

MR01

Particulars of a charge

138211/23
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A fee is payable with this form
Please see 'How to pay' on the last page.

✓ **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 no
instrument. Use form

For further information, please
refer to our guidance at:
www.gov.uk/companieshouse

This form **must be delivered to the Registrar for registration**
21 days beginning with the day after the date of creation of the
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
scanned and placed on the public record. **Do not send the original.**

WEDNESDAY



L6HTWYUT
LD3 25/10/2017 #87
COMPANIES HOUSE

1 Company details

Company number 1 0 8 0 1 2 9 2
Company name in full TOWER BRIDGE FUNDING NO.1 PLC

For official use

→ **Filling 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 d 2 d 3 m 1 m 0 y 2 y 0 y 1 y 7

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 U.S. BANK TRUSTEES LIMITED

Name

Name

Name

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

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

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Particulars of a charge

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 Linklaters L.L.P

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 MICHAEL SHORTIS

Company name LINKLATERS LLP

Address ONE

SILK STREET

Post town LONDON

County/Region

Postcode E C 2 Y 8 H Q

Country UNITED KINGDOM

DX 10 CDE

Telephone +442074562000



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 £23 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.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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



4/c

FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10801292

Charge code: 1080 1292 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd October 2017 and created by TOWER BRIDGE FUNDING NO.1 PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 25th October 2017.

Given at Companies House, Cardiff on 30th October 2017



Companies House



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

Dated 23 October 2017

TOWER BRIDGE FUNDING NO. 1 PLC

as Issuer

and

U.S. BANK TRUSTEES LIMITED

as Note Trustee and Security Trustee

and

OTHERS

DEED OF CHARGE

*Certifies that, save for material
redacted pursuant to s 859G of
the Companies Act 2006, this
copy instrument is a correct copy
of the original instrument.
Linklaters LLP
Linklaters LLP
24 October 2017.*

Linklaters

Ref: L-262296

Linklaters LLP

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This Deed of Charge (this "**Deed**") is executed as a deed on 23 October 2017 **between**:

- (1) **TOWER BRIDGE FUNDING NO. 1 PLC** whose registered number is 10801292 and whose registered office is at 35 Great St. Helen's, London EC3A 6AP (the "**Issuer**");
- (2) **U.S. BANK TRUSTEES LIMITED** whose registered number is 02379632 and whose registered office is 125 Old Broad Street, Fifth Floor, London EC2N 1AR in its capacity as note trustee for and on behalf of the Noteholders and the Certificateholders (the "**Note Trustee**", which expression shall include such company and all other persons or companies for the time being acting in the capacity of note trustee or note trustees under the Trust Deed) and in its capacity as security trustee for and on behalf of the Secured Creditors (the "**Security Trustee**", which expression shall include such company and all other persons or companies for the time being acting in the capacity of security trustee or security trustees under the Deed of Charge);
- (3) **ELAVON FINANCIAL SERVICES DAC, UK BRANCH** a designated activity company registered in Ireland with the Companies Registration Office (registered number 418442), with its registered office at 2nd Floor, Block E, Cherrywood Science & Technology Park, Loughlinstown, Co. Dublin, Ireland acting through its UK Branch (registered number BR009373) from its offices at 5th Floor, 125 Old Broad Street, London EC2N 1AR, United Kingdom, in its capacity as cash administrator under the Cash Administration Agreement (the "**Cash Administrator**"), as account bank (the "**Account Bank**") under the Bank Agreement, as swap collateral account bank (the "**Swap Collateral Account Bank**") and as custodian (the "**Custodian**") under the Bank Agreement, and as principal paying agent (the "**Principal Paying Agent**") and agent bank (the "**Agent Bank**"), under the Paying Agency Agreement;
- (4) **ELAVON FINANCIAL SERVICES DAC**, a designated activity company registered in Ireland with the Companies Registration Office (registered number 418442), with its registered office at 2nd Floor, Block E, Cherrywood Science & Technology Park, Loughlinstown, Co. Dublin, Ireland as registrar (the "**Registrar**") under the Paying Agency Agreement;
- (5) **BELMONT GREEN FINANCE LIMITED** being a limited liability company incorporated under the laws of England and Wales whose registered number 09837692 and whose registered office is at 1 London Road, Staines-upon-Thames, Surrey, TW18 4EX, United Kingdom (the "**Seller**", "**Mortgage Administrator**", "**BGFL**" and the "**Legal Title Holder**");
- (6) **HOMELoAN MANAGEMENT LIMITED**, a private limited company incorporated under the laws of England and Wales with limited liability (registered number 02214839) whose registered office is at The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom (the "**Standby Mortgage Administrator**");
- (7) **INTERTRUST MANAGEMENT LIMITED** a private limited company incorporated under the laws of England and Wales with limited liability (registered number 03853947), whose principal office is at 35 Great St. Helen's, London EC3A 6AP in its capacity as the corporate services provider ("**Corporate Services Provider**") and the back-up mortgage administrator facilitator (the "**Back-up Mortgage Administrator Facilitator**");
- (8) **TOWER BRIDGE FUNDING NO.1 HOLDINGS LIMITED** whose registered number is 10801300 and whose registered office is at 35 Great St. Helen's, London EC3A 6AP, United Kingdom ("**Holdings**");

