

710001/23
MR01

Particulars of a charge



Companies House

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

You can use the WebFiling
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LD3 17/10/2016 #43
COMPANIES HOUSE
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A09 06/10/2016 #287
COMPANIES HOUSE
A5H23P0X

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

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

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

☒ You must enclose a certified copy of the instrument with this form. This will be
scanned and placed on the public record. **Do not send the original**

1 Company details

Company number 1 0 0 2 7 1 6 0

Company name in full Marketplace Originated Consumer Assets 2016-1 Plc

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

2 Charge creation date

Charge creation date 3 0 0 9 2 0 1 6

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

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

Name HSBC Corporate Trustee Company (UK) Limited (as "Trustee")

Name

Name

Name

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

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

MR01

Particulars of a charge

4 Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Brief description

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

5 Other charge or fixed security

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

☒ **Yes**
☐ **No**
6 Floating charge

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

☒ **Yes** Continue

☐ **No** Go to **Section 7**

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

☐ **Yes**
7 Negative Pledge

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

☒ **Yes**
☐ **No**
8 Trustee statement ¹

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

☐

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

9 Signature

Please sign the form here

Signature

Signature

X



X

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

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name MELINA BHEEKHUN

Company name CADWALADER, WICKERSHAM & T

Address DASHWOOD HOUSE

69 OLD BROAD STREET

Post town

County/Region LONDON

Postcode E C 2 M 1 Q S

Country

DX

Telephone 02071708643



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

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



Important information

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



How to pay

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

Make cheques or postal orders payable to 'Companies House'.



Where to send

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

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

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

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



Further information

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

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10027160

Charge code 1002 7160 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th September 2016 and created by MARKETPLACE ORIGINATED CONSUMER ASSETS 2016-1 PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th October 2016

P

Given at Companies House, Cardiff on 25th October 2016

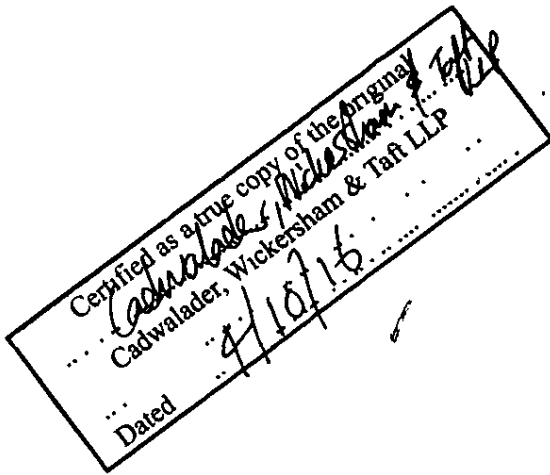


Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

EXECUTION VERSION



Dated 30 September 2016

MARKETPLACE ORIGINATED CONSUMER ASSETS 2016-1 PLC
as Issuer

and

HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED
as Trustee

CHARGE AND ASSIGNMENT

Cadwalader, Wickersham & Taft LLP
Dashwood House
69 Old Broad Street
London, EC2M 1QS

Tel +44 (0) 20 7170 8700
Fax +44 (0) 20 7170 8600

TABLE OF CONTENTS

	<u>Page</u>
1 DEFINITIONS AND INTERPRETATION 1
2 COVENANT TO PAY SECURED OBLIGATIONS	2
3 SECURITY.	2
4 CONTINUING SECURITY	6
5 RELEASE OF CHARGED PROPERTY	7
6 DEALINGS WITH CHARGED PROPERTY AND PAYMENT OF EXPENSES PRIOR TO ENFORCEMENT	8
7 GENERAL COVENANTS AND REPRESENTATIONS	8
8 ADDITIONAL CHARGED PROPERTY	14
9 EVENTS OF DEFAULT	14
10 ENFORCEMENT	14
11 POWERS OF ENFORCEMENT	16
12 APPLICATION OF PROCEEDS	19
13 PROTECTION OF THE TRUSTEE AND RECEIVER	19
14 TRUSTEE PROVISIONS	20
15 FURTHER ASSURANCES	20
16 POWER OF ATTORNEY	21
17 OTHER SECURITY, ETC	21
18 AVOIDANCE OF PAYMENTS	22
19 EVIDENCE OF INDEBTEDNESS	23
20 GOVERNING LAW	23

THIS DEED is made on 30 September 2016 by and between

- (1) **MARKETPLACE ORIGINATED CONSUMER ASSETS 2016-1 PLC**, a public limited company incorporated under the Laws of England and Wales whose registered number is 10027160, with its registered office at 35 Great St Helen's, London, EC3A 6AP (the "**Issuer**"), and
- (2) **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED**, a private limited company incorporated under the Laws of England and Wales with registered number 06447555 whose registered office is at 8 Canada Square, London, E14 5HQ, in its capacity as trustee (the "**Trustee**"),

each a "**Party**" and collectively the "**Parties**"

WHEREAS

- (A) The Issuer and the Trustee entered into a trust deed (the "**Trust Deed**") pursuant to which Class A Notes, Class B Notes, Class C Notes, Class D Notes and Class Z Notes (together, the "**Notes**") will be issued to the Noteholders on or about the date hereof
- (B) The net proceeds of the issue of the Notes shall be applied by the Issuer towards payment of the Purchase Price in respect of the Loan Portfolio in accordance with the Transaction Documents
- (C) The Notes are secured obligations of the Issuer. The Issuer has agreed to grant the Trustee (for itself and on behalf of each Secured Creditor) security in respect of the Secured Obligations
- (D) It is intended that this document takes effect as a deed notwithstanding the fact that a party may execute this document under hand

NOW, THEREFORE, the parties agree as follows

1 DEFINITIONS AND INTERPRETATION

1.1 Terms defined in the Master Framework Agreement

Except where the context otherwise requires or except as set out below, the definitions in clause 1 (*Definitions*) of the master framework agreement entered into between, among others, the Issuer, the Platform Servicer and the Trustee, dated on or about the date of this Deed (as the same may be amended, restated, varied or supplemented from time to time, the "**Master Framework Agreement**"), shall have the same meanings where used in this Deed

1.2 Interpretation and miscellaneous terms

- (a) The provisions of clause 2 (*Principles of interpretation and construction*) and clause 3 (*Common terms*) of the Master Framework Agreement shall apply to this Deed as if set out in full again here, with such changes as are appropriate to fit this context

- (b) The term “full title guarantee” will be construed in accordance with the LP (MP) Act but so that the covenants implied by the LP (MP) Act in respect of the Security do not include
 - (i) the words “other than any charges, encumbrances or rights which that person does not and could not reasonably be expected to know about” in section 3(1)(b) of the LP (MP) Act, and
 - (ii) section 6(2) of the LP (MP) Act.

