default**") occurs in respect of a Note Series:

- (a) **Non-payment:** the Issuer fails to pay any amount of principal in respect of the relevant Note Series within seven days of the due date for payment thereof or fails to pay any amount of interest in respect of the relevant Note Series within 15 days of the due date for payment thereof **provided that**, for the avoidance of doubt, a failure to make or procure any payment required under Condition 8(e) (*Mandatory Transfer Arrangements*) by reason of any failure on the part of a Mandatory Purchaser to perform its obligations under a Mandatory Purchase Agreement or the relevant transaction documents, shall not constitute an Event of Default in respect of the related repricing or mandatory transfer notes (as applicable) for the purposes of this Condition 10; or
- (b) **Breach of other obligations:** the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the relevant Note Series, the Note Trust Deed (other than in such case, any obligation for the payment of any principal or interest on the notes) or the Paying Agency Agreement (except where such default is incapable of remedy) and such default remains unremedied for 30 days after written notice thereof by the Note Trustee, addressed to the Issuer, certifying that such default is, in the opinion of the Note Trustee, materially prejudicial to the interests of the Noteholders of such Note Series; or
- (c) **Unsatisfied judgment:** one or more judgment(s) or order(s) for the payment of any amount is rendered against the Issuer and continue(s) unsatisfied and unstayed for a

period of 30 days after the date(s) thereof or, if later, the date therein specified for payment; or

- (d) **Security enforced:** a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or any part of the undertaking, assets and revenues of the Issuer or an enforcement action is begun or a distress or execution is levied; or
- (e) **Insolvency etc:** (i) the Issuer becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of the Issuer or the whole or any part of the undertaking, assets and revenues of the Issuer is appointed (or application for any such appointment is made), (iii) the Issuer takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Indebtedness or any guarantee of Indebtedness given by it or (iv) the Issuer ceases or threatens to cease to carry on all or any substantial part of its business; or
- (f) **Winding up etc:** an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer; or
- (g) **Analogous event:** any event occurs which under the laws of England and Wales has an analogous effect to any of the events referred to in paragraphs (c) to (f) above; or
- (h) **Failure to take action etc:** any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its respective rights and perform and comply with its respective obligations under and in respect of the notes and the Related Documents, (ii) to ensure that those obligations are legal, valid, binding and enforceable (except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganisation or other similar laws affecting the enforcement of the rights of creditors generally and as such enforceability may be limited by the effect of general principles of equity) and (iii) to make the notes and the Related Documents admissible in evidence in the courts of England and Wales is not taken, fulfilled or done; or
- (i) **Unlawfulness:** it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the relevant Note Series; or
- (j) **Government intervention:** (A) all or any substantial part of the undertaking, assets and revenues of the Issuer is condemned, seized or otherwise appropriated by any Person acting under the authority of any national, regional or local government or (B) the Issuer is prevented by any such Person from exercising normal control over all or any substantial part of its undertaking, assets and revenues,

then the Note Trustee may at its discretion and, if so required by holders of at least one-quarter of the aggregate Principal Amount Outstanding of the relevant Note Series outstanding or if so directed by an Extraordinary Resolution (as defined in the Note Trust Deed) of the Noteholders of the relevant Note Series (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction), shall be bound to, give written notice (an "**Enforcement Notice**") to the Issuer declaring all of the notes of the relevant Note Series to be immediately due and payable, whereupon they shall become immediately due and payable at their Principal Amount Outstanding together with accrued interest (including Deferred Interest and Additional Interest)

without further action or formality. Notice of any such declaration shall promptly be given to the Noteholders of the relevant Note Series by the Issuer.

#### **11. Prescription**

Claims for principal and interest on redemption shall become void unless the relevant Note Certificates are presented for payment within ten years of the appropriate Relevant Date.

#### **12. Replacement of Notes**

If any Note Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the relevant Registrar, subject to all applicable laws and listing authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, Security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Note Certificates must be surrendered before replacements will be issued.

#### **13. Note Trustee and Agents**

The Note Trustee is entitled to be indemnified and relieved from responsibility in certain circumstances and to be paid its costs and expenses in priority to the claims of the Noteholders.

In the exercise of its powers and discretions under these Note Conditions and the Note Trust Deed, the Note Trustee will have regard to the interests of the Noteholders as a class and will not be responsible for any consequence (including any tax consequence) for individual Noteholders as a result of such holders being connected in any way with a particular territory or taxing jurisdiction.

In acting under the Paying Agency Agreement, and in connection with the notes, the Paying Agents act solely as agents of the Issuer and (to the extent provided therein) the Note Trustee does not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

If in the opinion of the Note Trustee there is a conflict between the interests of the holders of one class of notes and the holders of another class of notes, the Note Trustee shall in the exercise of its duties, powers and discretions, have regard solely to the interests of the class which ranks most senior and which is still outstanding.

The Note Trustee is relieved of liability for making searches or other enquiries in relation to the assets comprising the Security. The Note Trustee has no responsibility in relation to the legality and the enforceability of the trust arrangements and the connected Security. The Note Trustee will not be obliged to take any action which might result in its incurring personal liabilities. The Note Trustee is not obliged to monitor or investigate the performance of any other Person under the documents relating to Loan Note Issuer No. 1 or the documents relating to the Penarth Receivables Trust and shall be entitled to assume, until it has actual notice to the contrary, that all such Persons are properly performing their duties and that no Pay Out Event has occurred, unless it receives express notice to the contrary.

The Note Trustee is not responsible for any deficiency which may arise because it is liable to tax in respect of the proceeds of Security.

The Note Trustee is not responsible for checking the calculations contained in or otherwise verifying any information coming into its possession in relation to the Penarth Receivables Trust. The Note Trustee shall not be responsible for monitoring or determining whether or not any or all of the Issuance Tests in respect of the Related Loan Note for a Note Series are satisfied prior to or at the time of any issue of a Note Series and its Related Loan Note or any increase of the Outstanding Principal Amount of an existing Note Series and its Related Loan Note by Loan Note Issuer No. 1.

The Note Trustee and its related companies are entitled to enter into business transactions with the Issuer, Bank of Scotland and/or related companies of any of them without accounting for any profit resulting therefrom.

The initial Paying Agents and their initial Specified Offices are listed below. The initial Agent Bank is specified in the relevant Final Terms or Drawdown Prospectus, as applicable. Subject to the provisions of the Paying Agency Agreement and Condition 8(d), the Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint successor or additional Paying Agents or a successor Agent Bank, **provided, however, that:**

- (a) the Issuer shall at all times maintain a Principal Paying Agent;
- (b) if a Calculation Agent is specified in the relevant Final Terms or Drawdown Prospectus, as applicable, the Issuer shall at all times maintain a Calculation Agent; and
- (c) if and for so long as the notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Issuer shall maintain a Paying Agent having its Specified Office in the place required by such listing authority, stock exchange and/or quotation system.

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

#### **14. Meetings of Noteholders; Modification and Waiver**

##### **(a) *Meetings of Noteholders***

The Note Trust Deed contains provisions for convening meetings of Noteholders of any Note Series or class, as applicable, to consider matters relating to the notes of a Note Series or class, as applicable, including the modification of any provision of these Conditions or the Note Trust Deed or any Note Trust Deed Supplement or the Related Documents. Any such modification may be made if sanctioned by an Extraordinary Resolution of the Noteholders of the relevant Note Series or class, as applicable.

The Note Trust Deed provides that business which in the opinion of the Note Trustee affects:

- (i) the notes of only one Note Series shall be transacted at a separate meeting of the Noteholders of that Note Series;
- (ii) the Noteholders of more than one Note Series but does not give rise to an actual or potential conflict of interest between the Noteholders of one Note Series and the holders of another Note Series shall be transacted either at separate meetings

of the Noteholders of each such Note Series or at a single meeting of the Noteholders of all such Note Series as the Note Trustee shall determine in its absolute discretion;

- (iii) the Noteholders of more than one Note Series and gives rise to any actual or potential conflict of interest between the Noteholders of one Note Series and the Noteholders of any other Note Series shall be transacted at separate meetings of the Noteholders of each such Note Series; the notes of only one class shall be transacted at a separate meeting of the Noteholders of that class;
- (iv) the Noteholders of more than one class of notes but does not give rise to an actual or potential conflict of interest between the Noteholders of one class of notes and the holders of another class of notes shall be transacted either at separate meetings of the Noteholders of each such class or at a single meeting of the Noteholders of all such classes of notes as the Note Trustee shall determine in its absolute discretion; and
- (v) the Noteholders of more than one class and gives rise to any actual or potential conflict of interest between the Noteholders of one class of notes and the Noteholders of any other class of notes shall be transacted at separate meetings of the Noteholders of each such class.

The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more Persons holding or representing a clear majority of the aggregate Principal Amount Outstanding of the relevant Note Series or at any adjourned meeting two or more Persons holding or representing notes of the relevant Note Series whatever the Principal Amount Outstanding of notes so held or represented for the time being outstanding, **provided, however, that** no modification of certain terms including, any modification constituting a Basic Terms Modification shall be effective unless such Basic Terms Modification has been sanctioned by an Extraordinary Resolution of all Note Series belonging to the relevant class of notes of which the modification is proposed of Noteholders (which shall include each Note Series which, in the opinion of the Note Trustee is or may be prejudiced by such Basic Terms Modification) and consented to in writing by the Note Trustee. The necessary quorum for passing an Extraordinary Resolution in respect of a Basic Terms Modification shall be two or more Persons holding or representing in the aggregate not less than 75 per cent. of the aggregate Principal Amount Outstanding of each Note Series, for the time being outstanding or at any adjourned meeting two or more Persons holding or representing in the aggregate not less than 25 per cent. of the aggregate Principal Amount Outstanding of each Note Series.

Any Extraordinary Resolution duly passed shall be binding on all Noteholders of such Note Series (whether or not they are present at the meeting at which such resolution was passed). The majority required for an Extraordinary Resolution shall be 75 per cent. of the votes cast on that Extraordinary Resolution. The Note Trust Deed contains provisions regulating the effect of Extraordinary Resolutions of the Noteholders.

(b) ***Modification and Waiver***

The Note Trustee may agree, without the consent of the Noteholders or the other secured creditors of the Issuer, (i) to any modification (except a Basic Terms Modification) of,



or to the waiver or authorisation of any breach or proposed breach of, the notes or any Note Series thereof (including these Conditions) or the Note Trust Deed or any Note Trust Deed Supplement or any other Related Document, the Loan Notes in respect of a Note Series, the Note Trust Deed and the Note Trust Deed Supplement and which is not, in the opinion of the Note Trustee, materially prejudicial to the interests of the Most Senior Class of the relevant Noteholders or (ii) to any modification of any of the provisions of these Conditions, the Note Trust Deed or any Note Trust Deed Supplement or any of the Related Documents which, in the opinion of the Note Trustee, is of a formal, minor or technical nature or made to correct an error which in the sole opinion of the Note Trustee is considered to be such. The Note Trustee shall not waive or authorise (i) in contravention of any express direction by an Extraordinary Resolution (but so that no such direction or request shall affect any authorisation, waiver or determination previously given or made); or (ii) any such proposed breach or breach relating to a Basic Terms Modification. Any such modification, authorisation or waiver shall be binding on the relevant Noteholders and, unless the Note Trustee agrees otherwise, shall be notified by the Issuer to the Noteholders in accordance with Condition 16 as soon as practicable thereafter. Where each of Standard & Poor's, Fitch Ratings and Moody's which is then rating the relevant Note Series has given written confirmation that the then current rating of the relevant class of notes would not be adversely affected by such exercise, the Note Trustee in considering whether such exercise is materially prejudicial to the interests of the Noteholders (or any class thereof) or, as the case may be, the holders of the Most Senior Class of outstanding notes, shall be entitled to take into account such written confirmation from each Rating Agency, **provided that** the Note Trustee shall continue to be responsible for taking into account all other matters which would be relevant to such consideration. Notwithstanding the foregoing, a credit rating is an assessment of credit and does not address other matters that may be of relevance to Noteholders. The above does not impose or extend any actual or contingent liability for the Rating Agencies to the Noteholders or any other party or create any legal relations between the Rating Agencies and the Noteholders or any other party.

(c) *Additional right of Modification*

In addition to the provisions of Condition 14(b) but subject to Condition 14(d), the Note Trustee shall be obliged, without any consent or sanction of the Noteholders, or any of the other Secured Creditors, to concur with the Issuer in making any modification (other than a Basic Terms Modification, but subject to Condition 14(f) below) to any Transaction Document to which it is a party or in relation to which it holds security that the Issuer (or the Cash Manager on its behalf) considers necessary:

- (i) for the purpose of changing the Screen Rate or the base rate that then applies in respect of the applicable Notes issued on or after the Base Rate Modification Reference Date and/or any consequential amendments to any related Swap Agreement to an alternative base rate (any such rate, which may include an alternative Screen Rate, an "**Alternative Base Rate**") and make such other related or consequential amendments as are necessary or advisable in the reasonable judgment of the Issuer (the Cash Manager on its behalf) to facilitate such change (including, subject to Condition 14(c)(ii) but not limited to any consequential amendments under any related Swap Agreement) (a "**Base Rate Modification**"), provided that the Issuer (or the Cash Manager on its behalf),

certifies to the Note Trustee in writing (such certificate, a "**Base Rate Modification Certificate**") that:

(A) such Base Rate Modification is being undertaken due to:

- (1) a material disruption to LIBOR, EURIBOR or any other relevant interest rate benchmark, an adverse change in the methodology of calculating such interest rate benchmark or such interest rate benchmark ceasing to exist or be published;
- (2) the insolvency or cessation of business of the administrator of LIBOR, EURIBOR or any other relevant interest rate benchmark (in circumstances where no successor administrator has been appointed);
- (3) a public statement by the administrator of LIBOR, EURIBOR or any other relevant interest rate benchmark that it will cease publishing the relevant interest rate benchmark permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such interest rate benchmark) or has changed or will change such interest rate benchmark in an adverse manner;
- (4) a public statement by the supervisor of the administrator of LIBOR, EURIBOR or any other relevant interest rate benchmark that the relevant interest rate benchmark has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;
- (5) a public statement by the supervisor of the administrator of LIBOR, EURIBOR or any other relevant interest rate benchmark that means the relevant interest rate benchmark might no longer be used or that its use is subject to restrictions or adverse consequences;
- (6) a public announcement of the permanent or indefinite discontinuation of the relevant Screen Rate or base rate that applies to the Notes at such time; or
- (7) the reasonable expectation of the Issuer (or the Cash Manager on its behalf) that any of the events specified in sub-paragraphs (1) to (6) will occur or exist within six months of the proposed effective date of such Base Rate Modification; and

(B) such Alternative Base Rate is:

- (1) a base rate published, endorsed, approved or recognised by the Federal Reserve, the Bank of England or the European Central Bank, any regulator in the United States, the United Kingdom or the European Union or any stock exchange on which the Notes are

listed (or any relevant committee or other body established, sponsored or approved by any of the foregoing);

- (2) a base rate utilised in a material number of publicly-listed new issues of Sterling-denominated, Dollar-denominated and/or Euro-denominated asset backed notes prior to the effective date of such Base Rate Modification (for these purposes, unless agreed otherwise by the Note Trustee, five (5) such issues shall be considered material); or
- (3) such other base rate as the Cash Manager (on behalf of the Issuer) reasonably determines,

and, for the avoidance of doubt, the Issuer (or the Cash Manager on its behalf) may propose an Alternative Base Rate on more than one occasion provided that the conditions set out in this Condition 14(c)(i) are satisfied; and

- (ii) for the purpose of changing the base rate that then applies in respect of the Swap Agreement to an Alternative Base Rate as is necessary or advisable in the commercially reasonable judgment of the Issuer (or the Cash Manager on its behalf) and the Swap Counterparty solely as a consequence of a Base Rate Modification and solely for the purpose of aligning the base rate of the swap to the base rate of the Notes following such Base Rate Modification (a "**Swap Rate Modification**"), provided that the Cash Manager, on behalf of the Issuer, certifies to the Note Trustee in writing (upon which certificate the Note Trustee may rely absolutely and without enquiry or liability) that such modification is required solely for such purpose and it has been drafted solely to such effect (such certificate being a "**Swap Rate Modification Certificate**"),

(d) *Conditions to additional right of Modification*

- (i) The Note Trustee is only obliged to concur with the Issuer in making any modification (other than a Basic Terms Modification, but subject to Condition 14(f) below) to any Transaction Document pursuant to Condition 14(c) if:
  - (A) the Base Rate Modification Certificate and/or the Swap Rate Modification Certificate (as applicable) in relation to such modification shall be provided to the Note Trustee both at the time the Note Trustee is notified of the proposed modification and on the date that such modification takes effect;
  - (B) the consent of each Secured Creditor (other than the Note Trustee) which is party to the Transaction Documents proposed to be modified has been obtained (evidence of which shall be provided to the Note Trustee at the same time as the provision of the Base Rate Modification Certificate and/or Swap Rate Modification Certificate, as applicable); and
  - (C) the person who proposes such modification pays all fees, costs and expenses (including legal fees) incurred by the Issuer and the Note Trustee and each other applicable party including, without limitation, any

of the Agents or the Account Banks in connection with such modifications,

and provided further that:

- (1) either: (I) the Issuer (or the Cash Manager) obtains from each of the Rating Agencies written confirmation that such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the notes by such Rating Agency or (y) such Rating Agency placing any notes on rating watch negative (or equivalent) (such written confirmation to be provided with the Base Rate Modification Certification and/or the Swap Rate Modification Certificate, as applicable); or (II) the Issuer (or the Cash Manager) certifies in the Base Rate Modification Certificate and/or the Swap Rate Modification Certificate, as applicable, that it has notified in writing each of the Rating Agencies of the proposed modification and in its opinion, formed on the basis of due consideration, such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the notes by any Rating Agency or (y) any Rating Agency placing any notes on rating watch negative (or equivalent); and
- (2) the Issuer certifies in writing to the Note Trustee (which certification may be in the Base Rate Modification Certificate and/or the Swap Rate Modification Certificate (as applicable)) that in relation to such modification that (I) the Issuer has provided at least 30 calendar days' notice to the Noteholders of each Note Series which would be affected by the proposed Base Rate Modification (together the "**Affected Note Series**") of the proposed modification in accordance with Condition 16 (*Notices*) (and shall have provided a draft of such notice to the Note Trustee at least 5 Business Days before delivery to the Noteholders) and by publication on Bloomberg on the "Company News" screen relating to the notes in each case specifying the date and time by which Noteholders must respond (which must be no less than 30 calendar days after the date on which the notice above is published in accordance with Condition 16 (*Notices*)), the relevant circumstance giving rise to the Base Rate Modification under Condition 14(c)(i)(A), the Alternative Base Rate being proposed under Condition 14(c)(i)(B) and details of any consequential or related amendments (including any changes to the Swap Agreement under Condition 14(c)(ii)), and (II) Noteholders representing at least 10 per cent. of the aggregate Outstanding Principal Amount of the Most Senior Class of Notes then outstanding across the Affected Note Series have not contacted the Issuer via the Principal Paying Agent in accordance with the notice and the then current practice of any applicable clearing system through which such notes may be held by the time specified in

such notice that such Noteholders do not consent to the modification.