- (9) **BARCLAYS BANK PLC** whose registered number is 01026167 acting through its office at 1 Churchill Place, London E14 5HP, United Kingdom (the **"Collection Account Provider"**);
- (10) **THE ROYAL BANK OF SCOTLAND PLC (TRADING AS NATWEST MARKETS)** a public limited company incorporated under the laws of Scotland with registered number SC045551 with its principal place of business office is at 250 Bishopsgate, London, EC2M 4AA in its capacity as interest rate swap counterparty under the Swap Agreement (the **"Swap Counterparty"**); and
- (11) Any other person who accedes to this Deed by way of an Accession Undertaking.

Whereas:

- (A) This Deed is supplemental to the Trust Deed which is dated on or about the date of this Deed and made between the Issuer, the Security Trustee and the Note Trustee relating to the Notes and the Certificates as defined in the master definitions schedule dated on or about the date of this Deed and signed for the purpose of identification by Linklaters LLP and Allen & Overy LLP (as amended from time to time) (the **"Master Definitions Schedule"**).
- (B) Each Secured Creditor (other than the Security Trustee) appoints the Security Trustee to act as trustee under and in connection with the Charged Obligation Documents.

Now this Deed witnesses and it is hereby agreed and declared as follows:

1 Definitions

- 1.1 Unless otherwise defined in this Deed or the context requires otherwise words and expressions used in this Deed have the meanings and instructions ascribed to them in the Master Definitions Schedule.
- 1.2 References herein to the Note Trustee, the Security Trustee, Holdings, the Legal Title-Holder, the Cash Administrator, the Mortgage Administrator, the Standby Mortgage Administrator, the Back-up Mortgage Administrator Facilitator, the Principal Paying Agent, the Agent Bank, the Registrar, the Account Bank, the Swap Collateral Account Bank, the Custodian and the Corporate Services Provider include references to successors and persons deriving title under or through them respectively.
- 1.3 References herein to the Notes and the Certificates include the Note Conditions and the Certificate Conditions appertaining thereto respectively and any references to an amount of money due or payable by reference to the Notes and the Certificates shall include any sum covenanted to be paid by the Issuer under the Trust Deed in respect of the Notes and the Certificates respectively.
- 1.4 Where reference is made in this Deed to:
 - 1.4.1 the Mortgage Administration Agreement;
 - 1.4.2 the Mortgage Sale Agreement;
 - 1.4.3 the Standby Mortgage Administration Agreement;
 - 1.4.4 the Cash Administration Agreement;
 - 1.4.5 the Bank Agreement;
 - 1.4.6 the Collection Account Agreement;

1.4.7 the Collection Account Declaration of Trust;

1.4.8 the Paying Agency Agreement;

1.4.9 the Corporate Services Agreement;

1.4.10 the Deed Poll;

1.4.11 the Issuer/ICSD Agreement;

1.4.12 the Trust Deed;

1.4.13 the Deed of Charge;

1.4.14 the Swap Agreement;

(and together with any agreement entered into between the Issuer and a Secured Creditor to this Deed, the "**Charged Obligation Documents**"),

the provisions to which reference is made shall be deemed to be included in this Deed to the extent necessary to give effect thereto.