1 3 Certain defined terms

In this Deed, the following terms shall have the following meanings

“1925 Act” means the Law of Property Act 1925

2 COVENANT TO PAY SECURED OBLIGATIONS

The Issuer covenants with and undertakes to the Trustee that it will duly and punctually pay and discharge without deduction, set-off or counterclaim all moneys, Liabilities and obligations (whether actual or contingent, or owing solely or jointly and/or severally with another or others) which now are or at any time hereafter may (whether on or after any demand) be due, owing or payable under or pursuant to the Notes and each Transaction Document, including all amounts which may become payable or for which the Issuer may become liable under this Deed and the other Transaction Documents and all commissions and discounts, all banking, legal and other costs, charges and expenses of any Secured Creditor whatsoever (on a full indemnity basis) and all losses and damages that may be sustained, suffered or incurred by any Secured Creditor on and subject to the terms set out herein

3 SECURITY

3 1 Assignment

The Issuer, with full title guarantee and as continuing security for the payment and discharge of the Secured Obligations, by way of first fixed security, hereby assigns to and in favour of the Trustee (on behalf of each Secured Creditor), all of its rights, title, interest and benefit, existing now or in the future, in, to, under or in respect of

- (a) the Transaction Documents,
- (b) all Purchased Loan Assets (where such rights are contractual rights other than contractual rights the assignment of which would require the consent of a third party and such consent has not been obtained, provided that the Issuer shall use reasonable endeavours to obtain such consent) and any Seller Records relating to the Purchased Loan Assets, and

(c) any Other Secured Contractual Rights of the Issuer,

including without limitation

- (i) the benefit of all representations, warranties, covenants, undertakings and indemnities under or in respect of each Transaction Document, each Purchased Loan Asset and each Other Secured Contractual Right,
- (ii) all of its rights to receive payment of any amounts which may become payable to it pursuant to, or with respect to, each Transaction Document, each Purchased Loan Asset and each Other Secured Contractual Right,
- (iii) all payments received by it pursuant to, or with respect to, each Transaction Document, each Purchased Loan Asset and each Other Secured Contractual Right,
- (iv) all of its rights to serve notices and/or make demands and/or to take such steps as are required to cause payments to become due and payable with respect to each Transaction Document, each Purchased Loan Asset and each Other Secured Contractual Right,
- (v) all of its rights of action in respect of any breach of the terms of or default in respect of each Transaction Document, each Purchased Loan Asset and each Other Secured Contractual Right; and
- (vi) all of its rights to receive damages, compensation or obtain other relief in respect of, including in respect of any breach the terms of or default in respect of each Transaction Document, each Purchased Loan Asset and each Other Secured Contractual Right

3.2 Fixed Charges

The Issuer, with full title guarantee and as continuing security for the payment and discharge of the Secured Obligations, hereby charges in favour of the Trustee (on behalf of each Secured Creditor) by way of first fixed charge, to the extent not effectively assigned pursuant to Clause 3.1 (*Assignment*), all of its rights, title, interest and benefit, existing now or in the future, in, to, under or in respect of

- (a) the Transaction Documents,
- (b) all Purchased Loan Assets, and
- (c) any Other Secured Contractual Rights,

(in each case, other than any property or assets from time to time or for the time being effectively secured as set out in Clause 3.1 (*Assignment*))

3 3 Accounts

The Issuer, with full title guarantee and as continuing security for the payment and discharge of the Secured Obligations, hereby charges in favour of the Trustee (on behalf of each Secured Creditor) by way of first fixed charge, all of its rights, title, interest and benefit, existing now or in the future, in, to, under or in respect of

- (a) each Issuer Account (other than any Swap Account) and all sums of moneys which may now be or hereafter are from time to time standing to the credit of each Issuer Account (other than any Swap Account) and any other bank account and any amounts standing to the credit thereto (other than the Corporate Benefit Account and any amounts standing to the credit thereto), or book debt in which the Issuer may at any time acquire any right, title, interest or benefit and each debt represented by these, including all interest accrued and other moneys received in respect thereof, and
- (b) each Swap Account and any Swap Collateral and all moneys from time to time standing to the credit of each Swap Account and the debts represented thereby or, where applicable, all of its contractual rights thereto, provided that, in each case, that such security interest (i) shall not extend to Excess Swap Collateral, and (ii) is subject to the rights of any Interest Rate Cap Provider to the return of any Swap Collateral pursuant to the terms of the relevant Interest Rate Cap and the Conditions (for the avoidance of doubt, after any close out netting has taken place),

(in each case, other than any property or assets from time to time or for the time being effectively secured as set out in Clause 3 1 (*Assignment*) and Clause 3 2 (*Fixed Charges*))

3 4 Floating Charge

- (a) The Issuer, with full title guarantee and as continuing security for the payment and discharge of the Secured Obligations, hereby charges in favour of the Trustee (on behalf of each Secured Creditor) by way of a first floating charge over the whole of its undertaking and all of its property and assets whatsoever and wheresoever situated, present and future, to the extent that such undertaking and property and assets are not subject to any other security created pursuant to this Deed provided that, in each case, such security interest (i) shall not extend to the Corporate Benefit Account and any amounts standing to the credit thereto, (ii) shall not extend to Excess Swap Collateral, and (iii) is subject to the rights of any Interest Rate Cap Provider to the return of any Swap Collateral pursuant to the terms of the relevant Interest Rate Cap and the Conditions (for the avoidance of doubt, after any close out netting has taken place);
- (b) The floating charge created by this Clause 3.4 (*Floating Charge*) is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986

- (c) The Trustee may at any time by notice in writing to the Issuer (with a copy to Zopa Limited (at the address specified in the Master Framework Agreement)) convert the floating charge created by this Clause 3 4 (*Floating Charge*) into a fixed charge with immediate effect as regards any Charged Property specified in the notice if
 - (i) an Event of Default occurs and is continuing,
 - (ii) the Trustee reasonably considers that any Charged Property may be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy, or
 - (iii) the Trustee reasonably considers that it is desirable to protect the priority of the Security
- (d) The floating charge created by this Clause 3 4 (*Floating Charge*) will automatically (without notice to the Issuer) convert into a fixed charge with immediate effect as regards all of the undertaking, property and assets of the Issuer subject to such floating charge if
 - (i) an Enforcement Notice has been delivered in accordance with Condition 13 (*Events of Default*),
 - (ii) any person levies or attempts to levy any distress, execution, sequestration or other process against any Charged Property, or
 - (iii) the Trustee receives notice of a proposal or intention to wind-up or appoint an administrator, receiver, trustee, custodian, conservator, liquidator, examiner or other similar official administrator in relation to the Issuer or in relation to whole or any substantial part of the undertaking or assets of the Issuer
- (e) The floating charge created by this Clause 3 4 (*Floating Charge*) may not be converted into a fixed charge solely by reason of
 - (i) the obtaining of a moratorium, or
 - (ii) anything done with a view to obtaining a moratorium,
 under Section 1A of the Insolvency Act 1986
- (f) Nothing in this Clause 3 4 (*Floating Charge*) shall affect the crystallisation of the floating charge created by the Issuer under applicable law and regulation
- (g) If the floating charge created by this Clause 3 4 (*Floating Charge*) has been converted into a fixed charge in respect of any Charged Property pursuant to paragraph (c) above and the circumstances entitling it to effect that conversion have ceased to apply, then provided the Security has not become enforceable the Trustee shall (by notice in writing to the Issuer and Zopa Limited (at the address specified in the Master Framework Agreement)) de-crystallise the fixed charge over such Charged Property so they shall once again be subject to a floating charge only