- (ii) If Noteholders representing at least 10 per cent. of the aggregate Outstanding Principal Amount of the Most Senior Class of Notes then outstanding across the Affected Note Series have notified the Issuer via the Principal Paying Agent in accordance with the notice and the then current practice of any applicable clearing system through which such notes may be held by the time specified in such notice that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding across the Affected Note Series is passed in favour of such modification in accordance with this Condition 14 (*Meetings of Noteholders; Modification and Waiver*).
  - (iii) When implementing any modification pursuant to Condition 14(c), the Note Trustee shall not consider the interests of the Noteholders, any other Secured Creditor or any other person and shall act and rely solely and without further investigation on any certificate or evidence provided to it by the Issuer, the Cash Manager or the relevant Transaction Party, as the case may be, pursuant to Condition 14(c) and shall not be liable to the Noteholders, any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person.
  - (iv) The Note Trustee shall not be obliged to agree to any modification pursuant to Condition 14(c) which, in the sole opinion of the Note Trustee would have the effect of (i) exposing the Note Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Note Trustee in the Note Trust Deed, the Transaction Documents.
  - (v) Any modification implemented pursuant to Condition 14(c) shall be binding on all Noteholders and shall be notified by the Issuer as soon as reasonably practicable to:
    - (A) so long as any of the notes rated by the Rating Agencies remains outstanding, each Rating Agency;
    - (B) the Secured Creditors; and
    - (C) the Noteholders in accordance with Condition 16 (*Notices*).
- (e) ***Substitution***

As more fully set forth in the Note Trust Deed (and subject to the Conditions and more detailed provisions which are contained therein) subject to such amendment of the Note Trust Deed and such other conditions as the Note Trustee may require, but without the consent of the Noteholders, the Note Trustee may also agree to the substitution of any other body corporate in place of the Issuer (the "**Substituted Issuer**") as principal debtor under the Note Trust Deed and the notes and in the case of such a substitution the Note Trustee may agree, without the consent of the Noteholders, to a change of the law

governing the notes and/or the STDCMA **provided that** such change would not in the opinion of the Note Trustee be materially prejudicial to the interests of the Most Senior Class of Noteholders. Any such substitution or addition shall be notified to the Noteholders in accordance with Condition 16 as soon as practicable thereafter.

(f) ***Basic Terms Modification***

Solely for the purposes of Condition 14(c) (*Additional right of Modification*) above, a Basic Terms Modification in respect of any Notes issued on or after the Base Rate Modification Reference Date shall exclude any change to any date fixed for payment of principal or interest in respect of the Notes, to reduce or cancel the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment.

**15. Enforcement**

At any time after the notes become due and repayable and, without prejudice to its rights of enforcement in relation to the Security, the Note Trustee may, at its discretion and without notice, institute such proceedings as it thinks fit to enforce payment of the relevant Note Series (including the right to repayment of the relevant Note Series together with accrued interest thereon) and shall be bound to do so if (and only if):

- (i) it shall have been so directed by holders of at least one-quarter of the aggregate Principal Amount Outstanding of the relevant Note Series or by an Extraordinary Resolution of the relevant Note Series; and
- (ii) it shall have been indemnified and/or pre-funded and/or provided with security to its satisfaction.

No Noteholder may institute any proceedings against the Issuer to enforce its rights under or in respect of the notes or the Note Trust Deed unless (i) the Note Trustee has become bound to institute proceedings and has failed to do so within a reasonable time and (ii) such failure is continuing.

**16. Notices**

Notices to the Noteholders shall be valid (i) if published in a leading English language daily newspaper published in London (which is expected to be the Financial Times) and any such notice shall be deemed to have been given on the date of first publication or (ii) in the case of Registered Uncleared Notes, if sent by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register and any such notice shall be deemed to have been given on the fourth day after the date of mailing.

Until such time as any Individual Note Certificates are issued, there may, so long as the Global Note Certificate(s) is or are held in its or their entirety on behalf of Euroclear and/or Clearstream and/or are deposited with the DTC Custodian, be substituted for such publication in such newspaper the delivery of the relevant notice to Euroclear, Clearstream and DTC, for communication by them to the Noteholders. Any such notice shall be deemed to have been given to the holders of the relevant notes on the day after the day on which such notice was given to Euroclear, Clearstream and DTC (as applicable).

Any notices specifying the Rate of Interest, the redemption rate, an interest amount, an amount of additional interest or of deferred interest, a principal payment or a principal amount outstanding shall be deemed to have been duly given if the information contained in such notice appears on the relevant page of the Reuters Screen or such other medium for the electronic display of data as may be approved by the Note Trustee and notified to the relevant class of Noteholders (the "**Relevant Screen**"). Any such notice shall be deemed to have been given on the first date on which such information appeared on the Relevant Screen. If it is impossible or impracticable to give notice in accordance with this paragraph, then notice of the matters referred to in this Condition shall be given in accordance with the preceding paragraph.

Copies of all notices given in accordance with these provisions shall be sent to the London Stock Exchange or to the applicable stock exchange on which the notes are listed and to Euroclear, Clearstream and DTC (as applicable).

#### 17. **Currency Indemnity**

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

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

#### 18. **Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms or Drawdown Prospectus, as applicable), all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.).

#### 19. **Redenomination, Renominalisation and Reconventioning**

- (a) **Application:** This Condition 19 is applicable to the notes only if it is specified in the relevant Final Terms or Drawdown Prospectus, as applicable as being applicable.
- (b) **Notice of redenomination:** If the country of the Specified Currency becomes or, announces its intention to become, a Participating Member State, the Issuer may, without the consent of the Noteholders, on giving at least 30 days' prior notice to the Noteholders and the Paying Agents, designate a date (the "**Redenomination Date**"),

being an Interest Payment Date under the notes falling on or after the date on which such country becomes a Participating Member State.

(c) **Redenomination:** Notwithstanding the other provisions of these Conditions, with effect from the Redenomination Date:

(i) the notes shall be deemed to be redenominated into Euro in the denomination of Euro 0.01 with a Principal Amount Outstanding for each note equal to the Principal Amount Outstanding of that Note in the Specified Currency, converted into Euro at the rate for conversion of such currency into Euro established by the Council of the European Union pursuant to the Treaty (including compliance with rules relating to rounding in accordance with European Community regulations); **provided, however, that**, if the Issuer determines, with the agreement of the Principal Paying Agent then market practice in respect of the redenomination into Euro 0.01 of internationally offered securities is different from that specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, each listing authority, stock exchange and/or quotation system (if any) by which the notes have then been admitted to listing, trading and/or quotation and the Paying Agents of such deemed amendments;

(ii) if notes have been issued in definitive form:

(A) the payment obligations contained in all notes denominated in the Specified Currency will become void on the redenomination date but all other obligations of the Issuer thereunder (including the obligation to exchange such notes in accordance with this Condition 19) shall remain in full force and effect;

(B) and new notes denominated in Euro will be issued in exchange for notes denominated in the Specified Currency in such manner as the Principal Paying Agent may specify and as shall be notified to the Noteholders; and

(C) all payments in respect of the notes (other than, unless the Redenomination Date is on or after such date as the Specified Currency ceases to be a sub-division of the Euro, payments of interest in respect of periods commencing before the Redenomination Date) will be made solely in Euro by cheque drawn on, or by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) maintained by the payee with, a bank in the Principal Financial Centre of any member state of the European Communities.

Any Individual Note Certificate issued pursuant to such redenomination shall have a minimum denomination of €100,000 (or its equivalent in another currency).

(d) **Interest:** Following redenomination of the notes pursuant to this Condition 19, where notes have been issued in definitive form, the amount of interest due in respect of the notes will be calculated by reference to the aggregate Principal Amount Outstanding of the notes.



- (e) **Interest Determination Date:** If the floating rate note provisions are specified in the relevant Final Terms or Drawdown Prospectus, as applicable as being applicable and Screen Rate determination is specified in the relevant Final Terms or Drawdown Prospectus, as applicable as the manner in which the rate(s) of interest is/are to be determined, with effect from the Redenomination Date the Interest Determination Date shall be deemed to be the second TARGET Settlement Day before the first day of the relevant Interest Period.

## 20. **Governing Law and Jurisdiction**

- (a) **Governing law:** The notes and all non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.
- (b) **English courts:** The courts of England have exclusive jurisdiction to settle any Dispute (a "**Dispute**") arising from or connected with the notes.
- (c) **Appropriate forum:** The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (d) **Rights of the Noteholders to take Proceedings outside England:** Condition 20(b) is for the benefit of the Noteholders only. As a result, nothing in this Condition 20 prevents any Noteholder from taking proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, Noteholders may take concurrent Proceedings in any number of jurisdictions.
- (e) **The Note Trust Deed:** The Note Trust Deed provides for the court of England to have non-exclusive jurisdiction in connection with the notes.
- (f) **Consent to enforcement etc.:** The Issuer consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which is made or given in such Proceedings.

## 21. **Third Party Rights**

No Person shall have any right to enforce any term or condition of the notes or the STDCMA under the Contracts (Rights of Third Parties) Act 1999.

## 22. **Limited Recourse**

If at any time following (i) the Final Redemption Date or any earlier date upon which a Note Series is due and payable, (ii) the date on which the Issuer has received all sums due to it in respect of that Note Series and (iii) the application in full of any amounts available to pay amounts due and payable under that Note Series in accordance with the relevant priority of payments, there remains any amount then due and payable under that Note Series then such amount shall, on the day following the application in full of the amounts referred to in (iii) above, cease to be due and payable by the Issuer.



## **SCHEDULE 2**

### **PART A FORM OF RULE 144A GLOBAL NOTE CERTIFICATE**

CUSIP: [•]

**THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), ANY STATE SECURITIES LAWS IN THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND NEITHER THE ISSUER NOR THE SECURITISED PORTFOLIO HAS BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS NOTE, REPRESENTS THAT IT HAS OBTAINED THIS NOTE IN A TRANSACTION IN COMPLIANCE WITH THE SECURITIES ACT AND ALL OTHER APPLICABLE LAWS OF THE UNITED STATES OR ANY OTHER JURISDICTION, AND THE RESTRICTIONS ON SALE AND TRANSFER SET FORTH IN THE TRUST DEED (THE "TRUST DEED"), DATED 16 OCTOBER 2008 (AS AMENDED AND RESTATED FROM TIME TO TIME), BETWEEN THE ISSUER AND DEUTSCHE BANK TRUST COMPANY AMERICAS (THE "NOTE TRUSTEE"). THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS NOTE, FURTHER REPRESENTS, ACKNOWLEDGES AND AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE (OR ANY INTEREST HEREIN) EXCEPT IN COMPLIANCE WITH THE SECURITIES ACT AND ALL OTHER APPLICABLE LAWS OF ANY JURISDICTION AND IN ACCORDANCE WITH THE RESTRICTIONS, CERTIFICATIONS AND OTHER REQUIREMENTS SPECIFIED IN THE TRUST DEED (i) TO A TRANSFEREE THAT IS A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (A "QIB") PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QIB IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT OR (ii) TO A TRANSFEREE THAT IS NOT A U.S. PERSON (AS DEFINED IN REGULATION S OF THE SECURITIES ACT) AND THAT IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSES (i) AND (ii), IN A PRINCIPAL AMOUNT WITH RESPECT TO EACH CLASS OF NOTES OF NOT LESS THAN €50,000 (OR THE EQUIVALENT THEREOF IN THE SPECIFIED CURRENCY) FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING. EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE DEEMED TO HAVE MADE THE REPRESENTATIONS AND AGREEMENTS SET FORTH IN THE TRUST DEED.**

**EACH TRANSFEROR OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE NOTE TRUST DEED TO THE TRANSFEREE. IN ADDITION TO THE FOREGOING, THE ISSUER MAINTAINS THE RIGHT TO RESELL ANY INTEREST IN THIS NOTE PREVIOUSLY TRANSFERRED TO HOLDERS NOT ELIGIBLE TO PURCHASE SUCH INTERESTS IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE NOTE TRUST DEED.**

**HOWEVER, WITHOUT PREJUDICE TO THE RIGHTS OF THE ISSUER AGAINST ANY BENEFICIAL OWNER OR PURPORTED BENEFICIAL OWNER OF NOTES, NOTHING IN THE NOTE TRUST DEED OR THE NOTES SHALL BE INTERPRETED TO CONFER ON THE ISSUER, THE NOTE TRUSTEE OR ANY PAYING AGENT ANY RIGHT AGAINST THE DEPOSITORY TRUST COMPANY ("DTC") TO REQUIRE THAT DTC REVERSE OR RESCIND ANY TRADE COMPLETED IN ACCORDANCE WITH THE RULES OF DTC.**

**[EACH ORIGINAL PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR OF AN INTEREST HEREIN IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT EITHER (I) THE HOLDER IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE WILL NOT BE, (A) AN "EMPLOYEE BENEFIT PLAN" SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), (B) A "PLAN" WITHIN THE MEANING OF AND SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (C) ANY PERSON OR ENTITY WHOSE ASSETS INCLUDE, OR ARE DEEMED FOR THE PURPOSES OF ERISA OR THE CODE TO INCLUDE, THE ASSETS OF ANY SUCH "EMPLOYEE BENEFIT PLAN" OR "PLAN" BY REASON OF 29 C.F.R. 2510.3-101 OR OTHERWISE, OR ANY OTHER EMPLOYEE BENEFIT PLAN SUBJECT TO ANY FEDERAL, STATE, LOCAL OR (D) NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), AND IS NOT PURCHASING THIS NOTE ON BEHALF OF ANY SUCH PERSON, OR (II) THE PURCHASE, HOLDING AND SUBSEQUENT DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF ANY SUCH OTHER EMPLOYEE BENEFIT PLAN, ARE NOT IN VIOLATION OF ANY SUCH SUBSTANTIALLY SIMILAR LAW)].<sup>1</sup>**

**[EACH PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR OF AN INTEREST HEREIN IS DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) IT IS NOT (AND IS NOT DEEMED FOR PURPOSES OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") TO BE) AND FOR SO LONG AS IT HOLDS AN EQUITY NOTE, AS APPLICABLE, WILL NOT BE (OR BE DEEMED FOR SUCH PURPOSES TO BE) (A) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN ERISA AND THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE, OR ARE DEEMED FOR PURPOSES OF ERISA OR THE CODE TO INCLUDE, "PLAN ASSETS" BY REASON OF SUCH PLAN INVESTMENT IN THE ENTITY (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR") OR (II) (A) IT IS AN EMPLOYEE BENEFIT PLAN THAT IS NOT A BENEFIT PLAN INVESTOR WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW") AND (B) THE PURCHASE AND HOLDING OF**

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<sup>1</sup> To be included in the legend for Global Debt Note Certificates.

**SUCH EQUITY NOTES, AS APPLICABLE, DO NOT AND WILL NOT VIOLATE ANY SUCH SUBSTANTIALLY SIMILAR LAW.]<sup>2</sup>**

**ANY TRANSFER, PLEDGE OR OTHER USE OF THIS NOTE FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO. ("CEDE"), HAS AN INTEREST HEREIN, UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY ("DTC") TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE OR OF SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE).**

**TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, AND NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF INTERESTS IN THIS NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE TRUST DEED.**

**PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH IN THE TRUST DEED. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF DEUTSCHE BANK AG, LONDON BRANCH AS THE PRINCIPAL PAYING AGENT.**

**THE HOLDER OF THIS NOTE ACKNOWLEDGES THAT NOTWITHSTANDING ANY OTHER PROVISION OF THE TRUST DEED OR ANY OTHER TRANSACTION DOCUMENT, ALL PAYMENTS OF PRINCIPAL, INTEREST OR ANY OTHER AMOUNT TO BE MADE BY THE ISSUER IN RESPECT OF THE NOTES OR UNDER ANY TRANSACTION DOCUMENT WILL BE PAYABLE PURSUANT TO THE PRIORITY OF PAYMENTS AND ONLY FROM, AND TO THE EXTENT OF, THE SUMS PAID TO, OR NET PROCEEDS RECOVERED BY OR ON BEHALF OF, THE ISSUER IN RESPECT OF THE SECURITY (AS DEFINED IN THE SECURITY TRUST DEED, DATED 16 OCTOBER 2008, AMONG PENARTH FUNDING 1 LIMITED, PENARTH RECEIVABLES TRUSTEE LIMITED, INTERTRUST OFFSHORE LIMITED, DEUTSCHE BANK TRUST COMPANY AMERICAS AND BANK OF SCOTLAND PLC (THE "SECURITY TRUST DEED")). IF THE PROCEEDS OF THE SECURITY (AS DEFINED IN THE SECURITY TRUST DEED) ARE NOT SUFFICIENT FOR THE ISSUER TO MEET ITS OBLIGATIONS IN RESPECT OF THE NOTES AND OTHER TRANSACTION DOCUMENTS, NO OTHER ASSETS OF THE ISSUER WILL BE AVAILABLE TO MEET SUCH INSUFFICIENCY.**

**[EACH HOLDER OF THIS NOTE (OR ANY INTEREST THEREIN), BY PURCHASING SUCH NOTE (OR ANY SUCH INTEREST), WILL BE DEEMED TO**

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<sup>2</sup> To be included in the legend for Global Equity Note Certificates.

**HAVE REPRESENTED AND AGREED TO TREAT SUCH NOTE (OR ANY SUCH INTEREST) AS INDEBTEDNESS FOR U.S. FEDERAL INCOME TAX PURPOSES.]<sup>3</sup>**

**Penarth Master Issuer plc**

*(incorporated with limited liability under  
the laws of England and Wales)*

**[currency][amount]**

**Class [A/B/C/D] Asset Backed [Floating/Fixed] Rate Notes due [•]**

## **RULE 144A GLOBAL NOTE CERTIFICATE**

### **1. INTRODUCTION**

This Rule 144A Global Note Certificate is issued in respect of the above captioned Notes. The Notes are constituted by, are subject to, and have the benefit of the Note Trust Deed and are the subject of the Agency Agreement and the other Documents.

### **2. INTERPRETATION**

#### **2.1 References to Conditions**

Any reference herein to the "**Conditions**" is to the terms and conditions of the Notes attached hereto and any reference to a numbered "**Condition**" is to the correspondingly numbered provision thereof.

#### **2.2 Definitions**

In this Rule 144A Global Note Certificate, unless otherwise defined herein or the context requires otherwise, words and expressions have the meanings and constructions ascribed to them in the Conditions.

### **3. REGISTERED HOLDER**

This is to certify that:

***Cede & Co***

is the person Registered in the Register maintained by the Registrar in relation to the Notes as the duly registered holder (the "**Holder**") of the Notes represented from time to time by this Rule 144A Global Note Certificate.

### **4. PROMISE TO PAY**

The Issuer, for value received, promises to pay to the Holder such principal sum as is noted on the Register at the time of payment as being the Principal Amount Outstanding of this Rule 144A Global Note Certificate for the time being on the dates and in the amounts specified in the Conditions or on such earlier date or dates as the same may

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<sup>3</sup> Use if note is treated as debt of the Issuer for U.S. federal income tax purposes.

become payable in accordance with the Conditions, and to pay interest on the unpaid balance of such principal sum in arrear on the dates and at the rate specified in the Conditions, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

5. **PAYMENT CONDITIONS**

*Payment Business Day:* If the currency of any payment made in respect of Notes represented by this Global Note Certificate is euro, the applicable Payment Business Day shall be any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, if the currency of any payment made in respect of Notes represented by this Global Note Certificate is not euro, the applicable Payment Business Day shall be any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

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

6. **TRANSFERS IN WHOLE**

Transfers of this Rule 144A Global Note Certificate shall be limited to transfers in whole, but not in part, to nominees of The Depository Trust Company ("**DTC**") or to a successor of DTC or to such successor's respective nominee.