1.5 This Deed shall be construed and interpreted in accordance with the provisions of clause 2 (*Interpretation*) of the Master Definitions Schedule.

1.6 In the event of a conflict between the provisions of this Deed and those of the Master Definitions Schedule, the provisions of this Deed shall prevail.

1.7 By their execution of this Deed:

1.7.1 each of the Note Trustee, the Security Trustee, Holdings, the Cash Administrator, the Mortgage Administrator, the Standby Mortgage Administrator, the Back-up Mortgage Administrator Facilitator, Legal Title-Holder, the Principal Paying Agent, the Agent Bank, the Registrar, the Account Bank, the Swap Collateral Account Bank, the Custodian, the Swap Counterparty, the Seller and the Corporate Services Provider acknowledge, and consent to, the assignment pursuant to Clause 3.3 (*Contractual and Other Rights*) of the contracts referred to in sub-clause 3.3.1 to which they are a party and confirms that as of the date of this Deed it has not received from any other person notice of any assignment or charge of any of the Charged Obligation Documents; and

1.7.2 each Secured Creditor acknowledges the Security and covenants to the Security Trustee not to do anything inconsistent with the Security or knowingly to prejudice that security or any of the Charged Property (or the Security Trustee's interest in those assets) provided that, subject to Clause 5 (*Restrictions on Exercise of Certain Rights*), this Deed does not limit the rights of any of the Secured Creditors under the Transaction Documents; and

1.7.3 The Account Bank consent to the charging of the Bank Accounts under Clause 3.4 (*Bank Accounts and Collection Account*).

1.8 Any reference herein to "**set-off**" includes claims of compensation, rights of retention and rights to balance accounts on insolvency.

2 The Issuer's Covenant to Pay

2.1 The Issuer acknowledges to the Security Trustee the Issuer's Liability in respect of the Secured Amounts and further covenants with and undertakes to the Security Trustee (for

its own account and as trustee for the other Secured Creditors) that it shall duly and punctually pay and discharge to each of the Secured Creditors when due and payable:

2.1.1 all moneys and liabilities whatsoever which from time to time become due, owing or payable by the Issuer:

- (i) to the order of the Security Trustee and/or any Receiver under this Deed, the Trust Deed or the Conditions at the times and in the manner provided herein or therein;
- (ii) under or in respect of the Notes and/or the Certificates; and/or
- (iii) to the Security Trustee on any account whatsoever, whether as principal or surety and whether or not directly with another; and

2.1.2 all monies and liabilities whatsoever which from time to time become due, owing or payable by the Issuer to each of the other Secured Creditors in accordance respectively with each of the other relevant Transaction Documents.

3 Security

3.1 The Mortgages

3.1.1 The Issuer, by way of first fixed security for the payment or discharge of the Secured Amounts, with full title guarantee and as the registered owner or as the person entitled to be registered as owner and subject in each case to the proviso for redemption hereinafter contained and to the provisos for redemption contained in the Loan Conditions, hereby charges to the Security Trustee by way of first fixed equitable charge all the Issuer's right, title, interest and benefit present and future in, to and under the Loans, the Mortgages and Mortgage Rights in the Mortgage Pool and all monies assured by or to become payable under the same and the benefit of all covenants relating thereto and all powers and remedies for enforcing the same and the title deeds and documents relating to the Property and the Mortgages in the Mortgage Pool including (without prejudice to the generality of the foregoing) any consents, postponements, reports, valuations, opinions, certificates and other statements of fact or opinion or both given in connection with the Mortgages and Mortgage Rights in the Mortgage Pool (and all causes and rights of action of the Issuer against any person in connection with the same) and any other contractual documents or any security documents in either case setting out the terms of the Loans to hold the same unto the Security Trustee absolutely for the Security Trustee itself and on trust, subject to the terms of this Deed, for the other Secured Creditors.