3 5 Trust

If, for any reason, the purported assignment by way of security of, and/or the grant of first fixed or floating charge over, the property, assets, rights and/or benefits described in this Clause 3 (*Security*) is found to be ineffective in respect of any such property, assets, rights and/or benefits (together, the “**Affected Property**”), the Issuer shall, as continuing security for the payment and discharge of the Secured Obligations, hold the benefit of the Affected Property and any sums received in respect thereof or any security interest, guarantee or indemnity or undertaking of whatever nature given to secure such Affected Property (together, the “**Trust Property**”) on trust for the Trustee for the benefit of the Secured Creditors and shall

- (a) account to the Trustee for the benefit of the Secured Creditors for or otherwise apply all sums received in respect of such Trust Property as the Trustee may direct (provided that, subject to the Conditions, if no Event of Default has occurred and is continuing, the Issuer shall be entitled to apply the benefit of such Trust Property and such sums in respect of such Trust Property received by it and held on trust under this Clause 3 5 (*Trust*) without prior direction from the Trustee),
- (b) exercise any rights it may have in respect of the Trust Property at the direction of the Trustee, and
- (c) at its own cost take such action and execute such documents as the Trustee may in its sole discretion require

3 6 Full Title Guarantee/Beneficial Owner

- (a) Each of the dispositions of or charges over assets effected in or pursuant to Clauses 3 1 (*Assignment*) to 3 4 (*Floating Charge*) (inclusive) is made with full title guarantee and as beneficial owner.
- (b) Without prejudice to the rights of the Trustee after the Security has become enforceable, the Issuer hereby authorises the Trustee prior to the Security becoming enforceable, subject to Clause 6 (*Dealings with Charged Property and Payment of Expenses Prior to Enforcement*), to exercise, or refrain from exercising, all rights, powers, authorities, discretions and remedies under or in respect of the Charged Property, in accordance with this Deed, in such manner as in its absolute discretion it shall think fit, subject to it being indemnified and/or pre-funded and/or secured to its satisfaction.

4 CONTINUING SECURITY

- (a) The Security shall be a continuing security and shall not be satisfied by any intermediate payment or satisfaction of any part of the Secured Obligations, but shall secure the ultimate balance of the Secured Obligations
- (b) The Security shall be in addition to and shall not be affected by any other continuing liens or other Security Interests now or hereafter held by the Trustee in respect of all or any part of the Secured Obligations

- (c) The Liabilities and obligations of the Issuer under this Deed shall remain in force notwithstanding any act, omission, neglect, event or matter whatsoever by any person, except the proper and valid payment and discharge of all Secured Obligations and the foregoing shall apply in relation to anything which would have discharged the Issuer (wholly or in part) or which would have afforded the Issuer any legal or equitable defence, and in relation to any winding up or dissolution of, or any change in constitution or corporate identity or loss of corporate identity in respect of, the Issuer, the Trustee or any other person

5 RELEASE OF CHARGED PROPERTY

- (a) Following the payment and discharge in full of the Issuer's Secured Obligations on the Final Payout Date, and further in accordance with Clause 6.1 (*Dealings with Charged Property*) the Trustee shall (at the request and cost of the Issuer) release and discharge the Charged Property unto the Issuer (or as the Issuer may direct)
- (b) The Security constituted pursuant to Clause 3.3(b) (*Accounts*) over the Charged Property specified therein shall be released and such Charged Property shall (to the extent applicable) be reassigned to the Issuer automatically in respect of any Swap Collateral standing to the credit of any Swap Collateral Account which the Issuer is required to return to any Interest Rate Cap Provider in accordance with the terms of the relevant Interest Rate Cap and the Conditions
- (c) Any such discharge or release referred to in Clause 5 (*Release of Charged Property*) shall be deemed to be made subject to the condition that it will be void if any payment or security which the Trustee or any Secured Creditor may previously have received or may thereafter receive from any person in respect of the Secured Obligations is set aside under any applicable law or proves to have become or been for any reason invalid.
- (d) Upon the disposal of any of the Charged Property in accordance with this Deed and provided that the proceeds of such disposal (if any) are paid into the Issuer Transaction Account, such Charged Property will be deemed to be released and discharged from the Security
- (e) At the time of transfer of an Affected Loan in accordance with clause 2.5 (*Seller Repurchase Obligation and Deemed Collection*) of the Loan Sale and Purchase Agreement and clause 17 (*Zopa Purchase Obligation and Deemed Collection*) of the Servicing Agreement the related Purchased Loan Asset will be released and discharged from the Security unto the Issuer (or as the Issuer may direct)
- (f) All amounts which the Cash Manager and Calculation Agent (on behalf of the Issuer or its appointee) is permitted to withdraw from the Issuer Accounts in accordance with the Transaction Documents will be deemed to be released from the Security upon the relevant withdrawal, provided that, where the relevant amount is transferred to another Issuer Account, it will become subject to the Security in respect of that other Issuer Account

6 DEALINGS WITH CHARGED PROPERTY AND PAYMENT OF EXPENSES PRIOR TO ENFORCEMENT

6.1 Dealings with Charged Property

Notwithstanding the Security Interest created by or pursuant to Clause 3 (*Security*), but prior to the delivery of an Enforcement Notice the Issuer shall be entitled to withdraw, sell, transfer, assign or terminate the Charged Property as required by and in accordance with the provisions of the Transaction Documents. The Issuer shall not agree to any modification of or amendment to any Transaction Document or the Conditions unless the Trustee has concurred with the Issuer in making such modification or amendment in accordance with clause 17 (*Waiver and Modification*) of the Trust Deed.

6.2 Payment in accordance with applicable Priority of Payments

Notwithstanding the Security Interest created by or pursuant to Clause 3 (*Security*), but prior to the delivery of an Enforcement Notice, the Issuer shall be entitled to pay any amounts out of the Charged Property subject to and in accordance with the applicable Priority of Payments.