7. **EXCHANGE FOR RULE 144A INDIVIDUAL NOTE CERTIFICATES**

This Rule 144A Global Note Certificate will be exchanged in whole but not in part only for duly authenticated and completed individual note certificates ("**Rule 144A Individual Note Certificates**") in substantially the form (subject to completion) set out in Schedule 3 - Part A (*Form of Rule 144A Individual Note Certificate*) to the Note Trust Deed if (i) DTC notifies the Note Trustee or the Principal Paying Agent that it is unwilling or unable to continue as depository for the Rule 144A Global Note Certificate or DTC ceases to be a "clearing agency" registered under the United States Securities and Exchange Act of 1934, as amended, and a successor depository or clearing system is not appointed by the Trustee or the Principal Paying Agent within 90 days of receiving such notice; or (ii) the Issuer or any Paying Agent or any other person is or will be required to make any withholding or deduction from any payment in respect of the Notes for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature or the Issuer suffers or will suffer any other disadvantage as a result of such change, which withholding or deduction would not be required or other disadvantage would not be suffered (as the case may be) if the Notes were in individual certificate form (each, an "**Exchange Event**").

Such exchange shall be effected in accordance with paragraph 7 (*Delivery of Rule 144A Individual Note Certificates*). The Issuer shall notify the Holder of the occurrence of any such event as soon as practicable thereafter.

## 8. DELIVERY OF RULE 144A INDIVIDUAL NOTE CERTIFICATES

Whenever this Rule 144A Global Note Certificate is to be exchanged for Rule 144A Individual Note Certificates, such Rule 144A Individual Note Certificates shall be issued in an aggregate principal amount equal to the Principal Amount Outstanding of this Rule 144A Global Note Certificate against the surrender of this Rule 144A Global Note Certificate at the Specified Office of the Registrar within five business days of:

- 7.1 the delivery to the Registrar, by or on behalf of the Holder, and DTC, of such information as is required to complete and deliver such Rule 144A Individual Note Certificates (including, without limitation, the names and addresses of the persons in whose names the Rule 144A Individual Note Certificates are to be registered and the principal amount of each such person's holding); and
- 7.2 the delivery to the Registrar of a certificate given by or on behalf of the holder of each beneficial interest in this Rule 144A Global Note Certificate stating either (i) that such holder is not transferring its interest at the time of such exchange or (ii) that the transfer or exchange of such interest has been made in compliance with the transfer restrictions applicable to the Notes and that the person transferring such interest reasonably believes that the person acquiring such interest is a qualified institutional buyer (as defined in Rule 144A ("Rule 144A") under the United States Securities Act of 1933, as amended (the "Securities Act"))) and is obtaining such beneficial interest in a transaction meeting the requirements of Rule 144A under the Securities Act.

Such exchange shall be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any Holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange. In this paragraph, "**business day**" means a day on which commercial banks are open for business (including dealings in foreign currencies) in the city in which the Registrar has its Specified Office.

## 9. TRANSFER AND EXCHANGE FOR AN INTEREST IN THE REGULATION S GLOBAL NOTE CERTIFICATE

If a holder of a beneficial interest in the Notes represented by this Rule 144A Global Note Certificate wishes at any time to transfer such beneficial interest to a person who wishes to take delivery thereof in the form of a beneficial interest in the unrestricted global note certificate issued in relation to the Notes (the "**Regulation S Global Note Certificate**"), such holder may transfer such beneficial interest in accordance with the rules and operating procedures of DTC, Euroclear Bank S.A./N.V., as operator of the Euroclear system, ("**Euroclear**") and Clearstream Banking, *société anonyme*,



Luxembourg ("**Clearstream**") (as applicable) and the terms of this paragraph. Upon receipt by the Registrar of:

- 8.1 notification by DTC, or its custodian or nominee, that the appropriate debit entries have been made in the accounts of the relevant participants of DTC;
- 8.2 notification by Euroclear and/or Clearstream (as applicable), or their respective custodians or depositaries, that the appropriate credit entries have been made in the accounts of the relevant participants of Euroclear and/or Clearstream (as the case may be); and
- 8.3 a certificate in the form of the Schedule 2 (*Form of Transfer Certificate*) to the Paying Agency and Agent Bank Agreement given by the holder of such beneficial interest requesting such transfer or exchange and stating that the transfer or exchange of such interest has been made in compliance with the transfer restrictions applicable to the Notes and that (i) such transfer or exchange has been made pursuant to and in accordance with Regulation S ("Regulation S") under the Securities Act or (ii) the Notes are being exchanged or transferred pursuant to an exemption from registration provided by Rule 144 under the Securities Act,

the Issuer shall procure that (i) the Registrar decreases the aggregate principal amount of this Rule 144A Global Note Certificate by the principal amount of Notes the subject of such transfer and increases the aggregate principal amount of the Regulation S Global Note Certificate by such principal amount, (ii) appropriate entries are made in the records held for DTC so as to reflect such decrease and (iii) appropriate entries are made in the records of the depositary for Euroclear and/or Clearstream so as to reflect such increase.

## 10. **CONDITIONS APPLY**

Save as otherwise provided herein, the Holder of this Rule 144A Global Note Certificate shall have the benefit of, and be subject to, the Conditions and, for the purposes of this Rule 144A Global Note Certificate, any reference in the Conditions to "**Individual Note Certificate**" or "**Individual Note Certificates**" shall, except where the context otherwise requires, be construed so as to include this Rule 144A Global Note Certificate.

## 11. **NOTICES**

Notwithstanding the Notices Condition, so long as this Rule 144A Global Note Certificate is held on behalf of DTC or any other clearing system (an "**Alternative Clearing System**"), notices to Holders of Notes represented by this Rule 144A Global Note Certificate may be given by delivery of the relevant notice to DTC or (as the case may be) such Alternative Clearing System.

## 12. **LEGENDS**

The statements set out in the legends above are an integral part of this Rule 144A Global Note Certificate and, by acceptance hereof, each Holder of this Rule 144A Global Note Certificate agrees to be subject to and bound by such legends.

**13. DETERMINATION OF ENTITLEMENT**

This Rule 144A Global Note Certificate is evidence of entitlement only and is not a document of title. Entitlements are determined by the Register and only the Holder is entitled to payment in respect of this Rule 144A Global Note Certificate.

**14. AUTHENTICATION**

This Rule 144A Global Note Certificate shall not be valid for any purpose until it has been authenticated for and on behalf of the Registrar.

**15. GOVERNING LAW**

This Rule 144A Global Note Certificate and all non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

**AS WITNESS** the manual or facsimile signature of a duly authorised person on behalf of the Issuer.

**PENARTH MASTER ISSUER PLC**

By: .....  
[*manual or facsimile signature*]  
(*duly authorised*)

**ISSUED** as of [•]

**AUTHENTICATED** for and on behalf of  
**DEUTSCHE BANK TRUST COMPANY AMERICAS**  
as Registrar  
without recourse, warranty or liability

By: .....  
[*manual signature*]  
(*duly authorised*)

## FORM OF TRANSFER

**FOR VALUE RECEIVED** ....., being the registered holder of this Rule 144A Global Note Certificate, hereby transfers to .....  
.....  
of .....  
.....  
.....,

[currency] ..... in principal amount of the [currency] [amount] Class [A/B/C/D] Asset Backed [Floating/Fixed] Rate Notes due [•] (the "**Notes**") of Penarth Master Issuer plc (the "**Issuer**") and irrevocably requests and authorises Deutsche Bank Trust Company Americas, in its capacity as registrar in relation to the Notes (or any successor to Deutsche Bank Trust Company Americas, in its capacity as such) to effect the relevant transfer by means of appropriate entries in the register kept by it.

Dated: .....

By: .....  
(*duly authorised*)

### Notes

- (a) The name of the person by or on whose behalf this form of transfer is signed must correspond with the name of the registered holder as it appears on the face of this Rule 144A Global Note Certificate.
- (b) A representative of such registered holder should state the capacity in which he signs, e.g. executor.
- (c) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the Registrar may require.

*[Attached to each Rule 144A Global Note Certificate:]*

**TERMS AND CONDITIONS**

*[As set out in Schedule 1 of the Note Trust Deed]*

*[At the foot of the Terms and Conditions:]*

**[REGISTRAR AND TRANSFER AGENT]**

**Deutsche Bank Trust Company Americas**

**[•]**

**PAYING AGENT**

**[•]**

**[•]**

**PART B**  
**FORM OF REGULATION S GLOBAL NOTE CERTIFICATE (CLASSIC GLOBAL NOTE)**

ISIN: [•]

**THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), ANY STATE SECURITIES LAWS IN THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND NEITHER THE ISSUER NOR THE SECURITISED PORTFOLIO HAS BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS NOTE, REPRESENTS THAT IT HAS OBTAINED THIS NOTE IN A TRANSACTION IN COMPLIANCE WITH THE SECURITIES ACT AND ALL OTHER APPLICABLE LAWS OF THE UNITED STATES OR ANY OTHER JURISDICTION, AND THE RESTRICTIONS ON SALE AND TRANSFER SET FORTH IN THE TRUST DEED (THE "TRUST DEED"), DATED 16 OCTOBER 2008 (AS AMENDED AND RESTATED FROM TIME TO TIME), BETWEEN THE ISSUER AND DEUTSCHE BANK TRUST COMPANY AMERICAS (THE "NOTE TRUSTEE"). THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS NOTE, FURTHER REPRESENTS, ACKNOWLEDGES AND AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE (OR ANY INTEREST HEREIN) EXCEPT IN COMPLIANCE WITH THE SECURITIES ACT AND ALL OTHER APPLICABLE LAWS OF ANY JURISDICTION AND IN ACCORDANCE WITH THE RESTRICTIONS, CERTIFICATIONS AND OTHER REQUIREMENTS SPECIFIED IN THE TRUST DEED (i) TO A TRANSFEREE THAT IS A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (A "QIB") PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QIB IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT OR (ii) TO A TRANSFEREE THAT IS NOT A U.S. PERSON (AS DEFINED IN REGULATION S OF THE SECURITIES ACT) AND THAT IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSES (i) AND (ii), IN A PRINCIPAL AMOUNT WITH RESPECT TO EACH CLASS OF NOTES OF NOT LESS THAN €50,000 (OR THE EQUIVALENT THEREOF IN THE SPECIFIED CURRENCY) FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING. EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE DEEMED TO HAVE MADE THE REPRESENTATIONS AND AGREEMENTS SET FORTH IN THE TRUST DEED.**

**EACH TRANSFEROR OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE NOTE TRUST DEED TO THE TRANSFEREE. IN ADDITION TO THE FOREGOING, THE ISSUER MAINTAINS THE RIGHT TO RESELL ANY INTEREST IN THIS NOTE PREVIOUSLY TRANSFERRED TO HOLDERS NOT ELIGIBLE TO PURCHASE SUCH INTERESTS IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE NOTE TRUST DEED.**

HOWEVER, WITHOUT PREJUDICE TO THE RIGHTS OF THE ISSUER AGAINST ANY BENEFICIAL OWNER OR PURPORTED BENEFICIAL OWNER OF NOTES, NOTHING IN THE NOTE TRUST DEED OR THE NOTES SHALL BE INTERPRETED TO CONFER ON THE ISSUER, THE NOTE TRUSTEE OR ANY PAYING AGENT ANY RIGHT AGAINST EUROCLEAR BANK S.A./N.V. ("EUROCLEAR") AND/OR CLEARSTREAM BANKING, SOCIÉTÉ ANONYME ("CLEARSTREAM"), TO REQUIRE THAT EUROCLEAR AND/OR CLEARSTREAM, AS THE CASE MAY BE, REVERSE OR RESCIND ANY TRADE COMPLETED IN ACCORDANCE WITH THE RULES OF EUROCLEAR AND/OR CLEARSTREAM, AS THE CASE MAY BE.

[EACH ORIGINAL PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR OF AN INTEREST HEREIN IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT EITHER (I) THE HOLDER IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE WILL NOT BE, (A) AN "EMPLOYEE BENEFIT PLAN" SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), (B) A "PLAN" WITHIN THE MEANING OF AND SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (C) ANY PERSON OR ENTITY WHOSE ASSETS INCLUDE, OR ARE DEEMED FOR THE PURPOSES OF ERISA OR THE CODE TO INCLUDE, THE ASSETS OF ANY SUCH "EMPLOYEE BENEFIT PLAN" OR "PLAN" BY REASON OF 29 C.F.R. 2510.3-101 OR OTHERWISE, OR ANY OTHER EMPLOYEE BENEFIT PLAN SUBJECT TO ANY FEDERAL, STATE, LOCAL OR (D) NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), AND IS NOT PURCHASING THIS NOTE ON BEHALF OF ANY SUCH PERSON, OR (II) THE PURCHASE, HOLDING AND SUBSEQUENT DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF ANY SUCH OTHER EMPLOYEE BENEFIT PLAN, ARE NOT IN VIOLATION OF ANY SUCH SUBSTANTIALLY SIMILAR LAW)].<sup>4</sup>

[EACH PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR OF AN INTEREST HEREIN IS DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) IT IS NOT (AND IS NOT DEEMED FOR PURPOSES OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") TO BE) AND FOR SO LONG AS IT HOLDS AN EQUITY NOTE, AS APPLICABLE, WILL NOT BE (OR BE DEEMED FOR SUCH PURPOSES TO BE) (A) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN ERISA AND THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE, OR ARE DEEMED FOR PURPOSES OF ERISA OR THE CODE TO INCLUDE, "PLAN ASSETS" BY REASON OF SUCH PLAN INVESTMENT IN THE ENTITY (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR") OR (II) (A) IT IS AN EMPLOYEE BENEFIT PLAN THAT IS NOT A BENEFIT PLAN INVESTOR WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS

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<sup>4</sup> To be included in the legend for Global Debt Note Certificates.

**SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW") AND (B) THE PURCHASE AND HOLDING OF SUCH EQUITY NOTES, AS APPLICABLE, DO NOT AND WILL NOT VIOLATE ANY SUCH SUBSTANTIALLY SIMILAR LAW.]<sup>5</sup>**

**ANY TRANSFER, PLEDGE OR OTHER USE OF THIS NOTE FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, [•], HAS AN INTEREST HEREIN, UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF EUROCLEAR BANK S.A./N.V. ("EUROCLEAR") AND/OR CLEARSTREAM BANKING, SOCIÉTÉ ANONYME ("CLEARSTREAM") TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF [•] OR OF SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF EUROCLEAR AND CLEARSTREAM (AND ANY PAYMENT HEREON IS MADE TO [•].**

**TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, AND NOT IN PART, TO NOMINEES OF EUROCLEAR AND CLEARSTREAM OR TO SUCCESSORS THEREOF OR SUCH SUCCESSORS' NOMINEE AND TRANSFERS OF INTERESTS IN THIS NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE TRUST DEED.**

**PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH IN THE TRUST DEED. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF DEUTSCHE BANK AG, LONDON BRANCH AS THE PRINCIPAL PAYING AGENT.**

**THE HOLDER OF THIS NOTE ACKNOWLEDGES THAT NOTWITHSTANDING ANY OTHER PROVISION OF THE TRUST DEED OR ANY OTHER TRANSACTION DOCUMENT, ALL PAYMENTS OF PRINCIPAL, INTEREST OR ANY OTHER AMOUNT TO BE MADE BY THE ISSUER IN RESPECT OF THE NOTES OR UNDER ANY TRANSACTION DOCUMENT WILL BE PAYABLE PURSUANT TO THE PRIORITY OF PAYMENTS AND ONLY FROM, AND TO THE EXTENT OF, THE SUMS PAID TO, OR NET PROCEEDS RECOVERED BY OR ON BEHALF OF, THE ISSUER IN RESPECT OF THE SECURITY (AS DEFINED IN THE SECURITY TRUST DEED, DATED 16 OCTOBER 2008, AMONG PENARTH FUNDING 1 LIMITED, PENARTH RECEIVABLES TRUSTEE LIMITED, DEUTSCHE BANK TRUST COMPANY AMERICAS, INTERTRUST OFFSHORE LIMITED AND BANK OF SCOTLAND PLC (THE "SECURITY TRUST DEED")). IF THE PROCEEDS OF THE SECURITY (AS DEFINED IN THE SECURITY TRUST DEED) ARE NOT SUFFICIENT FOR THE ISSUER TO MEET ITS OBLIGATIONS IN RESPECT OF THE NOTES AND OTHER TRANSACTION DOCUMENTS, NO OTHER ASSETS OF THE ISSUER WILL BE AVAILABLE TO MEET SUCH INSUFFICIENCY.**

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<sup>5</sup> To be included in the legend for Global Equity Note Certificates.



**Penarth Master Issuer plc**

*(incorporated with limited liability under  
the laws of England and Wales)*

**[currency][amount]**

**Class [A/B/C/D] Asset Backed [Floating/Fixed] Rate Notes due [•]**

**REGULATION S GLOBAL NOTE CERTIFICATE (CLASSIC GLOBAL NOTE)**

**1. INTRODUCTION**

This Regulation S Global Note Certificate is issued in respect of the above captioned Notes. The Notes are constituted by, are subject to, and have the benefit of the Note Trust Deed and are the subject of the Agency Agreement and the other Documents.

**2. INTERPRETATIONS**

**2.1 Reference to Conditions**

Any reference herein to the "**Conditions**" is to the terms and conditions of the Notes attached hereto and any reference to a numbered "**Condition**" is to the correspondingly numbered provision thereof.

**2.2 Definitions**

In this Regulation S Global Note Certificate, unless otherwise defined herein or the context requires otherwise, words and expressions have the meanings and constructions ascribed to them in the Conditions.

**3. REGISTERED HOLDER**

This is to certify that:

***BT Globenet Nominees Limited***  
***(or nominee)***

is the person registered in the Register maintained by the Registrar in relation to the Notes as the duly registered holder (the "**Holder**") of the Notes represented from time to time by this Regulation S Global Note Certificate.

**4. PROMISE TO PAY**

The Issuer, for value received, promises to pay to the Holder such principal sum as is noted on the Register at the time of payment as being the Principal Amount Outstanding of this Regulation S Global Note Certificate for the time being on the dates and in the amounts specified in the Conditions or on such earlier date or dates as the same may become payable in accordance with the Conditions, and to pay interest on the unpaid balance of such principal sum in arrear on the dates and at the rate specified in the Conditions, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

## 5. PAYMENT CONDITIONS

*Payment Business Day:* If the currency of any payment made in respect of Notes represented by this Global Note Certificate is euro, the applicable Payment Business Day shall be any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, if the currency of any payment made in respect of Notes represented by this Global Note Certificate is not euro, the applicable Payment Business Day shall be any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

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

## 6. TRANSFERS IN WHOLE

Transfers of this Regulation S Global Note Certificate shall be limited to transfers in whole, but not in part, to nominees of Euroclear Bank S.A./N.V., as operator of the Euroclear system, ("**Euroclear**") and Clearstream Banking, *société anonyme*, Luxembourg ("**Clearstream**") or to a successor of Euroclear and Clearstream or to such successors' respective nominee.