3.1.2 The Issuer agrees to execute and deliver such documents, and in such form, and to take such other steps as the Security Trustee shall consider necessary to enable the Security Trustee to perfect a first fixed equitable charge over the Mortgages and all sums secured thereby.

3.2 Insurance Contracts

The Issuer, by way of further first fixed security for the payment or discharge of the Secured Amounts, with full title guarantee and subject to the proviso for redemption hereinafter contained, hereby assigns to the Security Trustee all the Issuer's right, title, interest and benefit present and future in, to and under the Insurance Contracts, to the

extent that the Insurance Contracts have been assigned to the Issuer pursuant to the Mortgage Sale Agreement, and all monies assured by or to become payable under the same and the benefit of all covenants and rights relating thereto and all powers and remedies for enforcing the same to hold the same unto the Security Trustee absolutely for the Security Trustee itself and on trust, subject to the terms of this Deed, for the other Secured Creditors.

3.3 Contractual and Other Rights

- 3.3.1** The Issuer, by way of further first fixed security for the payment or discharge of the Secured Amounts, with full title guarantee and subject to the proviso for redemption hereinafter contained, hereby assigns to the Security Trustee all its right, title, interest and benefit present and future in, to and under the Charged Obligation Documents and all other contracts, agreements, deeds and documents, present and future, to which the Issuer is or may become a party (other than the Trust Deed (and any deed expressed to be supplemental thereto and this Deed)), including without limitation all rights to receive payment of any amounts which may become payable to the Issuer thereunder, all payments received by the Issuer thereunder, all rights to serve notices and/or make demands thereunder and/or to take such steps as are required to cause payments to become due and payable thereunder and all rights of action in respect of any breach thereof and all rights to receive damages or obtain other relief in respect thereof (provided that the assignment by way of security of the Issuer's rights under the Swap Agreement shall be subject to any rights of set-off or netting provided thereunder) to hold the same unto the Security Trustee absolutely for the Security Trustee itself and on trust, subject to the terms of this Deed, for the other Secured Creditors.
- 3.3.2** Notwithstanding such assignment each of the parties hereto (other than the Issuer) agrees with the Issuer that the Charged Obligors may continue to make all payments becoming due to the Issuer under any of Charged Obligation Documents direct to the Issuer or, as the case may be, the Cash Administrator in the manner envisaged by such agreements (which payment shall constitute a good discharge by the person making the payment) until receipt of express written notice from the Security Trustee or the Receiver requiring such payments to be made elsewhere, which notice shall not be given at any time prior to the giving of an Enforcement Notice.

3.4 Bank Accounts and Collection Account

The Issuer, by way of further first fixed security for the payment or discharge of the Secured Amounts, with full title guarantee and subject to the proviso for redemption hereinafter contained, hereby charges, by way of first fixed equitable charge to the Security Trustee, all the Issuer's right, title, benefit and interest present and future in, to and under the Bank Accounts, Collection Account and any other accounts with any bank or financial institution in which the Issuer now or in the future has an interest (to the extent of its interest), and all sums of money and securities which may now be or hereafter are from time to time standing to the credit of the Bank Accounts, Collection Account and any other accounts with any bank or financial institution in which the Issuer now or in the future has an interest (to the extent of its interest), together with all interest accruing from time to time thereon and the debts represented thereby and the benefit of all covenants relating thereto and all powers and remedies for enforcing the same to hold the same unto the Security

Trustee absolutely for the Security Trustee itself and on trust, subject to the terms of this Deed, for the other Secured Creditors.