6.3 Payment of expenses on the Closing Date

Notwithstanding the Security Interest created by or pursuant to Clause 3 (*Security*), on the Closing Date the Issuer shall be entitled to pay the Administrative Expenses that are then due and payable out of the Charged Property.

7 GENERAL COVENANTS AND REPRESENTATIONS

7.1 Representations

The Issuer represents and warrants to the Trustee for the benefit of the Secured Creditors that as of the date of this Deed and each date thereafter until the Final Payout Date, in each case by reference to the facts and circumstances then subsisting:

- (a) it is duly incorporated and validly existing under the Laws of England and Wales, has the full corporate power and authority to own its assets and the assets proposed to be owned by it and included in the Loan Portfolio and to transact the business in which it is presently engaged and is duly qualified under the laws of each jurisdiction where the conduct of its business requires, or the performance of its obligations under this Deed and each other Transaction Document or the Notes requires or would require such qualification, except for those jurisdictions in which the failure to be so qualified, authorised or licensed would not have a material adverse effect on the business, operations, assets or financial condition of the Issuer,
- (b) none of the execution and delivery of this Deed, the incurrence of the Liabilities evidenced hereby or by any other Transaction Document, the consummation of the transactions herein or therein contemplated or compliance with the terms and provisions hereof or thereof will conflict with or result in a breach of, or require any consent under the Issuer's constitutional

documents or any Law applicable to the Issuer or any order, writ, injunction or decree of any court or governmental authority or agency, or any agreement or instrument to which the Issuer is a party or by which the Issuer is bound or to which the Issuer is subject, or constitute a default under any such agreement or instrument,

- (c) this Deed and each other Transaction Document has been duly authorised, executed and delivered by it and constitutes a valid and binding agreement of the Issuer, enforceable against the Issuer in accordance with its terms, subject to as to (x) the effect of applicable bankruptcy, insolvency, or similar laws affecting the enforceability of creditors' rights, and (y) general equitable principles,
- (d) no Authorisations and no filings or registrations with, any governmental or regulatory authority or agency are necessary for the execution, delivery or performance by the Issuer of this Deed or any other Transaction Document or for the validity or enforceability hereof or thereof, except for the filing of a Form MR01 in respect of the Security created pursuant to this Deed with Companies House within 21 days of the execution of this Deed (the "**Security Filing Deadline**"),
- (e) it is absolutely and beneficially entitled to all of the Charged Property free from all Security Interests (save for the prior Security Interests of any Interest Rate Cap Provider with respect to any Swap Collateral) and claims whatsoever other than as created under this Deed,
- (f) it has taken all necessary steps to enable it to create Security Interests over or in respect of the Charged Property in accordance with Clause 3 (*Security*) and, subject to any required registration, filing or otherwise protecting or perfecting the Security Interests, the Security Interests created pursuant to Clause 3 (*Security*) take effect as a first ranking security,
- (g) it has taken no action or steps to prejudice its right, title and interest in and to the Charged Property and is not aware, after making reasonable enquiries, of any other person taking any such action, and
- (h) it has not sold, transferred, lent, assigned, parted with its interest in, disposed of, granted any option in respect of or otherwise dealt with any of its rights, title and interest in and to the Charged Property, or agreed to do any of the foregoing (otherwise than pursuant to this Deed or any other Transaction Document, including any sale of Purchased Loan Asset required for the purpose of funding any redemption of the Notes pursuant to Condition 8.2 (*Optional Redemption in whole – Clean-up Call*), Condition 8.3 (*Mandatory Redemption in whole following a Tax Event*), Condition 8.4 (*Mandatory Redemption in whole upon the occurrence of an Illegality Event*) or Condition 8.5 (*Mandatory Redemption in whole upon the occurrence of a Regulatory Event*))

7.2 U S Securities Representations, Warranties and Undertakings of the Issuer

- (a) The Issuer represents, warrants and undertakes to the Trustee for the benefit of the Secured Creditors, that as of the date of this Deed, the sale of the Notes pursuant to the Subscription Agreements is exempt from the registration and prospectus delivery requirements of the Securities Act. In the case of each offer or sale of the Notes, no form of directed selling effort, general solicitation or general advertising was used by the Issuer or its representations, including, but not limited to, advertisements, articles, notices or other communications published in any newspaper, magazine or similar medium or broadcast over television or radio, or any seminar or meeting whose attendees have been invited by any general solicitation or general advertising. None of the Issuer and anyone acting on its behalf will offer the Notes in such a manner as to require registration of the Notes under Section 5 of the Securities Act or offer any similar securities for issuance or sale to, or solicit any offer to acquire any of the same from, or otherwise approach or negotiate with respect thereto with, any person if the sale of the Notes and any such securities would be integrated as a single offering for the purposes of, and the Notes would thereby be required to be registered under Section 5 of, the Securities Act, and
- (b) The Issuer covenants and agrees with the Trustee for the benefit of the Secured Creditors that none of the Issuer or any of its “affiliates” (as defined in Rule 301(b) of Regulation D) will directly or through any agent, (A) engage in any form of general solicitation or general advertising or sale of the Notes in the United States or in any manner involving a public offering within the meaning of Section 4(2) of the Securities Act or (B) engage in any “directed selling efforts” (as defined in Rule 902(c) under Regulation S) with respect to the Notes.

7.3 Covenants

Until the Secured Obligations have been irrevocably and unconditionally repaid and discharged, the Issuer covenants with the Trustee for the benefit of the Secured Creditors as follows

- (a) not to create, attempt to create or permit to exist any Security Interest (other than the Security) or any right of set-off in, over or affecting any of the Charged Property (other than in accordance with the terms of the Transaction Documents),
- (b) not to withdraw, sell, factor, discount, lend, transfer, assign or otherwise dispose of any of the Charged Property or agree to do any of the foregoing (otherwise than pursuant to or permitted by this Deed or with the prior written consent of the Trustee),
- (c) not to take or omit to take any action which act or omission could adversely affect or diminish the value of any of the Charged Property,
- (d) ensure that there are no moneys or Liabilities outstanding in respect of any of the Charged Property,