## 7. EXCHANGE FOR REGULATION S INDIVIDUAL NOTE CERTIFICATES

This Regulation S Global Note Certificate will be exchanged in whole but not in part only for duly authenticated and completed individual note certificates ("**Regulation S Individual Note Certificates**") in substantially the form (subject to completion) set out in Schedule 3 - Part B (*Form of Regulation S Individual Note Certificate*) to the Note Trust Deed if (i) Euroclear or Clearstream is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so or (ii) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political sub-division thereof), or of any authority therein or thereof having power to tax, or in the interpretation by a revenue authority or a court of, or in the administration of, such laws or regulations which become effective on or after the date of issue of this Global Note Certificate, the Issuer or any Paying Agent is or will be required to make any deduction or withholding from any payment in respect of the Notes which would not be required were the relevant Notes in individual definitive form and a certificate to such effect signed by an authorised director of the Issuer is delivered to the Note Trustee, (each, an "**Exchange Event**").

Such exchange shall be effected in accordance with paragraph 7 (*Delivery of Regulation S Individual Note Certificates*) below. The Issuer shall notify the Holder of the occurrence of any such event as soon as practicable thereafter.

## 8. DELIVERY OF REGULATION S INDIVIDUAL NOTE CERTIFICATES

Whenever this Regulation S Global Note Certificate is to be exchanged for Regulation S Individual Note Certificates, such Regulation S Individual Note Certificates shall be issued in an aggregate principal amount equal to the Principal Amount Outstanding of this Regulation S Global Note Certificate within five business days of the delivery, by or on behalf of the Holder, Euroclear and/or Clearstream, to the Registrar of such information as is required to complete and deliver such Regulation S Individual Note Certificates (including, without limitation, the names and addresses of the persons in whose names the Regulation S Individual Note Certificates are to be registered and the principal amount of each such person's holding) against the surrender of this Regulation S Global Note Certificate at the Specified Office of the Registrar. Such exchange shall be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any Holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange. In this paragraph, "**business day**" means a day on which commercial banks are open for business (including dealings in foreign currencies) in the city in which the Registrar has its Specified Office.

## 9. TRANSFER AND EXCHANGE FOR AN INTEREST IN THE RULE 144A GLOBAL NOTE CERTIFICATE

If a holder of a beneficial interest in the Notes represented by this Regulation S Global Note Certificate wishes at any time to transfer such beneficial interest to a person who wishes to take delivery thereof in the form of a beneficial interest in the Rule 144A global note certificate issued in relation to the Notes (the "**Rule 144A Global Note Certificate**"), such holder may transfer such beneficial interest in accordance with the rules and operating procedures of Euroclear and/or Clearstream and the terms of this paragraph. Upon receipt by the Registrar of:

- 8.1 notification by Euroclear and/or Clearstream (as applicable), or their respective custodians or depositaries, that the appropriate debit entries have been made in the accounts of the relevant participants of Euroclear and/or Clearstream (as the case may be);
- 8.2 notification by The Depository Trust Company ("DTC"), or its custodian or nominee, that the appropriate credit entries have been made in the accounts of the relevant participants of DTC; and
- 8.3 a certificate in the form of Schedule 2 (*Form of Transfer Certificate*) to the Paying Agency and Agent Bank Agreement given by the holder of such beneficial interest requesting such transfer or exchange and, in the case of transfer or exchange on or prior to the fortieth day after the later of the commencement of the offering and the date of issue of this Regulation S Global Note Certificate, stating that the transfer or exchange of such interest has been made in compliance with the transfer restrictions applicable to the Notes and that the person transferring such interest in this Regulation S Global Note Certificate reasonably believes that the person acquiring such interest in the Rule 144A Global Note Certificate is a qualified institutional buyer (as defined in Rule 144A under the United States Securities Act of 1933, as amended (the "Securities Act")) and

is obtaining such beneficial interest in a transaction meeting the requirements of Rule 144A under the Securities Act,

the Issuer shall procure that (i) the Registrar decreases the aggregate principal amount of this Regulation S Global Note Certificate by the principal amount of Notes the subject of such transfer and increases the aggregate principal amount of the Rule 144A Global Note Certificate by such principal amount; (ii) appropriate entries are made in the records of the depositary for Euroclear and Clearstream so as to reflect such decrease and (iii) appropriate entries are made in the records held for DTC so as to reflect such increase.

#### 10. **CONDITIONS APPLY**

Save as otherwise provided herein, the Holder of this Regulation S Global Note Certificate shall have the benefit of, and be subject to, the Conditions and, for the purposes of this Regulation S Global Note Certificate, any reference in the Conditions to "**Individual Note Certificate**" or "**Individual Note Certificates**" shall, except where the context otherwise requires, be construed so as to include this Regulation S Global Note Certificate.

#### 11. **NOTICES**

Notwithstanding the Notices Condition, so long as this Regulation S Global Note Certificate is held on behalf of Euroclear, Clearstream or any other clearing system (an "**Alternative Clearing System**"), notices to Holders of Notes represented by this Regulation S Global Note Certificate may be given by delivery of the relevant notice to Euroclear, Clearstream or (as the case may be) such Alternative Clearing System.

#### 12. **LEGENDS**

The statements set out in the legends above are an integral part of this Regulation S Global Note Certificate and, by acceptance hereof, each Holder of this Regulation S Global Note Certificate agrees to be subject to and bound by such legends.

#### 13. **DETERMINATION OF ENTITLEMENT**

This Regulation S Global Note Certificate is evidence of entitlement only and is not a document of title. Entitlements are determined by the Register and only the Holder is entitled to payment in respect of this Regulation S Global Note Certificate.

#### 14. **AUTHENTICATION**

This Regulation S Global Note Certificate shall not be valid for any purpose until it has been authenticated for and on behalf of the Registrar.

#### 15. **GOVERNING LAW**

This Regulation S Global Note Certificate and all non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

**AS WITNESS** the manual or facsimile signature of a duly authorised person on behalf of the Issuer.

**PENARTH MASTER ISSUER PLC**

By: .....  
[*manual or facsimile signature*]  
(*duly authorised*)

**ISSUED** as of [•]

**AUTHENTICATED** for and on behalf of  
**DEUTSCHE BANK AG, LONDON BRANCH**  
as Principal Paying Agent  
without recourse, warranty or liability

By: .....  
[*manual signature*]  
(*duly authorised*)

## FORM OF TRANSFER

**FOR VALUE RECEIVED** ....., being the registered holder of this Regulation S Global Note Certificate, hereby transfers to .....  
.....  
of .....  
.....  
.....,

[currency] ..... in principal amount of the [currency] [*amount*] Class [A/B/C/D] Asset Backed [Floating/Fixed] Rate Notes due [•] (the "**Notes**") of Penarth Master Issuer plc (the "**Issuer**") and irrevocably requests and authorises Deutsche Bank Trust Company Americas, in its capacity as registrar in relation to the Notes (or any successor to Deutsche Bank Trust Company Americas, in its capacity as such) to effect the relevant transfer by means of appropriate entries in the register kept by it.

Dated: .....

By:.....  
(*duly authorised*)

### Notes

- (a) The name of the person by or on whose behalf this form of transfer is signed must correspond with the name of the registered holder as it appears on the face of this Regulation S Global Note Certificate.
- (b) A representative of such registered holder should state the capacity in which he signs, e.g. executor.
- (c) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the Registrar may require.

*[Attached to each Regulation S Global Note Certificate:]*

**TERMS AND CONDITIONS**

*[As set out in Schedule 1 of the Note Trust Deed]*

*[At the foot of the Terms and Conditions:]*

**[REGISTRAR AND TRANSFER AGENT]**

**Deutsche Bank Trust Company Americas**

**[•]**

**PAYING AGENT**

**[•]**

**[•]**

**PART C**  
**FORM OF REGULATION S GLOBAL NOTE CERTIFICATE (NEW**  
**SAFEKEEPING STRUCTURE)**

ISIN: .....

**THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), ANY STATE SECURITIES LAWS IN THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND NEITHER THE ISSUER NOR THE SECURITISED PORTFOLIO HAS BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS NOTE, REPRESENTS THAT IT HAS OBTAINED THIS NOTE IN A TRANSACTION IN COMPLIANCE WITH THE SECURITIES ACT AND ALL OTHER APPLICABLE LAWS OF THE UNITED STATES OR ANY OTHER JURISDICTION, AND THE RESTRICTIONS ON SALE AND TRANSFER SET FORTH IN THE TRUST DEED (THE "TRUST DEED"), DATED 16 OCTOBER 2008 (AS AMENDED AND RESTATED FROM TIME TO TIME), BETWEEN THE ISSUER AND DEUTSCHE BANK TRUST COMPANY AMERICAS (THE "NOTE TRUSTEE"). THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS NOTE, FURTHER REPRESENTS, ACKNOWLEDGES AND AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE (OR ANY INTEREST HEREIN) EXCEPT IN COMPLIANCE WITH THE SECURITIES ACT AND ALL OTHER APPLICABLE LAWS OF ANY JURISDICTION AND IN ACCORDANCE WITH THE RESTRICTIONS, CERTIFICATIONS AND OTHER REQUIREMENTS SPECIFIED IN THE TRUST DEED (i) TO A TRANSFEREE THAT IS A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (A "QIB") PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QIB IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT OR (ii) TO A TRANSFEREE THAT IS NOT A U.S. PERSON (AS DEFINED IN REGULATION S OF THE SECURITIES ACT) AND THAT IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSES (i) AND (ii), IN A PRINCIPAL AMOUNT WITH RESPECT TO EACH CLASS OF NOTES OF NOT LESS THAN €50,000 (OR THE EQUIVALENT THEREOF IN THE SPECIFIED CURRENCY) FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING. EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE DEEMED TO HAVE MADE THE REPRESENTATIONS AND AGREEMENTS SET FORTH IN THE TRUST DEED.**

**EACH TRANSFEROR OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE NOTE TRUST DEED TO THE TRANSFEREE. IN ADDITION TO THE FOREGOING, THE ISSUER MAINTAINS THE RIGHT TO RESELL ANY INTEREST IN THIS NOTE PREVIOUSLY TRANSFERRED TO HOLDERS NOT ELIGIBLE TO PURCHASE**



**SUCH INTERESTS IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED.**

**HOWEVER, WITHOUT PREJUDICE TO THE RIGHTS OF THE ISSUER AGAINST ANY BENEFICIAL OWNER OR PURPORTED BENEFICIAL OWNER OF NOTES, NOTHING IN THE TRUST DEED OR THE NOTES SHALL BE INTERPRETED TO CONFER ON THE ISSUER, THE NOTE TRUSTEE OR ANY PAYING AGENT ANY RIGHT AGAINST EUROCLEAR BANK S.A./N.V. ("EUROCLEAR") AND/OR CLEARSTREAM BANKING, SOCIÉTÉ ANONYME ("CLEARSTREAM"), TO REQUIRE THAT EUROCLEAR AND/OR CLEARSTREAM, AS THE CASE MAY BE, REVERSE OR RESCIND ANY TRADE COMPLETED IN ACCORDANCE WITH THE RULES OF EUROCLEAR AND/OR CLEARSTREAM, AS THE CASE MAY BE.**

**[EACH ORIGINAL PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR OF AN INTEREST HEREIN IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT EITHER (I) THE HOLDER IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE WILL NOT BE, (A) AN "EMPLOYEE BENEFIT PLAN" SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), (B) A "PLAN" WITHIN THE MEANING OF AND SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (C) ANY PERSON OR ENTITY WHOSE ASSETS INCLUDE, OR ARE DEEMED FOR THE PURPOSES OF ERISA OR THE CODE TO INCLUDE, THE ASSETS OF ANY SUCH "EMPLOYEE BENEFIT PLAN" OR "PLAN" BY REASON OF 29 C.F.R. 2510.3-101 OR OTHERWISE, OR ANY OTHER EMPLOYEE BENEFIT PLAN SUBJECT TO ANY FEDERAL, STATE, LOCAL OR (D) NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), AND IS NOT PURCHASING THIS NOTE ON BEHALF OF ANY SUCH PERSON, OR (II) THE PURCHASE, HOLDING AND SUBSEQUENT DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF ANY SUCH OTHER EMPLOYEE BENEFIT PLAN, ARE NOT IN VIOLATION OF ANY SUCH SUBSTANTIALLY SIMILAR LAW).]<sup>6</sup>**

**[EACH PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR OF AN INTEREST HEREIN IS DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) IT IS NOT (AND IS NOT DEEMED FOR PURPOSES OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") TO BE) AND FOR SO LONG AS IT HOLDS AN EQUITY NOTE, AS APPLICABLE, WILL NOT BE (OR BE DEEMED FOR SUCH PURPOSES TO BE) (A) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN ERISA AND THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE, OR ARE DEEMED FOR PURPOSES OF ERISA OR THE CODE TO INCLUDE, "PLAN ASSETS" BY REASON OF SUCH PLAN INVESTMENT IN THE ENTITY (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR") OR (II) (A) IT IS AN EMPLOYEE**

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<sup>6</sup> To be included in the legend for Global Debt Note Certificates.

**BENEFIT PLAN THAT IS NOT A BENEFIT PLAN INVESTOR WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW") AND (B) THE PURCHASE AND HOLDING OF SUCH EQUITY NOTES, AS APPLICABLE, DO NOT AND WILL NOT VIOLATE ANY SUCH SUBSTANTIALLY SIMILAR LAW.]<sup>7</sup>**

**ANY TRANSFER, PLEDGE OR OTHER USE OF THIS NOTE FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, [•], HAS AN INTEREST HEREIN, UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF EUROCLEAR BANK S.A./N.V. ("EUROCLEAR") AND/OR CLEARSTREAM BANKING, SOCIÉTÉ ANONYME ("CLEARSTREAM") TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF [•] OR OF SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF EUROCLEAR AND CLEARSTREAM (AND ANY PAYMENT HEREON IS MADE TO [•].**

**TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, AND NOT IN PART, TO NOMINEES OF THE ICSDS (AS DEFINED BELOW) ACTING AS COMMON SAFEKEEPER OR TO SUCCESSORS THEREOF OR SUCH SUCCESSORS' NOMINEE AND TRANSFERS OF INTERESTS IN THIS NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE TRUST DEED.**

**PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH IN THE TRUST DEED. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF DEUTSCHE BANK AG, LONDON BRANCH AS THE PRINCIPAL PAYING AGENT.**

**THE HOLDER OF THIS NOTE ACKNOWLEDGES THAT NOTWITHSTANDING ANY OTHER PROVISION OF THE TRUST DEED OR ANY OTHER TRANSACTION DOCUMENT, ALL PAYMENTS OF PRINCIPAL, INTEREST OR ANY OTHER AMOUNT TO BE MADE BY THE ISSUER IN RESPECT OF THE NOTES OR UNDER ANY TRANSACTION DOCUMENT WILL BE PAYABLE PURSUANT TO THE PRIORITY OF PAYMENTS AND ONLY FROM, AND TO THE EXTENT OF, THE SUMS PAID TO, OR NET PROCEEDS RECOVERED BY OR ON BEHALF OF, THE ISSUER IN RESPECT OF THE SECURITY (AS DEFINED IN THE SECURITY TRUST DEED, DATED 16 OCTOBER 2008, AMONG PENARTH FUNDING 1 LIMITED, PENARTH RECEIVABLES TRUSTEE LIMITED, DEUTSCHE BANK TRUST COMPANY AMERICAS, INTERTRUST OFFSHORE LIMITED AND BANK OF SCOTLAND PLC (THE "SECURITY TRUST DEED")). IF THE PROCEEDS OF THE SECURITY (AS DEFINED IN THE SECURITY TRUST DEED) ARE NOT SUFFICIENT FOR THE ISSUER TO MEET ITS OBLIGATIONS IN RESPECT OF**

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<sup>7</sup> To be included in the legend for Global Equity Note Certificates.

**THE NOTES AND OTHER TRANSACTION DOCUMENTS, NO OTHER ASSETS OF THE ISSUER WILL BE AVAILABLE TO MEET SUCH INSUFFICIENCY.**

**Penarth Master Issuer plc**

(incorporated with limited liability under  
the laws of England and Wales)

**[currency][amount]**

**Class [A/B/C/D] Asset Backed [Floating/Fixed] Rate Notes due [•]**

**REGULATION S GLOBAL NOTE CERTIFICATE (NEW SAFEKEEPING  
STRUCTURE)**

**1. INTRODUCTION**

This Regulation S Global Note Certificate is issued in respect of the above captioned Notes. The Notes are constituted by, are subject to, and have the benefit of the Note Trust Deed and are the subject of the Agency Agreement and the other Documents.

**2. INTERPRETATIONS**

**1.1 Reference to Conditions**

Any reference herein to the "**Conditions**" is to the terms and conditions of the Notes attached hereto and any reference to a numbered "**Condition**" is to the correspondingly numbered provision thereof.

**2.1 Definitions**

In this Regulation S Global Note Certificate, unless otherwise defined herein or the context requires otherwise, words and expressions have the meanings and constructions ascribed to them in the Conditions.

**3. REGISTERED HOLDER**

This is to certify that the person whose name is in the Register maintained by the Registrar in relation to the Notes as the duly registered holder (the "**Holder**") of the Notes represented from time to time by this Regulation S Global Note Certificate.

**2. PROMISE TO PAY**

The Issuer, for value received, promises to pay to the Holder such principal sum as is noted on the Register at the time of payment as being the Principal Amount Outstanding of this Regulation S Global Note Certificate for the time being on the dates and in the amounts specified in the Conditions or on such earlier date or dates as the same may become payable in accordance with the Conditions, and to pay interest on the unpaid balance of such principal sum in arrear on the dates and at the rate specified in the

Conditions, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

#### 1. PAYMENT CONDITIONS

*Payment Business Day:* If the currency of any payment made in respect of Notes represented by this Global Note Certificate is euro, the applicable Payment Business Day shall be any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, if the currency of any payment made in respect of Notes represented by this Global Note Certificate is not euro, the applicable Payment Business Day shall be any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

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

#### 4. TRANSFERS IN WHOLE

Transfers of this Regulation S Global Note Certificate shall be limited to transfers in whole, but not in part, to nominees of Euroclear Bank S.A./N.V., as operator of the Euroclear system, ("**Euroclear**") and Clearstream Banking, *société anonyme*, Luxembourg ("**Clearstream**") and together with Euroclear, each an "**ICSD**") acting as common safekeeper or to a successor of an ICSD or to such successors' respective nominee.

#### 5. EXCHANGE FOR REGULATION S INDIVIDUAL NOTE CERTIFICATES

This Regulation S Global Note Certificate will be exchanged in whole but not in part only for duly authenticated and completed individual note certificates ("**Regulation S Individual Note Certificates**") in substantially the form (subject to completion) set out in Schedule 3 - Part B (*Form of Regulation S Individual Note Certificate*) to the Note Trust Deed if (i) Euroclear or Clearstream is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so or (ii) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political sub-division thereof), or of any authority therein or thereof having power to tax, or in the interpretation by a revenue authority or a court of, or in the administration of, such laws or regulations which become effective on or after the date of issue of this Global Note Certificate, the Issuer or any Paying Agent is or will be required to make any deduction or withholding from any payment in respect of the Notes which would not be required were the relevant Notes in individual definitive form and a certificate to such effect signed by an authorised director of the Issuer is delivered to the Note Trustee, (each, an "**Exchange Event**").