- (e) take all action within its power to procure, maintain in effect and comply with all the terms and conditions of all approvals, authorisations, consents and registrations affecting the Charged Property or the Issuer's business,
- (f) ensure that the Security will at all times be a legally valid and binding first ranking fixed charge and, as the case may be, floating charge over the Charged Property ranking in priority to the interests of any other creditor of the Issuer,
- (g) take all actions within its power to register the charge created by this Deed by no later than the Security Filing Deadline,
- (h) maintain its "centre of main interests" (as that term is used in Article 3(1) in Council Regulation (EC) no 1346/2000 on Insolvency Proceedings (the "Insolvency Regulation")) in England and will not open or establish branch offices or other establishment (as that term is used in Article 2(h) and Article 3(2) of the Insolvency Regulation) anywhere in the world outside of England,
- (i) take all necessary steps to establish and maintain its tax residence only in the United Kingdom and the Issuer shall not take any steps (other than steps which are necessary in order for the Issuer to comply with its obligations under the Transaction Documents) that may lead to it being tax resident in any place other than the United Kingdom,
- (j) it acts out of, and only acts out of, the United Kingdom in relation to the issuance of the Notes and all activities pursuant to the Transaction Documents and has no fixed establishment or business establishment in any jurisdiction other than in the United Kingdom,
- (k) the Directors of the Issuer are United Kingdom resident natural persons or United Kingdom incorporated companies and all the Directors are resident in the United Kingdom for tax purposes, and
- (l) it carries on no trade or business or any activities other than those contemplated by the Transaction Documents save for any activities or business preparatory to, or necessary to give effect to the transaction contemplated by the Transaction Documents

7.4 Negative Covenants

Until the Secured Obligations have been irrevocably and unconditionally repaid and discharged, the Issuer covenants with the Trustee for the benefit of the Secured Creditors that it shall not without the written consent of the Trustee (acting in accordance with the Trust Deed)

- (a) sell, factor, discount, transfer, assign, lend or otherwise dispose of any of its right, title or interest in or to the Charged Property, or any part thereof or interest therein, other than as expressly contemplated in the Loan Sale and Purchase Agreement or the Conditions, nor will it create or permit to be outstanding any Security Interest over the Charged Property, other than any sale of Purchased Loan Assets required for the purpose of funding any redemption of the Notes pursuant to Condition 8.2 (*Optional Redemption in*

Whole – Clean-up Call), Condition 8.3 (*Mandatory Redemption in whole following a Tax Event*), Condition 8.4 (*Mandatory Redemption in whole upon the occurrence of an Illegality Event*) or Condition 8.5 (*Optional Redemption in whole upon the occurrence of a Regulatory Event*),

- (b) sell, factor, discount, transfer, assign, lend or otherwise dispose of, nor create or permit to be outstanding any Security Interest over, any of its other property or assets or any part thereof or interest therein other than in accordance with this Deed and each other Transaction Document,
- (c) guarantee or incur any indebtedness for borrowed money, other than in respect of
 - (i) this Deed or any document entered into in connection with the Notes or the sale thereof or any additional Notes or the sale thereof, or
 - (ii) as otherwise contemplated or permitted pursuant to the Transaction Documents,
- (d) engage in any other business other than
 - (i) entering into, exercising its rights and performing its obligations under or enforcing its rights under the Transaction Documents,
 - (ii) issuing and performing its obligations under the Notes or any additional Notes,
 - (iii) acquiring and holding any property, assets or rights that are capable of being effectively secured in favour of the Trustee (on behalf of the Secured Creditors), and
 - (iv) performing any act incidental to or necessary in connection with any of the above,
- (e) amend any term or condition or provision of any of the Notes of any Class or any other Transaction Document (other than in accordance with the Transaction Documents),
- (f) grant any waiver or consent under, any Transaction Document (other than in accordance with the Transaction Documents),
- (g) incur any indebtedness for borrowed money,
- (h) amend its Constitution at any time after the Closing Date,
- (i) not permit its “centre of main interests” (as that term is used in the Council Regulation (EC) No. 1346/2000 on Insolvency Proceedings (the “**Insolvency Regulation**”)) to be located nor have any branch offices or any other “establishment” (as that term is used in Article 2(h) and Article 3(2) of the Insolvency Regulation) anywhere in the world outside the United Kingdom,

- (j) have any employees (for the avoidance of doubt any Director of the Issuer does not constitute an employee),
- (k) enter into any reconstruction, amalgamation, merger or consolidation,
- (l) convey or transfer all or a substantial part of its properties or assets (in one or a series of transactions) to any person, otherwise than as expressly contemplated in the Conditions or the Loan Sale and Purchase Agreement,
- (m) issue any shares (other than shares in issue as at the date of this Deed) nor redeem or purchase any of its issued share capital and shall maintain adequate share capital in light of its contemplated business operations,
- (n) enter into any material agreement or contract with any Person (other than an agreement on customary market terms which for the avoidance of doubt will include agreements to buy and sell obligations, documentation relating to restructurings (including steering committee indemnity letters) and any agreement with the Issuer's independent accountants), unless such contract or agreement contains "limited recourse" and "non-petition" provisions with respect to the Issuer in substantially the same form as clause 3.6 (*Non Petition and Limited Recourse*) of the Master Framework Agreement, and such Person agrees that it shall not take any action or institute any proceeding against the Issuer under any insolvency law applicable to the Issuer or which would reasonably be likely to cause the Issuer to be subject to or seek protection of any such insolvency law, provided that such Person shall be permitted to become a party to and to participate in any proceeding or action under any such insolvency law that is initiated by any other Person other than one of its Affiliates,
- (o) terminate the appointment of the Issuer Account Bank under the Issuer Account Bank Agreement or the Cash Manager and Calculation Agent under the Cash Management and Calculation Agency Agreement (including, in each case, any transactions entered into thereunder) or release either of them, from any executory obligation thereunder (in each case, other than in accordance with the Transaction Documents),
- (p) pay any dividends,
- (q) commingle its assets with those of any other Person or entity (other than in accordance with the Transaction Documents),
- (r) enter into any lease in respect of, or own, premises, or
- (s) guarantee or become obligated for the debts of any other entity or hold out its credit as being available to satisfy the obligations of any other entity

7.5 Notice of Event of Default or Potential Event of Default

The Issuer shall forthwith give notice in writing to the Trustee and Zopa Limited (at the address specified in the Master Framework Agreement) of the occurrence of any Event of Default or a Potential Event of Default

8 ADDITIONAL CHARGED PROPERTY

If at any time while the Security is subsisting the Issuer acquires any further Loan Assets, cash or other property, such Purchased Loan Assets or other property shall, to the extent permitted by law, immediately become part of this Deed for all purposes of the Security and become subject to the terms of this Deed

9 EVENTS OF DEFAULT

9 1 Delivery of an Enforcement Notice

If an Event of Default occurs and is continuing, the Trustee may at its discretion, and shall (subject to Clause 9 2 (*Conditions to delivery of an Enforcement Notice*) below)

- (a) if so requested in writing by the holders of at least 25 per cent in aggregate of the Principal Amount Outstanding of the Most Senior Class of Notes outstanding, or
- (b) if so directed by the Noteholders of the Most Senior Class of Notes outstanding acting by way of Extraordinary Resolution,