Such exchange shall be effected in accordance with paragraph 7 (*Delivery of Regulation S Individual Note Certificates*) below. The Issuer shall notify the Holder of the occurrence of any such event as soon as practicable thereafter.

## 6. DELIVERY OF REGULATION S INDIVIDUAL NOTE CERTIFICATES

Whenever this Regulation S Global Note Certificate is to be exchanged for Regulation S Individual Note Certificates, such Regulation S Individual Note Certificates shall be issued in an aggregate principal amount equal to the Principal Amount Outstanding of this Regulation S Global Note Certificate within five business days of the delivery, by or on behalf of the Holder, Euroclear and/or Clearstream, to the Registrar of such information as is required to complete and deliver such Regulation S Individual Note Certificates (including, without limitation, the names and addresses of the persons in whose names the Regulation S Individual Note Certificates are to be registered and the principal amount of each such person's holding) against the surrender of this Regulation S Global Note Certificate at the Specified Office of the Registrar. Such exchange shall be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any Holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange. In this paragraph, "**business day**" means a day on which commercial banks are open for business (including dealings in foreign currencies) in the city in which the Registrar has its Specified Office.

## 7. TRANSFER AND EXCHANGE FOR AN INTEREST IN THE RULE 144A GLOBAL NOTE CERTIFICATE

If a holder of a beneficial interest in the Notes represented by this Regulation S Global Note Certificate wishes at any time to transfer such beneficial interest to a person who wishes to take delivery thereof in the form of a beneficial interest in the Rule 144A global note certificate issued in relation to the Notes (the "**Rule 144A Global Note Certificate**"), such holder may transfer such beneficial interest in accordance with the rules and operating procedures of Euroclear and/or Clearstream and the terms of this paragraph. Upon receipt by the Registrar of:

- 7.1 notification by Euroclear and/or Clearstream (as applicable), or their respective custodians or depositaries, that the appropriate debit entries have been made in the accounts of the relevant participants of Euroclear and/or Clearstream (as the case may be);
- 7.2 notification by The Depository Trust Company ("**DTC**"), or its custodian or nominee, that the appropriate credit entries have been made in the accounts of the relevant participants of DTC; and
- 7.3 a certificate in the form of Schedule 2 (*Form of Transfer Certificate*) to the Paying Agency and Agent Bank Agreement given by the holder of such beneficial interest requesting such transfer or exchange and, in the case of transfer or exchange on or prior to the fortieth day after the later of the commencement of the offering and the date of issue of this Regulation S Global Note Certificate, stating that the transfer or exchange of such interest has been made in compliance with the transfer restrictions applicable

to the Notes and that the person transferring such interest in this Regulation S Global Note Certificate reasonably believes that the person acquiring such interest in the Rule 144A Global Note Certificate is a qualified institutional buyer (as defined in Rule 144A under the United States Securities Act of 1933, as amended (the "**Securities Act**")) and is obtaining such beneficial interest in a transaction meeting the requirements of Rule 144A under the Securities Act,

the Issuer shall procure that (i) the Registrar decreases the aggregate principal amount of this Regulation S Global Note Certificate by the principal amount of Notes the subject of such transfer and increases the aggregate principal amount of the Rule 144A Global Note Certificate by such principal amount; (ii) appropriate entries are made in the records of the depositary for Euroclear and Clearstream so as to reflect such decrease and (iii) appropriate entries are made in the records held for DTC so as to reflect such increase.

## 8. **CONDITIONS APPLY**

Save as otherwise provided herein, the Holder of this Regulation S Global Note Certificate shall have the benefit of, and be subject to, the Conditions and, for the purposes of this Regulation S Global Note Certificate, any reference in the Conditions to "**Individual Note Certificate**" or "**Individual Note Certificates**" shall, except where the context otherwise requires, be construed so as to include this Regulation S Global Note Certificate.

## 9. **NOTICES**

Notwithstanding the Notices Condition, so long as this Regulation S Global Note Certificate is held on behalf of Euroclear, Clearstream or any other clearing system (an "**Alternative Clearing System**"), notices to Holders of Notes represented by this Regulation S Global Note Certificate may be given by delivery of the relevant notice to Euroclear, Clearstream or (as the case may be) such Alternative Clearing System.

## 10. **LEGENDS**

The statements set out in the legends above are an integral part of this Regulation S Global Note Certificate and, by acceptance hereof, each Holder of this Regulation S Global Note Certificate agrees to be subject to and bound by such legends.

## 11. **DETERMINATION OF ENTITLEMENT**

This Regulation S Global Note Certificate is evidence of entitlement only and is not a document of title. Entitlements are determined by the Register and only the Holder is entitled to payment in respect of this Regulation S Global Note Certificate.

## 12. **AUTHENTICATION AND EFFECTUATION**

This Regulation S Global Note Certificate shall not be valid for any purpose until it has been authenticated for and on behalf of the Registrar and effectuated by an entity appointed as common safekeeper by the ICSDs.

**13. GOVERNING LAW**

This Regulation S Global Note Certificate and all non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

**AS WITNESS** the manual or facsimile signature of a duly authorised person on behalf of the Issuer.

**Penarth Master Issuer plc**

By: .....

[manual or facsimile signature]

(duly authorised)

**ISSUED** as of [•]

**AUTHENTICATED** for and on behalf of

Deutsche Bank AG, London Branch

as Principal Paying Agent

without recourse, warranty or liability

By: .....

[manual signature]

(duly authorised)

**CERTIFICATE OF EFFECTUATION**

Effectuated without recourse, warranty or liability by:

.....

As common safekeeper

By: .....

Authorised Signatory

## FORM OF TRANSFER

**FOR VALUE RECEIVED** ....., being the registered holder of this Regulation S Global Note Certificate, hereby transfers to.....  
.....  
of.....  
.....  
.....,

[currency] ..... in principal amount of the [currency] [amount] [Class [A/B/C/D] Asset Backed [Floating/Fixed] Rate Notes due [•]] (the "Notes") of Penarth Master Issuer plc (the "**Issuer**") and irrevocably requests and authorises Deutsche Bank Trust Company Americas, in its capacity as registrar in relation to the Notes (or any successor to Deutsche Bank Trust Company Americas, in its capacity as such) to effect the relevant transfer by means of appropriate entries in the register kept by it.

Dated: .....

By: .....

(duly authorised)

### Notes

- (a) The name of the person by or on whose behalf this form of transfer is signed must correspond with the name of the registered holder as it appears on the face of this Regulation S Global Note Certificate.
- (b) A representative of such registered holder should state the capacity in which he signs, e.g. executor.
- (c) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the Registrar may require.

*[Attached to each Regulation S Global Note Certificate:]*



## **TERMS AND CONDITIONS**

*[As set out in Schedule 1 of the Note Trust Deed]*

*[At the foot of the Terms and Conditions:]*

### **REGISTRAR AND TRANSFER**

#### **AGENT**

**Deutsche Bank Trust Company**

**Americas**

**[•]**

### **PAYING AGENT**

**[•]**

**[•]**

**PART D**  
**FORM OF REGISTERED UNCLEARED NOTE CERTIFICATE**

Serial Number: [•]

**THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), ANY STATE SECURITIES LAWS IN THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND NEITHER THE ISSUER NOR THE SECURITISED PORTFOLIO HAS BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS NOTE, REPRESENTS THAT IT HAS OBTAINED THIS NOTE IN A TRANSACTION IN COMPLIANCE WITH THE SECURITIES ACT AND ALL OTHER APPLICABLE LAWS OF THE UNITED STATES OR ANY OTHER JURISDICTION, AND THE RESTRICTIONS ON SALE AND TRANSFER SET FORTH IN THE TRUST DEED (THE "TRUST DEED"), DATED 16 OCTOBER 2008 (AS AMENDED AND RESTATED FROM TIME TO TIME), BETWEEN THE ISSUER AND DEUTSCHE BANK TRUST COMPANY AMERICAS (THE "NOTE TRUSTEE"). THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS NOTE, FURTHER REPRESENTS, ACKNOWLEDGES AND AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE (OR ANY INTEREST HEREIN) EXCEPT IN COMPLIANCE WITH THE SECURITIES ACT AND ALL OTHER APPLICABLE LAWS OF ANY JURISDICTION AND IN ACCORDANCE WITH THE RESTRICTIONS, CERTIFICATIONS AND OTHER REQUIREMENTS SPECIFIED IN THE TRUST DEED (i) TO A TRANSFEREE THAT IS A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (A "QIB") PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QIB IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT OR (ii) TO A TRANSFEREE THAT IS NOT A U.S. PERSON (AS DEFINED IN REGULATION S OF THE SECURITIES ACT) AND THAT IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSES (i) AND (ii), IN A PRINCIPAL AMOUNT WITH RESPECT TO EACH CLASS OF NOTES OF NOT LESS THAN €50,000 (OR THE EQUIVALENT THEREOF IN THE SPECIFIED CURRENCY) FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING. EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE DEEMED TO HAVE MADE THE REPRESENTATIONS AND AGREEMENTS SET FORTH IN THE TRUST DEED.**

**EACH TRANSFEROR OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE NOTE TRUST DEED TO THE TRANSFEREE. IN ADDITION TO THE FOREGOING, THE ISSUER MAINTAINS THE RIGHT TO RESELL ANY INTEREST IN THIS NOTE PREVIOUSLY TRANSFERRED TO HOLDERS NOT ELIGIBLE TO PURCHASE SUCH INTERESTS IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE NOTE TRUST DEED.**

**[EACH ORIGINAL PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR OF AN INTEREST HEREIN IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT EITHER (I) THE HOLDER IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE WILL NOT BE, (A) AN "EMPLOYEE BENEFIT PLAN" SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), (B) A "PLAN" WITHIN THE MEANING OF AND SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (C) ANY PERSON OR ENTITY WHOSE ASSETS INCLUDE, OR ARE DEEMED FOR THE PURPOSES OF ERISA OR THE CODE TO INCLUDE, THE ASSETS OF ANY SUCH "EMPLOYEE BENEFIT PLAN" OR "PLAN" BY REASON OF 29 C.F.R. 2510.3-101 OR OTHERWISE (EACH OF THE FOREGOING A "BENEFIT PLAN INVESTOR"), OR ANY OTHER EMPLOYEE BENEFIT PLAN SUBJECT TO ANY FEDERAL, STATE, LOCAL OR (D) NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), AND IS NOT PURCHASING THIS NOTE ON BEHALF OF ANY SUCH PERSON, OR (II) THE PURCHASE, HOLDING AND SUBSEQUENT DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF ANY SUCH OTHER EMPLOYEE BENEFIT PLAN, ARE NOT IN VIOLATION OF ANY SUCH SUBSTANTIALLY SIMILAR LAW).**

**EACH ORIGINAL PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR OF AN INTEREST HEREIN THAT IS OR IS ACTING ON BEHALF OF A BENEFIT PLAN INVESTOR IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT (1) NO TRANSACTION PARTY HAS PROVIDED OR WILL PROVIDE ADVICE WITH RESPECT TO THE INVESTMENT IN THE NOTE BY THE BENEFIT PLAN INVESTOR, (2) WITH RESPECT TO THE INVESTMENT IN THE NOTE BY THE BENEFIT PLAN INVESTOR, THE BENEFIT PLAN INVESTOR IS REPRESENTED BY A FIDUCIARY (THE "INDEPENDENT FIDUCIARY") THAT IS DESCRIBED IN 29 C.F.R. § 2510.3-21(C)(1)(I); (3) THE INDEPENDENT FIDUCIARY IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH RESPECT TO PARTICULAR TRANSACTIONS AND INVESTMENT STRATEGIES, INCLUDING WITHOUT LIMITATION THE INVESTMENT IN THE NOTE BY THE BENEFIT PLAN INVESTOR; (4) THE INDEPENDENT FIDUCIARY IS A "FIDUCIARY" WITH RESPECT TO THE BENEFIT PLAN INVESTOR WITHIN THE MEANING OF SECTION 3(21) OF ERISA, SECTION 4975 OF THE CODE, OR BOTH, IS "INDEPENDENT" WITHIN THE MEANING OF 29 C.F.R. § 2510.3-21(C) (THE "FIDUCIARY RULE") AND IS RESPONSIBLE FOR EXERCISING INDEPENDENT JUDGMENT IN EVALUATING THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THE NOTE; (5) NONE OF THE TRANSACTION PARTIES HAS EXERCISED ANY AUTHORITY TO CAUSE THE BENEFIT PLAN INVESTOR TO INVEST IN THE NOTE OR TO NEGOTIATE THE TERMS OF SUCH INVESTMENT; AND (6) THE INDEPENDENT FIDUCIARY HAS BEEN INFORMED BY THE TRANSACTION PARTIES (A) THAT NONE OF THE TRANSACTION PARTIES HAS UNDERTAKEN OR WILL UNDERTAKE TO PROVIDE IMPARTIAL INVESTMENT ADVICE OR HAS GIVEN OR WILL GIVE ADVICE IN A FIDUCIARY CAPACITY IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THE NOTE, (B) OF THE EXISTENCE AND NATURE OF THE TRANSACTION PARTIES' FEES, COMPENSATION**

ARRANGEMENTS AND/OR FINANCIAL INTERESTS IN THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THE NOTE, AND (C) THAT NO TRANSACTION PARTY RECEIVES A FEE OR OTHER COMPENSATION FROM THE BENEFIT PLAN INVESTOR FOR THE PROVISION OF INVESTMENT ADVICE IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THE NOTE.]<sup>8</sup>

[EACH PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR OF AN INTEREST HEREIN IS DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) IT IS NOT (AND IS NOT DEEMED FOR PURPOSES OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") TO BE) AND FOR SO LONG AS IT HOLDS AN EQUITY NOTE, AS APPLICABLE, WILL NOT BE (OR BE DEEMED FOR SUCH PURPOSES TO BE) (A) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN ERISA AND THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE, OR ARE DEEMED FOR PURPOSES OF ERISA OR THE CODE TO INCLUDE, "PLAN ASSETS" BY REASON OF SUCH PLAN INVESTMENT IN THE ENTITY (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR") OR (II) (A) IT IS AN EMPLOYEE BENEFIT PLAN THAT IS NOT A BENEFIT PLAN INVESTOR WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW") AND (B) THE PURCHASE AND HOLDING OF SUCH EQUITY NOTES, AS APPLICABLE, DO NOT AND WILL NOT VIOLATE ANY SUCH SUBSTANTIALLY SIMILAR LAW.]<sup>9</sup>

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH IN THE TRUST DEED. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF DEUTSCHE BANK AG, LONDON BRANCH AS THE PRINCIPAL PAYING AGENT.

THE HOLDER OF THIS NOTE ACKNOWLEDGES THAT NOTWITHSTANDING ANY OTHER PROVISION OF THE TRUST DEED OR ANY OTHER TRANSACTION DOCUMENT, ALL PAYMENTS OF PRINCIPAL, INTEREST OR ANY OTHER AMOUNT TO BE MADE BY THE ISSUER IN RESPECT OF THE NOTES OR UNDER ANY TRANSACTION DOCUMENT WILL BE PAYABLE PURSUANT TO THE PRIORITY OF PAYMENTS AND ONLY FROM, AND TO THE EXTENT OF, THE SUMS PAID TO, OR NET PROCEEDS RECOVERED BY OR ON BEHALF OF, THE ISSUER IN RESPECT OF THE SECURITY (AS DEFINED IN THE SECURITY TRUST DEED, DATED 16 OCTOBER 2008, AMONG PENARTH FUNDING 1 LIMITED, PENARTH RECEIVABLES TRUSTEE LIMITED, INTERTRUST OFFSHORE LIMITED, DEUTSCHE BANK TRUST COMPANY AMERICAS AND BANK OF SCOTLAND PLC (THE "SECURITY TRUST DEED")).

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<sup>8</sup> To be included in the legend for Global Debt Note Certificates.

<sup>9</sup> To be included in the legend for Global Equity Note Certificates.

IF THE PROCEEDS OF THE SECURITY (AS DEFINED IN THE SECURITY TRUST DEED) ARE NOT SUFFICIENT FOR THE ISSUER TO MEET ITS OBLIGATIONS IN RESPECT OF THE NOTES AND OTHER TRANSACTION DOCUMENTS, NO OTHER ASSETS OF THE ISSUER WILL BE AVAILABLE TO MEET SUCH INSUFFICIENCY.

[EACH HOLDER OF THIS NOTE (OR ANY INTEREST THEREIN), BY PURCHASING SUCH NOTE (OR ANY SUCH INTEREST), WILL BE DEEMED TO HAVE REPRESENTED AND AGREED TO TREAT SUCH NOTE (OR ANY SUCH INTEREST) AS INDEBTEDNESS FOR U.S. FEDERAL INCOME TAX PURPOSES.]<sup>3</sup>

**Penarth Master Issuer plc**

*(incorporated with limited liability under  
the laws of England and Wales)*

**[currency][amount]**

**Class [A/B/C/D] Asset Backed [Floating/Fixed] Rate Notes due [•]**

**REGISTERED UNCLEARED NOTE CERTIFICATE**

**1. INTRODUCTION**

This Registered Uncleared Note Certificate is issued in respect of the above captioned Notes. The Notes are constituted by, are subject to, and have the benefit of the Note Trust Deed and are the subject of the Agency Agreement and the other Documents.

**2. INTERPRETATION**

**2.1 References to Conditions**

Any reference herein to the "**Conditions**" is to the terms and conditions of the Notes attached hereto and any reference to a numbered "**Condition**" is to the correspondingly numbered provision thereof.

**2.2 Definitions**

In this Registered Uncleared Note Certificate, unless otherwise defined herein or the context requires otherwise, words and expressions have the meanings and constructions ascribed to them in the Conditions.

**3. REGISTERED HOLDER**

This is to certify that:

.....  
of.....  
.....

is the person Registered in the Register maintained by the Registrar in relation to the Notes as the duly registered holder [or, if more than one person is so registered, the first-named of such persons] (the "**Holder**") of:

[*currency*] [*amount*] .....

(..... [*CURRENCY AND AMOUNT IN WORDS*])

in aggregate principal amount of the Class [A/B/C/D] Notes.

4. **PROMISE TO PAY**

The Issuer, for value received, promises to pay to the Holder such principal sum as is noted on the Register at the time of payment as being the Principal Amount Outstanding of this Registered Uncleared Note Certificate for the time being on the dates and in the amounts specified in the Conditions or on such earlier date or dates as the same may become payable in accordance with the Conditions, and to pay interest on the unpaid balance of such principal sum in arrear on the dates and at the rate specified in the Conditions, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

5. **CONDITIONS APPLY**

Save as otherwise provided herein, the Holder of this Registered Uncleared Note Certificate shall have the benefit of, and be subject to, the Conditions and, for the purposes of this Registered Uncleared Note Certificate, any reference in the Conditions to "**Registered Uncleared Note Certificate**" or "**Registered Uncleared Note Certificates**" shall, except where the context otherwise requires, be construed so as to include this Registered Uncleared Note Certificate.

6. **LEGENDS**

The statements set out in the legends above are an integral part of this Registered Uncleared Note Certificate and, by acceptance hereof, each Holder of this Registered Uncleared Note Certificate agrees to be subject to and bound by such legends.

7. **DETERMINATION OF ENTITLEMENT**

This Registered Uncleared Note Certificate is evidence of entitlement only and is not a document of title. Entitlements are determined by the Register and only the Holder is entitled to payment in respect of this Registered Uncleared Note Certificate.

8. **AUTHENTICATION**

This Registered Uncleared Note Certificate shall not be valid for any purpose until it has been authenticated for and on behalf of the Registrar.

9. **GOVERNING LAW**

This Registered Uncleared Note Certificate and all non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

**AS WITNESS** the manual or facsimile signature of a duly authorised person on behalf of the Issuer.

**PENARTH MASTER ISSUER PLC**

By: .....  
[*manual or facsimile signature*]  
(*duly authorised*)

**ISSUED** as of [•]

**AUTHENTICATED** for and on behalf of  
**DEUTSCHE BANK TRUST COMPANY AMERICAS**  
as Registrar  
without recourse, warranty or liability

By: .....  
[*manual signature*]  
(*duly authorised*)

## FORM OF TRANSFER

**FOR VALUE RECEIVED** ....., being the registered holder of this Rule 144A Global Note Certificate, hereby transfers to .....  
.....  
of .....  
.....  
.....,

[currency] ..... in principal amount of the [currency] [amount] Class [A/B/C/D] Asset Backed [Floating/Fixed] Rate Notes due [•] (the "**Notes**") of Penarth Master Issuer plc (the "**Issuer**") and irrevocably requests and authorises Deutsche Bank Trust Company Americas, in its capacity as registrar in relation to the Notes (or any successor to Deutsche Bank Trust Company Americas, in its capacity as such) to effect the relevant transfer by means of appropriate entries in the register kept by it.

We, as transferor of the Notes represented by this Registered Uncleared Note Certificate, hereby certify that such Notes are being transferred in accordance with the transfer restrictions set forth in the Base Prospectus relating to the Notes dated [date] and in accordance with the terms of any legend on this Registered Uncleared Note Certificate and that we are transferring such Notes<sup>10</sup>:

1. ☐ to a person whom we reasonably believe is purchasing for its own account or accounts as to which it exercises sole investment discretion; such person and each such account is a qualified institutional buyer (as defined in Rule 144A under the United States Securities Act of 1933, as amended (the "**Securities Act**")); the purchaser is aware that the sale to it is being made in reliance upon Rule 144A under the Securities Act and such transaction meets the requirements of Rule 144A under the Securities Act and is in accordance with any applicable securities laws of any state of the United States or any other jurisdiction; or
2. ☐ to the Issuer or any of affiliates; or
3. ☐ in accordance with Regulation S under the Securities Act, and, accordingly, we hereby certify that:
  - (a) the offer of the Notes was not made to a person in the United States;
  - ☐<sup>11</sup> (b) at the time the buy order was originated, the buyer was outside the United States or we or any person acting on our behalf reasonably believed that the buyer was outside the United States; or
  - ☐ (c) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither we nor any person

<sup>10</sup> Tick one of the following boxes 1, 2, 3 or 4.

<sup>11</sup> Tick box for one of alternative sub-paragraphs (b) as appropriate.



acting on our behalf know that the transaction was prearranged with a buyer in the United States;

- (d) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or 904(b) of Regulation S, as applicable; and
- (e) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act;

4. ☐ pursuant to an exemption from registration provided by Rule 144A under the Securities Act, if available.

Dated: .....

By:.....  
(duly authorised)

#### Notes

- (a) The name of the person by or on whose behalf this form of transfer is signed must correspond with the name of the registered holder as it appears on the face of this Registered Uncleared Note Certificate.
- (b) A representative of such registered holder should state the capacity in which he signs, e.g. executor.
- (c) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the Registrar may require.
- (d) Any transfer of Notes shall be in an amount equal to [currency] [amount] or any integral multiple of [currency] [amount] in excess thereof.

*[Attached to each Registered Uncleared Note Certificate:]*

**TERMS AND CONDITIONS**

*[As set out in Schedule 1 of the Note Trust Deed]*

*[At the foot of the Terms and Conditions:]*

**[REGISTRAR AND TRANSFER AGENT]**

**Deutsche Bank Trust Company Americas**

**[•]**

**PAYING AGENT**

**[•]**

**[•]**

### **SCHEDULE 3**

#### **PART A FORM OF RULE 144A INDIVIDUAL NOTE CERTIFICATE**

Serial Number: [•]

**THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), ANY STATE SECURITIES LAWS IN THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND NEITHER THE ISSUER NOR THE SECURITISED PORTFOLIO HAS BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS NOTE, REPRESENTS THAT IT HAS OBTAINED THIS NOTE IN A TRANSACTION IN COMPLIANCE WITH THE SECURITIES ACT AND ALL OTHER APPLICABLE LAWS OF THE UNITED STATES OR ANY OTHER JURISDICTION, AND THE RESTRICTIONS ON SALE AND TRANSFER SET FORTH IN THE TRUST DEED (THE "TRUST DEED"), DATED 16 OCTOBER 2008 (AS AMENDED AND RESTATED FROM TIME TO TIME), BETWEEN THE ISSUER AND DEUTSCHE BANK TRUST COMPANY AMERICAS (THE "NOTE TRUSTEE"). THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS NOTE, FURTHER REPRESENTS, ACKNOWLEDGES AND AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE (OR ANY INTEREST HEREIN) EXCEPT IN COMPLIANCE WITH THE SECURITIES ACT AND ALL OTHER APPLICABLE LAWS OF ANY JURISDICTION AND IN ACCORDANCE WITH THE RESTRICTIONS, CERTIFICATIONS AND OTHER REQUIREMENTS SPECIFIED IN THE TRUST DEED (i) TO A TRANSFEREE THAT IS A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (A "QIB") PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QIB IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT OR (ii) TO A TRANSFEREE THAT IS NOT A U.S. PERSON (AS DEFINED IN REGULATION S OF THE SECURITIES ACT) AND THAT IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSES (i) AND (ii), IN A PRINCIPAL AMOUNT WITH RESPECT TO EACH CLASS OF NOTES OF NOT LESS THAN €50,000 (OR THE EQUIVALENT THEREOF IN THE SPECIFIED CURRENCY) FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING. EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE DEEMED TO HAVE MADE THE REPRESENTATIONS AND AGREEMENTS SET FORTH IN THE TRUST DEED.**

**EACH TRANSFEROR OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO THE TRANSFEREE.**

**[EACH ORIGINAL PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR OF AN INTEREST HEREIN IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT EITHER (I) THE HOLDER IS NOT, AND FOR SO LONG AS IT**

**HOLDS THIS NOTE WILL NOT BE, (A) AN "EMPLOYEE BENEFIT PLAN" SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), (B) A "PLAN" WITHIN THE MEANING OF AND SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (C) ANY PERSON OR ENTITY WHOSE ASSETS INCLUDE, OR ARE DEEMED FOR THE PURPOSES OF ERISA OR THE CODE TO INCLUDE, THE ASSETS OF ANY SUCH "EMPLOYEE BENEFIT PLAN" OR "PLAN" BY REASON OF 29 C.F.R. 2510.3-101 OR OTHERWISE (EACH OF THE FOREGOING A "BENEFIT PLAN INVESTOR"), OR ANY OTHER EMPLOYEE BENEFIT PLAN SUBJECT TO ANY FEDERAL, STATE, LOCAL OR (D) NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), AND IS NOT PURCHASING THIS NOTE ON BEHALF OF ANY SUCH PERSON, OR (II) THE PURCHASE, HOLDING AND SUBSEQUENT DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF ANY SUCH OTHER EMPLOYEE BENEFIT PLAN, ARE NOT IN VIOLATION OF ANY SUCH SUBSTANTIALLY SIMILAR LAW).**

**EACH ORIGINAL PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR OF AN INTEREST HEREIN THAT IS OR IS ACTING ON BEHALF OF A BENEFIT PLAN INVESTOR IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT (1) NO TRANSACTION PARTY HAS PROVIDED OR WILL PROVIDE ADVICE WITH RESPECT TO THE INVESTMENT IN THE NOTE BY THE BENEFIT PLAN INVESTOR, (2) WITH RESPECT TO THE INVESTMENT IN THE NOTE BY THE BENEFIT PLAN INVESTOR, THE BENEFIT PLAN INVESTOR IS REPRESENTED BY A FIDUCIARY (THE "INDEPENDENT FIDUCIARY") THAT IS DESCRIBED IN 29 C.F.R. § 2510.3-21(C)(1)(I); (3) THE INDEPENDENT FIDUCIARY IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH RESPECT TO PARTICULAR TRANSACTIONS AND INVESTMENT STRATEGIES, INCLUDING WITHOUT LIMITATION THE INVESTMENT IN THE NOTE BY THE BENEFIT PLAN INVESTOR; (4) THE INDEPENDENT FIDUCIARY IS A "FIDUCIARY" WITH RESPECT TO THE BENEFIT PLAN INVESTOR WITHIN THE MEANING OF SECTION 3(21) OF ERISA, SECTION 4975 OF THE CODE, OR BOTH, IS "INDEPENDENT" WITHIN THE MEANING OF 29 C.F.R. § 2510.3-21(C) (THE "FIDUCIARY RULE") AND IS RESPONSIBLE FOR EXERCISING INDEPENDENT JUDGMENT IN EVALUATING THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THE NOTE; (5) NONE OF THE TRANSACTION PARTIES HAS EXERCISED ANY AUTHORITY TO CAUSE THE BENEFIT PLAN INVESTOR TO INVEST IN THE NOTE OR TO NEGOTIATE THE TERMS OF SUCH INVESTMENT; AND (6) THE INDEPENDENT FIDUCIARY HAS BEEN INFORMED BY THE TRANSACTION PARTIES (A) THAT NONE OF THE TRANSACTION PARTIES HAS UNDERTAKEN OR WILL UNDERTAKE TO PROVIDE IMPARTIAL INVESTMENT ADVICE OR HAS GIVEN OR WILL GIVE ADVICE IN A FIDUCIARY CAPACITY IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THE NOTE, (B) OF THE EXISTENCE AND NATURE OF THE TRANSACTION PARTIES' FEES, COMPENSATION ARRANGEMENTS AND/OR FINANCIAL INTERESTS IN THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THE NOTE, AND (C) THAT NO TRANSACTION PARTY RECEIVES A FEE OR OTHER COMPENSATION FROM THE BENEFIT**

**PLAN INVESTOR FOR THE PROVISION OF INVESTMENT ADVICE IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THE NOTE.]<sup>12</sup>**

**[EACH PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR OF AN INTEREST HEREIN IS DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) IT IS NOT (AND IS NOT DEEMED FOR PURPOSES OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") TO BE) AND FOR SO LONG AS IT HOLDS AN EQUITY NOTE, AS APPLICABLE, WILL NOT BE (OR BE DEEMED FOR SUCH PURPOSES TO BE) (A) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN ERISA AND THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE, OR ARE DEEMED FOR PURPOSES OF ERISA OR THE CODE TO INCLUDE, "PLAN ASSETS" BY REASON OF SUCH PLAN INVESTMENT IN THE ENTITY (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR") OR (II) (A) IT IS AN EMPLOYEE BENEFIT PLAN THAT IS NOT A BENEFIT PLAN INVESTOR WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW") AND (B) THE PURCHASE AND HOLDING OF SUCH EQUITY NOTES, AS APPLICABLE, DO NOT AND WILL NOT VIOLATE ANY SUCH SUBSTANTIALLY SIMILAR LAW.]<sup>13</sup>**

**PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH IN THE TRUST DEED. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF DEUTSCHE BANK AG, LONDON BRANCH AS THE PRINCIPAL PAYING AGENT.**

**THE HOLDER OF THIS NOTE ACKNOWLEDGES THAT NOTWITHSTANDING ANY OTHER PROVISION OF THE TRUST DEED OR ANY OTHER TRANSACTION DOCUMENT, ALL PAYMENTS OF PRINCIPAL, INTEREST OR ANY OTHER AMOUNT TO BE MADE BY THE ISSUER IN RESPECT OF THE NOTES OR UNDER ANY TRANSACTION DOCUMENT WILL BE PAYABLE PURSUANT TO THE PRIORITY OF PAYMENTS AND ONLY FROM, AND TO THE EXTENT OF, THE SUMS PAID TO, OR NET PROCEEDS RECOVERED BY OR ON BEHALF OF, THE ISSUER IN RESPECT OF THE SECURITY (AS DEFINED IN THE SECURITY TRUST DEED, DATED 16 OCTOBER 2008, AMONG PENARTH FUNDING 1 LIMITED, PENARTH RECEIVABLES TRUSTEE LIMITED, INTERTRUST OFFSHORE LIMITED, BANK OF SCOTLAND PLC AND DEUTSCHE BANK TRUST COMPANY AMERICAS (THE "SECURITY TRUST DEED")). IF THE PROCEEDS OF THE SECURITY (AS DEFINED IN THE SECURITY TRUST DEED) ARE NOT SUFFICIENT FOR THE ISSUER TO MEET ITS OBLIGATIONS IN RESPECT OF THE NOTES AND OTHER TRANSACTION**

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<sup>12</sup> To be included in the legend for Global Debt Note Certificates.

<sup>13</sup> To be included in the legend for Global Equity Note Certificates.

**DOCUMENTS, NO OTHER ASSETS OF THE ISSUER WILL BE AVAILABLE TO MEET SUCH INSUFFICIENCY.**

**[EACH HOLDER OF THIS NOTE (OR ANY INTEREST THEREIN), BY PURCHASING SUCH NOTE (OR ANY SUCH INTEREST), WILL BE DEEMED TO HAVE REPRESENTED AND AGREED TO TREAT SUCH NOTE (OR ANY SUCH INTEREST) AS INDEBTEDNESS FOR U.S. FEDERAL INCOME TAX PURPOSES.]<sup>3</sup>**

**Penarth Master Issuer plc**

*(incorporated with limited liability under  
the laws of England and Wales)*

**[currency][amount]**

**Class [A/B/C/D] Asset Backed [Floating/Fixed] Rate Notes due [•]**

This Individual Note Certificate is issued in respect of the above captioned Notes (the "**Notes**") of Penarth Master Issuer plc (the "**Issuer**"). The Notes are constituted by, are subject to, and have the benefit of the Note Trust Deed and are the subject of the Agency Agreement and the other Documents.

Any reference herein to the "**Conditions**" is to the terms and conditions of the Notes attached hereto and any reference to a numbered "**Condition**" is to the correspondingly numbered provision thereof.

In this Individual Note Certificate, unless otherwise defined herein or the context requires otherwise, words and expressions have the meanings and constructions ascribed to them in the Conditions.

This is to certify that:

.....  
of.....  
.....

is the person Registered in the Register maintained by the Registrar in relation to the Notes as the duly registered holder [or, if more than one person is so registered, the first-named of such persons] (the "**Holder**") of:

**[currency] [amount]** .....

(..... **[CURRENCY AND AMOUNT IN WORDS]**)

in aggregate principal amount of the Class [A/B/C/D] Notes.

The Issuer, for value received, promises to pay such principal sum to the Holder on the dates and in the amounts specified in the Conditions or on such earlier date or dates as the same may become payable in accordance with the Conditions, and to pay interest on the unpaid balance of such principal sum in arrear on the dates and at the rate specified in the Conditions, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

The statements set out in the legend above are an integral part of this Individual Note Certificate and, by acceptance hereof, each Holder of this Individual Note Certificate agrees to be subject to and bound by such legends.

This Individual Note Certificate is evidence of entitlement only and is not a document of title. Entitlements are determined by the Register and only the Holder is entitled to payment in respect of this Individual Note Certificate.

This Individual Note Certificate shall not be valid for any purpose until it has been authenticated for and on behalf of the Registrar.

**AS WITNESS** the manual or facsimile signature of a duly authorised person on behalf of the Issuer.

**PENARTH MASTER ISSUER PLC**

By: .....  
[*manual or facsimile signature*]  
(*duly authorised*)

**ISSUED** as of [•]

**AUTHENTICATED** for and on behalf of  
**DEUTSCHE BANK TRUST COMPANY AMERICAS**  
as Registrar  
without recourse, warranty or liability

By: .....  
[*manual signature*]  
(*duly authorised*)



## FORM OF TRANSFER

**FOR VALUE RECEIVED** ....., being the registered holder of this Rule 144A Global Note Certificate, hereby transfers to .....  
.....  
of .....  
.....  
.....

[currency] ..... in principal amount of the [currency] [amount] Class [A/B/C/D] Asset Backed [Floating/Fixed] Rate Notes due [•] (the "**Notes**") of Penarth Master Issuer plc (the "**Issuer**") and irrevocably requests and authorises Deutsche Bank Trust Company Americas, in its capacity as registrar in relation to the Notes (or any successor to Deutsche Bank Trust Company Americas, in its capacity as such) to effect the relevant transfer by means of appropriate entries in the register kept by it.

We, as transferor of the Notes represented by this Registered Uncleared Note Certificate, hereby certify that such Notes are being transferred in accordance with the transfer restrictions set forth in the Base Prospectus relating to the Notes dated [date] and in accordance with the terms of any legend on this Registered Uncleared Note Certificate and that we are transferring such Notes<sup>10</sup>:

1. ☐ to a person whom we reasonably believe is purchasing for its own account or accounts as to which it exercises sole investment discretion; such person and each such account is a qualified institutional buyer (as defined in Rule 144A under the United States Securities Act of 1933, as amended (the "Securities Act")); the purchaser is aware that the sale to it is being made in reliance upon Rule 144A under the Securities Act and such transaction meets the requirements of Rule 144A under the Securities Act and is in accordance with any applicable securities laws of any state of the United States or any other jurisdiction; or
2. ☐ to the Issuer or any of affiliates; or
3. ☐ in accordance with Regulation S under the Securities Act, and, accordingly, we hereby certify that:
  - (e) the offer of the Notes was not made to a person in the United States;
  - ☐<sup>11</sup> (f) at the time the buy order was originated, the buyer was outside the United States or we or any person acting on our behalf reasonably believed that the buyer was outside the United States; or
  - ☐ (g) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither we nor any person acting on our behalf know that the transaction was prearranged with a buyer in the United States;
  - (h) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or 904(b) of Regulation S, as applicable;

- (i) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act; and
  - (j) with regard to transfers occurring within the period prior to and including the fortieth day after the issue date of the Notes, the Notes to which this form of transfer relates shall be held through either Euroclear or Clearstream; or
- 4. ☐ pursuant to an exemption from registration provided by Rule 144A under the Securities Act, if available.

If none of the foregoing boxes is ticked, the Registrar shall not be obliged to register the transfer of the Notes.

Dated: .....

By:.....  
(*duly authorised*)

#### **Notes**

- (a) The name of the person by or on whose behalf this form of transfer is signed must correspond with the name of the registered holder as it appears on the face of this Individual Note Certificate.
- (b) A representative of such registered holder should state the capacity in which he signs, e.g. executor.
- (c) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the Registrar may require.
- (d) Any transfer of Notes shall be in an amount equal to [*currency*] [*amount*] or any integral multiple of [*currency*] [*amount*] in excess thereof.