(subject, in each case, to the Trustee being indemnified and/or prefunded and/or secured to its satisfaction) deliver an Enforcement Notice to the Issuer and institute such proceedings and take any other steps as may be required in order to enforce the Security in accordance with Clause 10 (*Enforcement*) below

9 2 Conditions to delivery of an Enforcement Notice

Notwithstanding Clause 9 1 (*Delivery of an Enforcement Notice*), the Trustee shall not be obliged to deliver an Enforcement Notice or take any other action unless it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing

9 3 Consequences of delivery of an Enforcement Notice

Upon the delivery of an Enforcement Notice, the Notes of each Class shall become immediately due and payable, without further action or formality, at their Principal Amount Outstanding together with any accrued (and unpaid) interest and the Security shall become immediately enforceable

10 ENFORCEMENT

10 1 Proceedings

The Trustee may, at any time, at its discretion and without further notice, institute such steps, actions or proceedings as it thinks fit to enforce its rights under the Trust Deed in respect of the Notes of each Class (including the Conditions), this Deed or under the other Transaction Documents or, following the delivery of an Enforcement Notice, to enforce the Security, but it shall not be bound to do so unless

- (a) so requested in writing by the holders of at least 25 per cent in aggregate of the Principal Amount Outstanding of the Most Senior Class of Notes outstanding, or
- (b) so directed by Noteholders of the Most Senior Class of Notes outstanding acting by way of Extraordinary Resolution,

and in any such case, only if it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing

10.2 Directions to Trustee

If the Trustee shall take any action, step or proceeding described in Clause 10.1 (*Proceedings*) it may take such action, step or proceeding without having regard to the effect of such action on individual Noteholders or any other Secured Creditor, provided that so long as any of the Most Senior Class of Notes are outstanding, the Trustee shall not, and shall not be bound to, act at the request or direction of the Noteholders of any other Class of Notes unless

- (a) to do so would not, in its opinion, be materially prejudicial to the interests of the Noteholders of the Classes of Notes ranking senior to such other Class, or
- (b) (if the Trustee is not of that opinion as described in paragraph (a) above) such action is sanctioned by an Extraordinary Resolution of the Noteholders of the Classes of Notes ranking senior to such other Class

10.3 Restrictions on disposal of Issuer's assets

- (a) If an Enforcement Notice has been delivered by the Trustee other than by reason of non-payment of any amount due in respect of the Notes, the Trustee will not be entitled to dispose of the Charged Property or any part thereof unless the Trustee is of the opinion, which shall be binding on the Noteholders and the other Secured Creditors, reached solely in reliance upon the advice of an investment bank or other financial adviser selected by the Trustee (upon which advice the Trustee may rely absolutely and without enquiry or liability), at the cost of the Issuer, that either
 - (i) a sufficient amount would be realised to allow payment in full of all amounts owing to the Noteholders of each Class after payment of all other claims ranking in priority to the Notes in accordance with the Post-Acceleration Priority of Payments, or
 - (ii) the cash flow prospectively receivable by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts due in respect of the Notes of each class after payment of all other claims ranking in priority to the Notes in accordance with the Post-Acceleration Priority of Payments

- (b) The Trustee shall not be bound to make the determination, or seek the advice of an investment bank or other financial adviser, contained in Clause 10 3(a) (*Restrictions on disposal of Issuer's assets*) unless the Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing and shall have no Liability to anyone for not so doing
- (c) The Trustee shall have no Liability to any person for the consequences of any such opinion reached in accordance with Clause 10 3(a) (*Restrictions on disposal of Issuer's assets*)

11 POWERS OF ENFORCEMENT

11.1 Amounts due

- (a) The Security shall become immediately enforceable and the power of sale and other powers conferred by section 101 of the 1925 Act, as varied or amended by this Deed, shall be immediately exercisable by the Trustee, upon and at any time after the delivery of an Enforcement Notice pursuant to Condition 13 (*Events of Default*)
- (b) The powers conferred by section 101 of the 1925 Act, each as varied and extended by this Deed, shall be deemed to have arisen immediately upon execution of this Deed
- (c) At any time after delivery of an Enforcement Notice (and so that no delay or waiver of the right to exercise the powers hereby conferred shall prejudice the future exercise of such powers), the Trustee may, by writing, appoint a Receiver of the Charged Property or the relevant part thereof and remove any Receiver so appointed and appoint another such Receiver in his stead. The following provisions shall have effect in relation thereto
 - (i) such appointment may be made either before or after the Trustee shall have taken possession of the Charged Property or the relevant part thereof,
 - (ii) such Receiver may be vested by the Trustee with such powers and discretions as the Trustee may think expedient and may sell or concur in selling the Charged Property or the relevant part thereof, or assign or release the whole or the relevant part of the Charged 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,
 - (iii) except as otherwise required by statute, the Trustee may by writing or by deed remove the Receiver whether or not appointing another in his place and the Trustee may also appoint another Receiver if the existing Receiver resigns and the Trustee may apply to court for an order removing a Receiver,

- (iv) the exclusion of any part of the Charged Property from the appointment of the Receiver shall not preclude the Trustee from subsequently extending his appointment (or that of any Receiver replacing him) to that part of the Charged Property or appointing another Receiver over any other part of the Charged Property
- (v) the remuneration of the Receiver may be fixed by the Trustee in good faith and on commercially reasonable terms (and may be or include a commission calculated by reference to the gross amount of all money received or otherwise) and subject to the provisions of the Priority of Payments. Such remuneration shall be payable by the Issuer alone and the amount of such remuneration shall be secured on the Charged Property in accordance with the terms hereof,
- (vi) the Receiver shall have, *mutatis mutandis*, the powers, authorities and discretions conferred upon the Trustee under this Deed, subject to such restrictions as the Trustee may think fit. Without prejudice to the generality of the foregoing, any Receiver appointed to the whole or substantially the whole of the Charged Property shall have the powers referred to in Schedule 1 to the Insolvency Act 1986, as amended,
- (vii) the Trustee may pay over to such Receiver any moneys constituting part of the Charged Property to the intent that the same may be applied for the purposes of this Deed by such Receiver and the Trustee may from time to time determine what funds the Receiver shall be at liberty to keep in hand with a view to the performance of his duties as such Receiver,
- (viii) Sections 109(6) and (8) of the 1925 Act (relating to application of moneys received by a Receiver) shall not apply in relation to a Receiver appointed under the foregoing provisions of this Clause 11.1 (*Amounts due*),
- (ix) none of the restrictions imposed by the 1925 Act in relation to the appointment of Receivers or as to the giving of notice or otherwise shall apply,
- (x) the 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 Trustee shall not be bound in any case to require any such security or be responsible for its adequacy or sufficiency,
- (xi) save so far as otherwise directed by the Trustee or as otherwise required by law, all moneys from time to time received by such Receiver shall be paid over forthwith to the Trustee to be held by it and applied in accordance with the Priority of Payments,
- (xii) every such Receiver shall be agent of the Issuer for all purposes and the Issuer alone shall be responsible for his acts, omissions, defaults and misconduct, and the Trustee and the Secured Creditors shall not

incur any liability thereof or by reason of its or their making or consenting to the appointment of a person as a Receiver. The Receiver shall have no power to take any action in relation to the Charged Property which the Trustee is not permitted to take or which the Trustee is prohibited from taking by virtue of the terms of this Deed. If a liquidator of the Issuer shall be appointed, the Receiver shall act as principal and not as agent for the Trustee, and

- (xiii) none of the Trustee or the Secured Creditors shall be in any way responsible for any act, omission, negligence, wilful default or fraud or any similar conduct on the part of any such Receiver or any losses or Liabilities incurred as a result of the appointment of such Receiver

11.2 Power of Sale

Section 103 of the 1925 Act shall not apply in relation to this Deed and the statutory power of sale (as extended by this Deed) and all other powers shall be exercisable at any time after the delivery of an Enforcement Notice

11.3 Law of Property Act 1925

The provisions of the 1925 Act relating to the power of sale and the other powers conferred by section 101(1) and (2) are hereby extended (as if such extensions were contained therein) to authorise the Trustee or any Receiver in its absolute discretion

- (a) to sell, exchange, convert into money or otherwise dispose of or realise all the Issuer's title to or interest in the Charged Property, and to do so for any shares, debentures or other securities whatsoever, or in consideration of an agreement to pay all or part of the purchase price at a later date or dates, or an agreement to make periodical payments, whether or not the agreement is secured by a Security Interest or a guarantee, or for such other consideration whatsoever as the Trustee or any Receiver may think fit, and also to grant any option to purchase, and to effect exchanges, and/or
- (b) with a view to or in connection with the sale of the Charged Property, to carry out any transaction, scheme or arrangement which the Trustee or any Receiver may, in its absolute discretion, consider appropriate

11.4 Protection of third parties

No person (including a purchaser) dealing with the Trustee or any Receiver or its or his agents will be concerned to enquire

- (a) whether the Secured Obligations remain outstanding or have become payable,
- (b) whether any power which the Trustee or that Receiver is purporting to exercise has become exercisable or is being properly exercised, or

(c) how any money paid to the Trustee or to that Receiver is to be applied,

and the protections afforded to purchasers from a mortgagee by Section 104 and 107 of the 1925 Act and to persons dealing with an administrative receiver by Section 42(3) of the Insolvency Act 1986 will apply

11.5 Liquidation of Purchased Loan Assets

Notwithstanding any other provision of this Deed, any liquidation or sale of any Purchased Loan Assets by or on behalf of the Issuer or any Receiver shall be conducted in accordance with, and subject to, the right of the instructions of the Noteholders of the Most Senior Class of Notes acting by way of Extraordinary Resolution to direct such liquidation (including the manner and timing of such liquidation) pursuant to the final paragraph of Condition 14 (*Enforcement*)

12 APPLICATION OF PROCEEDS

On each Note Payment Date (or on such other date as the Trustee instructs in writing in accordance with the Transaction Documents) following the delivery of an Enforcement Notice, in accordance with the Transaction Documents the Issuer shall procure that the Cash Manager and Calculation Agent shall cause all amounts standing to the credit of the Issuer Payment Account and all proceeds (other than amounts representing (i) any Excess Swap Collateral which shall be returned directly to an Interest Rate Cap Provider (and for the avoidance of doubt, such payment shall be without regard to the relevant Priority of Payments), (ii) any Replacement Swap Premium (only to the extent it is applied directly to pay a Swap Termination Payment due and payable by the Issuer to the outgoing Interest Rate Cap Provider), (iii) any Swap Tax Credits, which shall be applied directly to an Interest Rate Cap Provider in accordance with this Agreement, and (iv) in respect of an Interest Rate Cap Provider, prior to the designation of an early termination date under an Interest Rate Cap and the resulting application of the Swap Collateral by way of netting or set-off, all Swap Collateral provided by an Interest Rate Cap Provider to the Issuer pursuant to an Interest Rate Cap (and any interest or distributions in respect thereof)) from the enforcement of the Security or otherwise recovered by the Trustee (which shall be held by the Trustee on trust) to be applied in payment, in the amounts required, in accordance with the Post-Acceleration Priority of Payments.

13 PROTECTION OF THE TRUSTEE AND RECEIVER

Neither the Trustee nor any Receiver shall be liable to the Issuer or any other person in respect of any loss, Liability or damage which arises out of the exercise, the attempted or purported exercise or the failure to exercise any of the Trustee's or the Receiver's powers, including by reason of entering into possession of a Purchased Loan Asset as mortgagee in possession, other than as a result of gross negligence, wilful default or fraud by or on the part of the Trustee.

14 TRUSTEE PROVISIONS

14.1 Trust

The Trustee shall hold the benefit of the Security and the covenants of the Issuer contained in this Deed on trust for the benefit of itself and the other Secured Creditors upon the terms provided in this Deed, shall deal with the Secured Obligations in accordance with the terms of this Deed and shall apply all payments, receipts or recoveries in respect of the Secured Obligations in accordance with this Deed and the Priority of Payments

14.2 Power to Act

The Trustee executes this Deed as Trustee in the exercise of the rights, powers and authority conferred and vested in it under the Trust Deed and any other Transaction Documents. In acting as Trustee under this Deed, the Trustee shall have the protections, immunities, rights, powers, authorisations, indemnities and benefits conferred on it under and by the Trust Deed and the other Transaction Documents

14.3 Not Exempt

Nothing herein shall in any case in which the Trustee has failed to show the degree of care and diligence required of it as trustee having regard to the provisions hereof or of any other Transaction Document or the Conditions conferring on it any trusts, powers, authorities or discretions

- (a) exempt the Trustee from, or indemnify it against, any Liability which by virtue of any rule of law would otherwise attach to it in respect of any gross negligence, wilful default or fraud on its part in relation to its duties under this Deed, or
- (b) prevent any Secured Creditor from taking any action against the Trustee in respect of any such gross negligence, wilful default or fraud.