*[Attached to each Individual Note Certificate:]*

**TERMS AND CONDITIONS**

*[As set out in Schedule 1 of the Note Trust Deed]*

*[At the foot of the Terms and Conditions:]*

**REGISTRAR AND TRANSFER AGENT**

**Deutsche Bank Trust Company Americas**

**[•]**

**PAYING AGENT**

**[•]**

**[•]**

**PART B**  
**FORM OF REGULATION S INDIVIDUAL NOTE CERTIFICATE**

Serial Number: [•]

**THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), ANY STATE SECURITIES LAWS IN THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND NEITHER THE ISSUER NOR THE SECURITISED PORTFOLIO HAS BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS NOTE, REPRESENTS THAT IT HAS OBTAINED THIS NOTE IN A TRANSACTION IN COMPLIANCE WITH THE SECURITIES ACT AND ALL OTHER APPLICABLE LAWS OF THE UNITED STATES OR ANY OTHER JURISDICTION, AND THE RESTRICTIONS ON SALE AND TRANSFER SET FORTH IN THE TRUST DEED (THE "TRUST DEED"), DATED 16 OCTOBER 2008 (AS AMENDED AND RESTATED FROM TIME TO TIME), BETWEEN THE ISSUER AND DEUTSCHE BANK TRUST COMPANY AMERICAS (THE "NOTE TRUSTEE"). THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS NOTE, FURTHER REPRESENTS, ACKNOWLEDGES AND AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE (OR ANY INTEREST HEREIN) EXCEPT IN COMPLIANCE WITH THE SECURITIES ACT AND ALL OTHER APPLICABLE LAWS OF ANY JURISDICTION AND IN ACCORDANCE WITH THE RESTRICTIONS, CERTIFICATIONS AND OTHER REQUIREMENTS SPECIFIED IN THE TRUST DEED (i) TO A TRANSFEREE THAT IS A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (A "QIB") PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QIB IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT OR (ii) TO A TRANSFEREE THAT IS NOT A U.S. PERSON (AS DEFINED IN REGULATION S OF THE SECURITIES ACT) AND THAT IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSES (i) AND (ii), IN A PRINCIPAL AMOUNT WITH RESPECT TO EACH CLASS OF NOTES OF NOT LESS THAN €50,000 (OR THE EQUIVALENT THEREOF IN THE SPECIFIED CURRENCY) FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING. EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE DEEMED TO HAVE MADE THE REPRESENTATIONS AND AGREEMENTS SET FORTH IN THE TRUST DEED.**

**EACH TRANSFEROR OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO THE TRANSFEREE.**

**[EACH ORIGINAL PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR OF AN INTEREST HEREIN IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT EITHER (I) THE HOLDER IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE WILL NOT BE, (A) AN "EMPLOYEE BENEFIT PLAN" SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY**

ACT OF 1974, AS AMENDED ("ERISA"), (B) A "PLAN" WITHIN THE MEANING OF AND SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (C) ANY PERSON OR ENTITY WHOSE ASSETS INCLUDE, OR ARE DEEMED FOR THE PURPOSES OF ERISA OR THE CODE TO INCLUDE, THE ASSETS OF ANY SUCH "EMPLOYEE BENEFIT PLAN" OR "PLAN" BY REASON OF 29 C.F.R. 2510.3-101 OR OTHERWISE (EACH OF THE FOREGOING A "BENEFIT PLAN INVESTOR"), OR ANY OTHER EMPLOYEE BENEFIT PLAN SUBJECT TO ANY FEDERAL, STATE, LOCAL OR (D) NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), AND IS NOT PURCHASING THIS NOTE ON BEHALF OF ANY SUCH PERSON, OR (II) THE PURCHASE, HOLDING AND SUBSEQUENT DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF ANY SUCH OTHER EMPLOYEE BENEFIT PLAN, ARE NOT IN VIOLATION OF ANY SUCH SUBSTANTIALLY SIMILAR LAW).

EACH ORIGINAL PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR OF AN INTEREST HEREIN THAT IS OR IS ACTING ON BEHALF OF A BENEFIT PLAN INVESTOR IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT (1) NO TRANSACTION PARTY HAS PROVIDED OR WILL PROVIDE ADVICE WITH RESPECT TO THE INVESTMENT IN THE NOTE BY THE BENEFIT PLAN INVESTOR, (2) WITH RESPECT TO THE INVESTMENT IN THE NOTE BY THE BENEFIT PLAN INVESTOR, THE BENEFIT PLAN INVESTOR IS REPRESENTED BY A FIDUCIARY (THE "INDEPENDENT FIDUCIARY") THAT IS DESCRIBED IN 29 C.F.R. § 2510.3-21(C)(1)(I); (3) THE INDEPENDENT FIDUCIARY IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH RESPECT TO PARTICULAR TRANSACTIONS AND INVESTMENT STRATEGIES, INCLUDING WITHOUT LIMITATION THE INVESTMENT IN THE NOTE BY THE BENEFIT PLAN INVESTOR; (4) THE INDEPENDENT FIDUCIARY IS A "FIDUCIARY" WITH RESPECT TO THE BENEFIT PLAN INVESTOR WITHIN THE MEANING OF SECTION 3(21) OF ERISA, SECTION 4975 OF THE CODE, OR BOTH, IS "INDEPENDENT" WITHIN THE MEANING OF 29 C.F.R. § 2510.3-21(C) (THE "FIDUCIARY RULE") AND IS RESPONSIBLE FOR EXERCISING INDEPENDENT JUDGMENT IN EVALUATING THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THE NOTE; (5) NONE OF THE TRANSACTION PARTIES HAS EXERCISED ANY AUTHORITY TO CAUSE THE BENEFIT PLAN INVESTOR TO INVEST IN THE NOTE OR TO NEGOTIATE THE TERMS OF SUCH INVESTMENT; AND (6) THE INDEPENDENT FIDUCIARY HAS BEEN INFORMED BY THE TRANSACTION PARTIES (A) THAT NONE OF THE TRANSACTION PARTIES HAS UNDERTAKEN OR WILL UNDERTAKE TO PROVIDE IMPARTIAL INVESTMENT ADVICE OR HAS GIVEN OR WILL GIVE ADVICE IN A FIDUCIARY CAPACITY IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THE NOTE, (B) OF THE EXISTENCE AND NATURE OF THE TRANSACTION PARTIES' FEES, COMPENSATION ARRANGEMENTS AND/OR FINANCIAL INTERESTS IN THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THE NOTE, AND (C) THAT NO TRANSACTION PARTY RECEIVES A FEE OR OTHER COMPENSATION FROM THE BENEFIT PLAN INVESTOR FOR THE PROVISION OF INVESTMENT ADVICE IN

**CONNECTION WITH THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THE NOTE.]<sup>14</sup>**

**[EACH PURCHASER AND EACH TRANSFEREE OF THIS NOTE OR OF AN INTEREST HEREIN IS DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) IT IS NOT (AND IS NOT DEEMED FOR PURPOSES OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") TO BE) AND FOR SO LONG AS IT HOLDS AN EQUITY NOTE, AS APPLICABLE, WILL NOT BE (OR BE DEEMED FOR SUCH PURPOSES TO BE) (A) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN ERISA AND THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE, OR ARE DEEMED FOR PURPOSES OF ERISA OR THE CODE TO INCLUDE, "PLAN ASSETS" BY REASON OF SUCH PLAN INVESTMENT IN THE ENTITY (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR") OR (II) (A) IT IS AN EMPLOYEE BENEFIT PLAN THAT IS NOT A BENEFIT PLAN INVESTOR WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW") AND (B) THE PURCHASE AND HOLDING OF SUCH EQUITY NOTES, AS APPLICABLE, DO NOT AND WILL NOT VIOLATE ANY SUCH SUBSTANTIALLY SIMILAR LAW.]<sup>15</sup>**

**PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH IN THE TRUST DEED. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF DEUTSCHE BANK AG, LONDON BRANCH AS THE PRINCIPAL PAYING AGENT.**

**THE HOLDER OF THIS NOTE ACKNOWLEDGES THAT NOTWITHSTANDING ANY OTHER PROVISION OF THE TRUST DEED OR ANY OTHER TRANSACTION DOCUMENT, ALL PAYMENTS OF PRINCIPAL, INTEREST OR ANY OTHER AMOUNT TO BE MADE BY THE ISSUER IN RESPECT OF THE NOTES OR UNDER ANY TRANSACTION DOCUMENT WILL BE PAYABLE PURSUANT TO THE PRIORITY OF PAYMENTS AND ONLY FROM, AND TO THE EXTENT OF, THE SUMS PAID TO, OR NET PROCEEDS RECOVERED BY OR ON BEHALF OF, THE ISSUER IN RESPECT OF THE SECURITY (AS DEFINED IN THE SECURITY TRUST DEED, DATED 16 OCTOBER, 2008, AMONG PENARTH FUNDING 1 LIMITED, PENARTH RECEIVABLES TRUSTEE LIMITED, DEUTSCHE BANK TRUST COMPANY AMERICAS, INTERTRUST OFFSHORE LIMITED AND BANK OF SCOTLAND PLC (THE "SECURITY TRUST DEED")). IF THE PROCEEDS OF THE SECURITY (AS DEFINED IN THE SECURITY TRUST DEED) ARE NOT SUFFICIENT FOR THE ISSUER TO MEET ITS OBLIGATIONS IN RESPECT OF THE NOTES AND OTHER TRANSACTION DOCUMENTS, NO**

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<sup>14</sup> To be included in the legend for Global Debt Note Certificates.

<sup>15</sup> To be included in the legend for Global Equity Note Certificates.

**OTHER ASSETS OF THE ISSUER WILL BE AVAILABLE TO MEET SUCH INSUFFICIENCY.**

**Penarth Master Issuer plc**

*(incorporated with limited liability under  
the laws of England and Wales)*

**[currency][amount]**

**Class [A/B/C/D] Asset Backed [Floating/Fixed] Rate Notes due [•]**

This Individual Note Certificate is issued in respect of the above captioned Notes (the "**Notes**") of Penarth Master Issuer plc (the "**Issuer**"). The Notes are constituted by, are subject to, and have the benefit of the Note Trust Deed and are the subject of the Agency Agreement and other Documents.

Any reference herein to the "**Conditions**" is to the terms and conditions of the Notes attached hereto and any reference to a numbered "**Condition**" is to the correspondingly numbered provision thereof.

In this Individual Note Certificate, unless otherwise defined herein or the context requires otherwise, words and expressions have the meanings and constructions ascribed to them in the Conditions.

This is to certify that:

.....  
of.....  
.....

is the person Registered in the Register maintained by the Registrar in relation to the Notes as the duly registered holder [or, if more than one person is so registered, the first-named of such persons] (the "**Holder**") of:

**[currency] [amount]** .....

(..... **[CURRENCY AND AMOUNT IN WORDS]**)

in aggregate principal amount of the Notes.

The Issuer, for value received, promises to pay such principal sum to the Holder on the dates and in the amounts specified in the Conditions or on such earlier date or dates as the same may become payable in accordance with the Conditions, and to pay interest on the unpaid balance of such principal sum in arrear on the dates and at the rate specified in the Conditions, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

This Individual Note Certificate is evidence of entitlement only and is not a document of title. Entitlements are determined by the Register and only the Holder is entitled to payment in respect of this Individual Note Certificate.

This Individual Note Certificate shall not be valid for any purpose until it has been authenticated for and on behalf of the Registrar.



**AS WITNESS** the manual or facsimile signature of a duly authorised person on behalf of the Issuer.

**PENARTH MASTER ISSUER PLC**

By: .....  
[*manual or facsimile signature*]  
(*duly authorised*)

**ISSUED** as of [•]

**AUTHENTICATED** for and on behalf of  
**DEUTSCHE BANK TRUST COMPANY AMERICAS**  
as Registrar  
without recourse, warranty or liability

By: .....  
[*manual signature*]  
(*duly authorised*)

## FORM OF TRANSFER

**FOR VALUE RECEIVED** ....., being the registered holder of this Rule 144A Global Note Certificate, hereby transfers to .....

of .....

.....  
[currency] ..... in principal amount of the [currency] [amount] Class [A/B/C/D] Asset Backed [Floating/Fixed] Rate Notes due [•] (the "**Notes**") of Penarth Master Issuer plc (the "**Issuer**") and irrevocably requests and authorises Deutsche Bank Trust Company Americas, in its capacity as registrar in relation to the Notes (or any successor to Deutsche Bank Trust Company Americas, in its capacity as such) to effect the relevant transfer by means of appropriate entries in the register kept by it.

We, as transferor of the Notes represented by this Individual Note Certificate, hereby certify that such Notes are being transferred in accordance with the transfer restrictions set forth in the Base Prospectus relating to the Notes dated [date] and in accordance with the terms of any legend on this Individual Note Certificate and that we are transferring such Notes<sup>10</sup>:

1. ☐ to a person whom we reasonably believe is purchasing for its own account or accounts as to which it exercises sole investment discretion; such person and each such account is a qualified institutional buyer (as defined in Rule 144A under the United States Securities Act of 1933, as amended (the "**Securities Act**")); the purchaser is aware that the sale to it is being made in reliance upon Rule 144A under the Securities Act and such transaction meets the requirements of Rule 144A under the Securities Act and is in accordance with any applicable securities laws of any state of the United States or any other jurisdiction; or
2. ☐ to the Issuer or any of affiliates; or
3. ☐ in accordance with Regulation S under the Securities Act, and, accordingly, we hereby certify that:
  - (a) the offer of the Notes was not made to a person in the United States;
  - ☐<sup>11</sup> (b) at the time the buy order was originated, the buyer was outside the United States or we or any person acting on our behalf reasonably believed that the buyer was outside the United States; or
  - ☐ (c) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither we nor any person acting on our behalf know that the transaction was prearranged with a buyer in the United States;
  - (d) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or 904(b) of Regulation S, as applicable;

- (e) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act; and
  - (f) with regard to transfers occurring within the period prior to and including the fortieth day after the issue date of the Notes, the Notes to which this form of transfer relates shall be held through either Euroclear or Clearstream; or
- 4. ☐ pursuant to an exemption from registration provided by Rule 144A under the Securities Act, if available.

If none of the foregoing boxes is ticked, the Registrar shall not be obliged to register the transfer of the Notes.

Dated: .....

By:.....  
(*duly authorised*)

#### **Notes**

- (a) The name of the person by or on whose behalf this form of transfer is signed must correspond with the name of the registered holder as it appears on the face of this Individual Note Certificate.
- (b) A representative of such registered holder should state the capacity in which he signs, e.g. executor.
- (c) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the Registrar may require.
- (d) Any transfer of Notes shall be in an amount equal to [currency] [amount] or any integral multiple of [currency] [amount] in excess thereof.

*[Attached to each Individual Note Certificate:]*

**TERMS AND CONDITIONS**

*[As set out in Schedule 1 of the Note Trust Deed]*

*[At the foot of the Terms and Conditions:]*

**REGISTRAR AND TRANSFER AGENT**

**Deutsche Bank Trust Company Americas**

**[•]**

**PAYING AGENT**

**[•]**

**[•]**

**SCHEDULE 4**  
**PROVISIONS FOR MEETINGS OF NOTEHOLDERS**

**1. DEFINITIONS**

In this Note Trust Deed and the Conditions, the following expressions have the following meanings:

**1.1 In relation to Meetings:**

**"Block Voting Instruction"** means, in relation to any Meeting, a document in the English language issued by a Registrar:

(a) certifying:

- (i) that certain specified Notes (each a **"Blocked Note"**) have been blocked in an account with a clearing system and will not be released until the conclusion of the Meeting and that the holder of each Blocked Note or a duly authorised person on its behalf has instructed such Registrar that the votes attributable to such Blocked Note are to be cast in a particular way on each resolution to be put to the Meeting; or
- (ii) that each registered holder of certain specified Notes (each a **"Relevant Note"**) or a duly authorised person on its behalf has instructed such Registrar that the votes attributable to each Relevant Note held by it are to be cast in a particular way on each resolution to be put to the Meeting; and

in each case that, during the period of 48 hours before the time fixed for the Meeting, such instructions may not be amended or revoked;

- (b) listing the total principal amount of the Blocked Notes and the Relevant Notes, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, the resolution; and
- (c) authorising a named individual or individuals to vote in respect of the Blocked Notes and the Relevant Notes in accordance with such instructions;

**"Form of Proxy"** means, in relation to any Meeting, a document in the English language available from a Registrar signed by a Noteholder or, in the case of a corporation, executed under its seal or signed on its behalf by a duly authorised officer and delivered to the relevant Registrar not later than 48 hours before the time fixed for such Meeting, appointing a named individual or individuals to vote in respect of the Notes held by such Noteholder;

**"Proxy"**, in the case of Notes means, in relation to any Meeting, a person appointed to vote under a Block Voting Instruction or a Form of Proxy other than:

- (a) any such person whose appointment has been revoked and in relation to whom the relevant Registrar has been notified in writing of such revocation by the time which is 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;

All references to "Proxy" or "Proxies" in this Schedule other than in paragraph 5 (*Omnibus Proxy*) below shall be read as to include references to "sub-proxy" or "sub-proxies", as applicable.

**"Relevant Fraction"** means:

- (a) for all business other than voting on an Extraordinary Resolution, one tenth;
- (b) for voting on any Extraordinary Resolution other than one relating to a Basic Terms Modification, two or more persons holding or representing a clear majority of the aggregate Principal Amount Outstanding of the outstanding Notes of the relevant Class or Series; and
- (c) for voting on any Extraordinary Resolution relating to a Basic Terms Modification, two or more persons holding or representing in aggregate not less than 75 per cent. of the aggregate Principal Amount Outstanding of the outstanding Notes of the relevant Class or Series;

**provided that**, so long as at least the Relevant Fraction of the aggregate principal amount of the outstanding Notes is represented by the Global Note Certificate or a single Individual Note Certificate, a Voter appointed in relation thereto or being the holder of the Notes represented thereby shall be deemed to be two Voters for the purposes set out in this definition;

**provided further 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, two or more persons whatever the Principal Amount Outstanding of the outstanding Notes of the relevant Class or Series so held or represented by such persons; and
- (ii) for voting on any Extraordinary Resolution relating to a Basic Terms Modification, two or more persons holding or representing in the aggregate not less than 25 per cent. of the aggregate Principal Amount Outstanding of the outstanding Notes of the relevant Class or Series;

**"Voter"** means, in relation to any Meeting, (a) a Proxy or (b) (subject to paragraph 4 (*Record Date*) below) a Noteholder; **provided, however, that** (subject to paragraph 4 (*Record Date*) below) any Noteholder which has appointed a Proxy under a Block Voting Instruction or Form of Proxy shall not be a "Voter" except to the extent that such appointment has been revoked and the relevant Registrar notified in writing of such revocation at least 48 hours before the time fixed for such Meeting;

**"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 of this Schedule, whether contained in one document or

several documents in the same form, each signed by or on behalf of one or more such holders of the Notes;

**"24 hours"** means a period of 24 hours including all or part of a day (disregarding for this purpose the day upon which such Meeting is to be held) 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 and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid; and

**"48 hours"** means 2 consecutive periods of 24 hours.

## 2. **ISSUE OF BLOCK VOTING INSTRUCTIONS AND FORMS OF PROXY**

The holder of a Note may require the relevant Registrar to issue a Block Voting Instruction by arranging (to the satisfaction of such Registrar) for such Note to be blocked in an account with a clearing system not later than 48 hours before the time fixed for the relevant Meeting. The holder of a Note may require the relevant Registrar to issue a Block Voting Instruction by delivering to such Registrar written instructions not later than 48 hours before the time fixed for the relevant Meeting. Any holder of a Note may obtain an uncompleted and unexecuted Form of Proxy from the relevant Registrar. A Block Voting Instruction and a Form of Proxy cannot be outstanding simultaneously in respect of the same Note.