15 FURTHER ASSURANCES

15.1 Protection of Charged Property by Issuer

The Issuer shall at its own expense execute and do all such assurances, acts and things as the Trustee may require or consider desirable under the laws of any jurisdiction in which any property and assets are located in order to perfect or hereby protect the security intended to be created hereby over the Charged Property or any part thereof or facilitate (if and when the security becomes enforceable) the realisation of the Charged Property or any part thereof or exercise of all trusts, powers, authorities, duties and discretions vested in the Trustee or any Receiver of the Charged Property or any part thereof or in any such delegate or sub delegate as aforesaid. To that intent, the Issuer shall in particular execute all transfers, conveyances, assignments and assurances of such property whether to the Trustee or to its nominees and give all notices, orders and directions and make all registrations which the Trustee may think expedient.

15.2 Protection of Charged Property by Trustee

The Trustee shall not (a) except in accordance with Clause 5(b) (*Release of Charged Property*), remove or permit (to the extent the Trustee's permission is sought) the removal of any portion of the Charged Property that consists of cash or is evidenced by an instrument, certificate or other document from the jurisdiction in which it was held at the date of its acquisition by the Issuer, or from the possession of the Person who held it on such date or (b) cause or permit (to the extent the Trustee's permission is sought) ownership of (or any security interest over) any portion of the Charged Property that consists of book-entry securities to be recorded on the books of a Person (i) located in a different jurisdiction from the jurisdiction in which such ownership or security interest was recorded at such date or (ii) other than the Person on whose books such ownership or security interest was recorded at such date, unless the Trustee shall have first requested in writing from the Issuer and received a legal opinion from reputable legal counsel (at the expense of the Issuer) in the appropriate jurisdiction(s) to the effect that the security interests created by this Trust Deed with respect to such property will continue to be maintained after giving effect to such action or actions

16 POWER OF ATTORNEY

For the purpose of securing the interest of the Trustee in the Charged Property and the performance of the Issuer's obligations to the Trustee whether under this Deed or otherwise, the Issuer irrevocably and by way of security appoints the Trustee and any Receiver jointly and severally to be its attorney and attorneys (with full power to appoint substitutes and to sub delegate, including power to authorise the person so appointed to make further appointments, in both cases, with regard to all or any part of the Charged Property) on behalf of the Issuer and in its name or otherwise, to execute, deliver and perfect any document or do any act or thing which the Trustee (or its substitutes or delegates) may, in their absolute discretion, consider appropriate in connection with (a) carrying out any obligations imposed on the Issuer under this Deed, or (b) the exercise of any of the rights conferred on the attorneys which the Issuer is obliged to the Trustee to execute or do, whether under this Deed, by Law or otherwise, and any person appointed the substitute of a Trustee shall, in connection with the exercise of the said power of attorney, be the agent of the Issuer

17 OTHER SECURITY, ETC.

17.1 No Merger

The Security contained in or created pursuant to this Deed is in addition to, and shall neither be merged in, nor in any way exclude or prejudice any other Security Interest, right of recourse, set off or other right whatsoever which the Trustee may now or at any time hereafter hold or have (or would apart from this Deed or any charge contained or created pursuant to this Deed hold or have) as regards the Issuer or any other person in respect of the Secured Obligations. Other than as provided for in this Deed, the Trustee shall be under no obligation to take any steps to call in or to enforce any security for the Secured Obligations and shall not be liable to the Issuer for any loss or Liability arising from any omission on the part of the Trustee to take any such steps or for the manner in which the Trustee shall enforce or refrain from enforcing

any such security unless such loss or Liability are occasioned by the Trustee's own gross negligence, wilful default or fraud

17.2 Consolidation

Section 93 of the 1925 Act shall not apply in relation to any of the charges contained in this Deed

17.3 Ruling Off

Without prejudice to Clause 7.3(a) (*Covenants*), if the Trustee receives notice of any Security Interest or any other interest (other than an interest arising out of a sale which is permitted by Clause 7.3(b) (*Covenants*)) affecting the Charged Property

- (a) the Trustee may open a new account with the Issuer and, if it does not, it shall nevertheless be deemed to have done so at the time it received such notice, and
- (b) all payments made by the Issuer to the Trustee after the Trustee receives such notice shall be credited or deemed to have been credited to the new account, and in no circumstances whatsoever shall operate to reduce the Secured Obligations as at the time the Trustee received such notice

17.4 Change of Name, etc

This Deed shall remain valid and enforceable notwithstanding any change in the name, composition or constitution of the Trustee or the Issuer or any amalgamation or consolidation by the Trustee with any other corporation

18 AVOIDANCE OF PAYMENTS

18.1 No Release

No assurance, security or payment which may be avoided or adjusted under the law, including under any enactment relating to bankruptcy or insolvency and no release, settlement or discharge given or made by the Trustee on the faith of any such assurance, security or payment, shall prejudice or affect the right of the Trustee to recover the Secured Obligations from the Issuer (including any moneys which it may be compelled to pay or refund under the provisions of the Insolvency Act 1986 and any reasonable costs payable by it pursuant to or otherwise reasonably incurred in connection therewith) or to enforce the Charged Property to the full extent of the Secured Obligations

18.2 Retention of Charge

If the Trustee shall have grounds in its absolute discretion for believing that the Issuer may be insolvent or deemed to be insolvent as at the date of any payment made by the Issuer to the Trustee, the Trustee shall be at liberty to retain the Charged Property until the expiry of a period of one month plus such statutory period within which any assurance, security, guarantee or payment can be avoided or invalidated after the payment and discharge in full of all Secured Obligations notwithstanding any release,

settlement, discharge or arrangement which may be given or made by the Trustee on, or as a consequence of, such payment or discharge of liability provided that, if at any time within such period, a petition shall be presented to a competent court for an order for the winding up or the making of an administration order in respect of the Issuer, or the Issuer shall commence to be wound up or to go into administration or any analogous proceedings shall be commenced by or against the Issuer, the Trustee shall be at liberty to continue to retain the Charged Property for such further period as the Trustee may determine and the Charged Property shall be deemed to continue to have been held as security for the payment and discharge to the Trustee of all Secured Obligations

19 EVIDENCE OF INDEBTEDNESS

In any action, proceedings or claim relating to this Deed or the Charged Property, a statement as to any amount due to a Secured Creditor or of the Secured Obligations or any part thereof which is certified as being correct by an officer of a Secured Creditor shall, save in the case of manifest error, be conclusive evidence that such amount is in fact due and payable

20 GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law

IN WITNESS whereof this deed has been duly executed and delivered on the date first above written

SIGNATORIES

Issuer

SIGNED as a deed by two directors)
for and on behalf of)
MARKETPLACE ORIGINATED)
CONSUMER ASSETS 2016-1 PLC)
)

SFM Directors Limited

SFM Directors (No 2) Limited

Trustee

EXECUTED as a DEED by
HSBC CORPORATE TRUSTEE COMPANY
(UK) LIMITED

by the signature
of its duly authorised attorney/Director
in the presence of,

)
)
)
)
)

Signature of witness

Name of witness

Address of witness