## 3. **REFERENCES TO BLOCKING/RELEASE OF NOTES**

Where Notes are represented by a Global Note Certificate are within a clearing system, references to the blocking, or release, of Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of such clearing system.

## 4. **RECORD DATE**

The Issuer may fix a record date for the purposes of any Meeting or any resumption thereof following its adjournment for want of a quorum **provided that** such record date is not more than 10 days prior to the time fixed for such Meeting or (as the case may be) its resumption. The person in whose name a Note is registered in the relevant Register on the record date at the close of business in the city in which the Registrar that is maintaining such Register has its Specified Office shall be deemed to be the holder of such Note for the purposes of such Meeting and notwithstanding any subsequent transfer of such Note or entries in such Register.

## 5. **OMNIBUS PROXY**

For so long as any of the Notes is represented by a Global Note Certificate registered in the name of DTC or its nominee, DTC may mail an omnibus proxy to the Issuer in accordance with and in the form used by DTC as part of its usual procedures from time to time in relation to meetings of Noteholders. Such omnibus proxy shall assign the voting rights in respect of the relevant meeting to DTC's direct participants as of the record date specified therein. Any such assignee participant may, by an instrument in writing in the English language signed by such assignee participant, or, in the case of a

corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the specified office of the Registrar or the Transfer Agent before the time fixed for the relevant meeting, appoint any person (a "**sub proxy**") to act on his or its behalf in connection with any meeting of Noteholders and any adjourned such meeting.

## 6. **CONVENING OF MEETING**

The Issuer or the Note Trustee may convene a Meeting at any time, and the Note Trustee shall be obliged to do so subject to its being indemnified and/or secured and/or prefunded to its satisfaction upon the request in writing of Noteholders holding not less than one tenth of the aggregate Principal Amount Outstanding of the outstanding Notes. Every Meeting shall be held on a date, and at a time and place, approved by the Note Trustee.

## 7. **NOTICE**

7.1 At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting shall be given to Noteholders, (with a copy to the Issuer where the Meeting is convened by the Note Trustee or, where the Meeting is convened by the Issuer, the Note Trustee); and

7.2 The notice shall set out the full text of any resolutions to be proposed unless the Note Trustee agrees that the notice shall instead specify the nature of the resolutions without including the full text and shall state that Notes may be blocked in clearing systems for the purposes of appointing Proxies under Block Voting Instructions until 48 hours before the time fixed for the Meeting and a Noteholder may appoint a Proxy either under a Block Voting Instruction by delivering written instructions to the relevant Registrar or by executing and delivering a Form of Proxy to the Specified Office of the such Registrar, in either case until 48 hours before the time fixed for the Meeting.

## 8. **CHAIRMAN**

An individual (who may, but need not, be a Noteholder) nominated in writing by the Note Trustee may take the chair at any Meeting but, if no such nomination is made or if the individual nominated is not present within 15 minutes after the time fixed for the Meeting, those present shall elect one of themselves to take the chair failing which, the Issuer may appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as was the Chairman of the original Meeting.

## 9. **QUORUM**

The quorum at any Meeting shall be at least two Voters representing or holding not less than the Relevant Fraction of the aggregate Principal Amount Outstanding of the outstanding Notes; **provided, however, that**, so long as at least the Relevant Fraction of the aggregate Principal Amount Outstanding of the outstanding Notes is represented by the Global Note Certificate or a single Individual Note Certificate, a Voter appointed in relation thereto or being the holder of the Notes represented thereby shall be deemed to be two Voters for the purpose of forming a quorum.



## 10. **ADJOURNMENT FOR WANT OF QUORUM**

If within 15 minutes after the time fixed for any Meeting a quorum is not present, then:

10.1.1 in the case of a Meeting requested by Noteholders, it shall be dissolved; and

10.1.2 in the case of any other Meeting (unless the Issuer and the Note Trustee otherwise agree), it shall be adjourned for such period (which shall be not less than 14 days and not more than 42 days) and to such place as the Chairman determines (with the approval of the Note Trustee); **provided, however, that:**

(a) the Meeting shall be dissolved if the Issuer and the Note Trustee together so decide; and

(b) no Meeting may be adjourned more than once for want of a quorum.

## 11. **ADJOURNED MEETING**

The Chairman may, with the consent of, and shall if directed by, any Meeting adjourn such Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place.

## 12. **NOTICE FOLLOWING ADJOURNMENT**

Paragraph 7 (*Notice*) shall apply to any Meeting which is to be resumed after adjournment for want of a quorum save that:

12.1.1 10 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and

12.1.1 the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason.

## 13. **PARTICIPATION**

The following may attend and speak at a Meeting:

13.1.1 Voters;

13.1.2 representatives of the Issuer and the Note Trustee;

13.1.3 the financial advisers of the Issuer and the Note Trustee;

13.1.4 the legal counsel to the Issuer and the Note Trustee and such advisers;

13.1.5 any other person approved by the Meeting or the Note Trustee; and

13.1.6 the relevant Registrars.

#### 14. **SHOW OF HANDS**

Every question submitted to a Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairman's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution. Where there is only one Voter, this paragraph shall not apply and the resolution will immediately be decided by means of a poll.

#### 15. **POLL**

A demand for a poll shall be valid if it is made by the Chairman, the Issuer, the Note Trustee or one or more Voters representing or holding not less than one half of the aggregate Principal Amount Outstanding of the outstanding Notes. The poll may be taken immediately or after such adjournment as the Chairman directs, but any poll demanded on the election of the Chairman or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business as the Chairman directs.

#### 16. **VOTES**

Every Voter shall have:

16.1.1 on a show of hands, one vote; and

16.1.2 on a poll, one vote in respect of each [Euro]/[£]/[US\$]1 or such other amount as the Note Trustee may in its absolute discretion stipulate (or, in the case of Meetings of holders of Notes denominated in another currency, such amount in such other currency as the Note Trustee in its absolute discretion may stipulate) in nominal amount of the outstanding Note(s) represented or held by him.

Unless the terms of any Block Voting Instruction or Form of Proxy state otherwise, a Voter shall not be obliged to exercise all the votes to which he is entitled or to cast all the votes which he exercises in the same way. In the case of a voting tie the Chairman shall have a casting vote.

In the case of any Meeting of holders of more than one Series or Class of Notes where not all such Series or Class are in the same currency, the principal amount of such Notes shall for all purposes in this Schedule (whether *inter alia* in respect of the Meeting or any poll resulting therefrom), be the equivalent in sterling translated at the rate specified in the relevant Prospectus Supplement/ Final Terms relating to such Notes. In such circumstances, on any poll each person present shall have one vote for each Unit of Notes (converted as above) which he holds.

In this paragraph, a "**Unit**" means the lowest denomination of the Notes as stated in the applicable Note Trust Deed Supplement or in the case of a Meeting of Noteholders of more than one Series, shall be the lowest common denominator of the lowest denomination of the Notes.

## 17. VALIDITY OF VOTES BY PROXIES

- 17.1 Any vote by a Proxy in accordance with the Block Voting Instruction or Form of Proxy shall be valid even if such Block Voting Instruction or Form of Proxy or any instruction pursuant to which it was given has been amended or revoked, **provided that** neither the Issuer, the Note Trustee nor the Chairman has been notified in writing of such amendment or revocation by the time which is 24 hours before the time fixed for the relevant Meeting; or
- 17.2 Unless revoked, any appointment of a Proxy under a Block Voting Instruction or Form of Proxy in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment; **provided, however, that** no such appointment of a Proxy in relation to a Meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such Meeting when it is resumed. Any person appointed to vote at such a Meeting must be re-appointed under a Block Voting Instruction or Form of Proxy to vote at the Meeting when it is resumed.

## 18. POWERS

A Meeting shall have power (exercisable only by Extraordinary Resolution), without prejudice to any other powers conferred on it or any other person:

- 18.1.1 to approve any Basic Terms Modification;
- 18.1.2 to approve any proposal by the Issuer for any modification, abrogation, variation or compromise of any provisions of this Note Trust Deed or the Conditions or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes;
- 18.1.3 (Other than as permitted under Clause 11.5 (*Substitution*) of this Note Trust Deed) to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes;
- 18.1.4 (Other than as permitted under Clause 11.1 (*Waiver*) of this Note Trust Deed) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of this Note Trust Deed or the Notes or any act or omission which might otherwise constitute an Event of Default under the Notes;
- 18.1.5 to remove any Note Trustee;
- 18.1.6 to approve the appointment of a new Note Trustee;
- 18.1.7 to authorise the Note Trustee (subject to its being indemnified and/or secured and/or prefunded to its satisfaction) or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;
- 18.1.8 to discharge or exonerate the Note Trustee from any liability in respect of any act or omission for which it may become responsible under the Security Documents;

18.1.9 to give any other authorisation or approval which under the Security Documents is required to be given by Extraordinary Resolution; and

18.1.10 to appoint any persons as a committee to represent the interests of the Noteholders and to confer upon such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution.

**19. EXTRAORDINARY RESOLUTION BINDS ALL HOLDERS**

An Extraordinary Resolution shall be binding, subject as provided by paragraph 23 (*Several Series*) and paragraph 24 (*Several Classes*) below upon all Noteholders and each of the Noteholders shall be bound to give effect to it accordingly. Notice of the result of every vote on an Extraordinary Resolution shall be given to the Noteholders and the relevant Registrars with a copy to the Issuer, and the Note Trustee within 14 days of the conclusion of the Meeting.

**20. MINUTES**

Minutes of all resolutions and proceedings at each Meeting shall be made. The Chairman shall sign the minutes, which shall be *prima facie* evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

**21. WRITTEN RESOLUTION**

A Written Resolution shall take effect as if it were an Extraordinary Resolution.

**22. FURTHER REGULATIONS**

Subject to all other provisions contained in this Note Trust Deed, the Note Trustee may without the consent of the Issuer or the Noteholders prescribe such further regulations regarding the holding of Meetings of Noteholders and attendance and voting at them as the Note Trustee may in its sole discretion determine.

**23. SEVERAL SERIES**

The following provisions shall apply where outstanding Notes belong to more than one Series:

23.1.1 Business which in the opinion of the Note Trustee affects the Notes of only one Series shall be transacted at a separate Meeting of the holders of the Notes of that Series.

23.1.2 Business which in the opinion of the Note Trustee affects the Notes of more than one Series but does not give rise to an actual or potential conflict of interest between the holder of Notes or one such Series and the holders of Notes of any other such Series shall be transacted either at separate Meetings of the holders of the Notes of each such Series or at a single Meeting of the holders of the Notes of all such Series, as the Note Trustee shall in its absolute discretion determine.

- 23.1.3 Business which in the opinion of the Note Trustee affects the Notes of more than one Series and gives rise to an actual or potential conflict of interest between the holders of Notes of one such Series and the holders of Notes of any other such Series shall be transacted at separate Meetings of the holders of the Notes of each such Series.
- 23.1.4 The preceding paragraphs of this Schedule shall be applied as if references to the Notes and Noteholders were to the Notes of the relevant Series and to the holders of such Notes.
- 23.1.5 For the avoidance of doubt, any instruction to be given by the Noteholders to the Note Trustee in respect of enforcing the Security under Clause 12 (*Enforcement*) shall be given at a single meeting of holders of the Notes of all Series.
- 23.1.6 In this paragraph, "**business**" includes (without limitation) the passing or rejection of any resolution.

## 24. SEVERAL CLASSES

- 24.1 Without prejudice to paragraph 23 (*Several Series*) The following provisions shall apply where outstanding Notes belong to more than one Class:
- 24.1.1 Business which in the opinion of the Trustee affects the Notes of only one Class shall be transacted at a separate Meeting of the holders of the Notes of that Class.
- 24.1.2 Business which in the opinion of the Trustee affects the Notes of more than one Class but does not give rise to an actual or potential conflict of interest between the holder of Notes or one such Class and the holders of Notes of any other such Class shall be transacted either at separate Meetings of the holders of the Notes of each such Class or at a single Meeting of the holders of the Notes of all such Classes, as the Trustee shall in its absolute discretion determine.
- 24.1.3 Business which in the opinion of the Trustee affects the Notes of more than one Class and gives rise to an actual or potential conflict of interest between the holders of Notes of one such Class and the holders of Notes of any other such Class shall be transacted at separate Meetings of the holders of the Notes of each such Class.
- 24.1.4 The preceding paragraphs of this Schedule shall be applied as if references to the Notes and Noteholders were to the Notes of the relevant Class and to the holders of such Notes.
- 24.1.5 In this paragraph, "**business**" includes (without limitation) the passing or rejection of any resolution.

**SCHEDULE 5**  
**NOTICE OF ASSIGNMENT - ISSUER JERSEY SECURED PROPERTY**

To: Intertrust Offshore Limited 44 Esplanade St Helier Jersey JE4 9WG Channel Islands	Penarth Receivables Trustee Limited 44 Esplanade St Helier Jersey JE4 9WG Channel Islands
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Penarth Funding 1 Limited 44 Esplanade St Helier Jersey JE4 9WG Channel Islands	Penarth Master Issuer plc 35 Great St. Helen's, London EC3A 6AP United Kingdom
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Deutsche Bank Trust Company Americas 60 Wall Street 16th Floor MailStop NYC60-1625 New York, New York 10005 United States of America	Bank of Scotland plc The Mound, Edinburgh EH1 1YZ United Kingdom
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From: Deutsche Bank Trust Company Americas, as Note Trustee under the Note Trust Deed relating to Penarth Master Issuer plc Medium Term Note Programme

Penarth Master Issuer plc, as Issuer

Dear Sirs,

**Penarth Master Issuer plc (the "Issuer")**

We hereby give you notice that by a Note Trust Deed relating to the Penarth Master Issuer plc (the "**Note Trust Deed**") dated 16 October 2008 and made between the Note Trustee and the Issuer, *inter alia*, the following property (the Issuer Jersey Secured Property) has been assigned by the Issuer to the Note Trustee on behalf of the Secured Creditors identified therein.

Issuer Jersey Secured Property: to the extent they constitute Jersey Assets, all the Issuer's rights, title, interest and benefit present and future in, to and under the Global Loan Notes and the Jersey Jurisdiction Agreement (Loan Notes) including without limitation all rights to receive payment of any amount which may become payable to the Issuer thereunder or payment received by the Issuer thereunder or rights to serve notices and/or 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.

Words and expressions defined in or incorporated by reference into the Note Trust Deed shall, unless expressly defined herein or unless the context otherwise requires, bear the same meaning in this Notice.

A copy of the Note Trust Deed is attached to this Notice. Henceforth the provisions contained therein shall apply to the Issuer Jersey Secured Property assigned by the Issuer pursuant to the Note Trust Deed.

This notice is not capable of revocation by the Issuer. Please acknowledge receipt of this Notice by signing the enclosed duplicate of this Notice.

This Notice shall be governed by and construed in accordance with Jersey law.

Yours faithfully,

.....  
for and on behalf of  
**DEUTSCHE BANK TRUST COMPANY AMERICAS**  
as Note Trustee

.....  
for and on behalf of  
**PENARTH MASTER ISSUER PLC**  
as Issuer

## ACKNOWLEDGEMENT AND ACCEPTANCE

We acknowledge receipt of this Notice and accept the provisions contained herein. We confirm as follows:

1. other than as set out in the Global Loan Notes and the Jersey Jurisdiction Agreement (Loan Notes) we do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, rights of set-off or any other rights against the Issuer in respect of the Issuer Jersey Secured Property or any part thereof; and
2. we have not, as of the date hereof, received any notice that any third party has or will have any right or interest whatsoever in or has made or will be making any claim or demand or taking any action whatsoever against the Issuer Jersey Secured Property or any part thereof.

We undertake that, in the event of our becoming aware at any time that any person or entity other than the Note Trustee (as trustee for the Secured Creditors) has or will have any right or interest whatsoever in or has or will be making any claim or demand or taking any action whatsoever against the Issuer Jersey Secured Property or any part thereof, we will immediately give written notice of any of the terms of such right or interest, claim or demand or action to both the Note Trustee and the Issuer.

.....  
For and on behalf of  
**INTERTRUST OFFSHORE LIMITED**

Date .....

.....  
For and on behalf of  
**PENARTH RECEIVABLES TRUSTEE LIMITED**

Date .....

.....  
For and on behalf of  
**PENARTH FUNDING 1 LIMITED**

Date .....



.....  
For and on behalf of  
**PENARTH MASTER ISSUER PLC**

Date .....

.....  
For and on behalf of  
**DEUTSCHE BANK TRUST COMPANY AMERICAS**

Date .....

.....  
For and on behalf of  
**BANK OF SCOTLAND PLC**

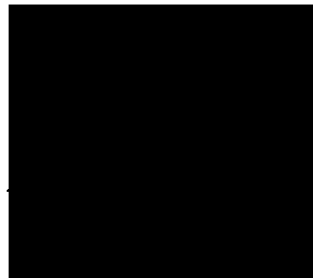
Date .....

**EXECUTION PAGE**

**ISSUER**

**EXECUTED** as a **DEED** by  
**PENARTH MASTER ISSUER PLC**  
acting by  
Intertrust Directors 1 Limited as Director  
Intertrust Directors 2 Limited as Director

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**NOTE TRUSTEE**

**EXECUTED** as a **DEED** by  
**DEUTSCHE BANK TRUST COMPANY**  
**AMERICAS**  
by .....

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**Process Agent**  
Deutsche Trustee Company Limited  
1 Great Winchester Street  
London EC2N 2DB

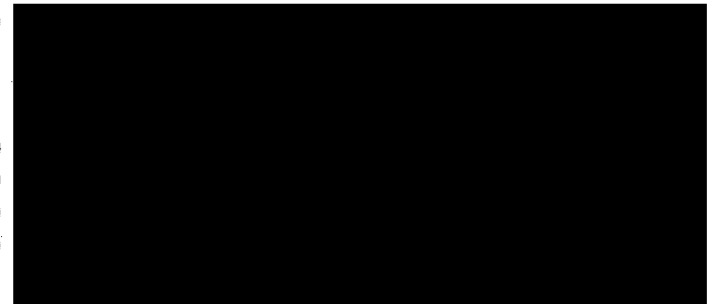
**EXECUTION PAGE**

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**EXECUTED** as a **DEED** by )  
**PENARTH MASTER ISSUER PLC** )  
acting by )  
Intertrust Directors 1 Limited as Director )  
Intertrust Directors 2 Limited as Director )  
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**NOTE TRUSTEE**

**EXECUTED** as a **DEED** by )  
**DEUTSCHE BANK TRUST COMPANY** )  
**AMERICAS** )  
by ..... )  
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**Process Agent**  
Deutsche Trustee Company Limited  
1 Great Winchester Street  
London EC2N 2DB