3.5 Authorised Investments

The Issuer, by way of further first fixed security for the payment or discharge of the Secured Amounts, with full title guarantee and subject to the proviso for redemption hereinafter contained, hereby charges, by way of first fixed equitable charge to the Security Trustee, all its right, title, interest and benefit present and future in, to and under the Authorised Investments and all moneys, income and proceeds to become payable thereunder or thereon and the benefits of all covenants relating thereto and all powers and remedies for enforcing the same to hold the same unto the Security Trustee absolutely for the Security Trustee itself and on trust, subject to the terms of this Deed, for the other Secured Creditors.

3.6 Floating Charge

The Issuer, by way of further security for the payment or discharge of the Secured Amounts, with full title guarantee and as the registered owner or as the person entitled to be registered as owner and subject to the proviso for redemption hereinafter contained and subject where relevant to the provisos for redemption or cesser contained in the Mortgage Pool and the rights of re-assignment and re-transfer contained in the Charges, hereby charges by way of first floating charge to the Security Trustee, the whole of its undertaking and all its property and assets, except for the assets specifically secured by means of fixed charge above or otherwise assigned as security by this Clause 3, present and future, to hold the same unto the Security Trustee absolutely for the Security Trustee itself and on trust, subject to the terms of this Deed, for the other Secured Creditors.

The Issuer declares that:

3.6.1 each floating charge created under this Deed is a "qualifying floating charge" for the purposes of paragraph 14.2(a) of Schedule B1 to the Insolvency Act 1986; and

3.6.2 paragraph 14 of Schedule B1 of the Insolvency Act 1986 shall apply to this Deed.

The floating charge created by this Clause 3.6 shall be deferred in point of priority to the fixed charges which remain outstanding under or pursuant to this Deed from time to time and any rights of the Issuer to deal with the assets subject to the floating charge shall be expressly subject to any restrictions placed on dealing with those assets contained in any fixed charge over the same.

In addition and without prejudice to any other event resulting in a crystallisation of the floating charges created under or pursuant to this Deed or any other right the Security Trustee may have, the Security Trustee may, by notice in writing to the Issuer (and so far as permitted by applicable law), declare that the floating charges created under or pursuant to this Deed shall (so far as permitted by applicable law) be converted into first specific fixed charges over such of the undertaking, property and assets of the Issuer as the Security Trustee may specify in such notice at any time if:

3.6.3 any event has happened which constitutes an Event of Default; or

3.6.4 the Security Trustee believes that the Charged Property or any part thereof is in danger of being seized or sold under any form of distress, attachment, execution, diligence or other legal process levied or is otherwise in jeopardy; or

3.6.5 the Security Trustee considers that it is desirable in order to protect the priority of the Security.

In addition and without prejudice to any other event resulting in a crystallisation of the floating charge created under or pursuant to this Deed and without prejudice to any rule of law which may have a similar effect, subject as provided below, each such floating charge shall (so far as permitted by applicable law) automatically and without notice be converted with immediate effect into a fixed charge as regards:

3.6.6 all property, assets or undertaking of the Issuer subject to such floating charge, upon:

- (i) the presentation of a petition for the compulsory winding-up of the Issuer;
- (ii) the convening of a meeting for the passing of a resolution for the voluntary winding-up of the Issuer or the appointment of an administrator over the Issuer;
- (iii) an application or pending application being made for the making of an administration order in relation to the Issuer;
- (iv) an administrator being appointed in relation to the Issuer; and/or
- (v) the service of an Enforcement Notice; and/or

3.6.7 any property, assets or undertaking of the Issuer which become subject to a Security Interest in favour of any person other than the Security Trustee or which is/are the subject of a sale, transfer or other disposition, in either case, contrary to the covenants and undertakings contained in the Transaction Documents, immediately prior to such Security Interest arising or such sale, transfer or other disposition being made.

The Issuer will promptly upon crystallisation execute over the assets charged pursuant to this Clause 3.6 a fixed charge or security in favour of the Security Trustee in such form as the Security Trustee shall require.

The floating charge created by this Clause 3.6 may not be converted into a fixed charge solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the Insolvency Act 2000 except with leave of the court.

3.7 Notice and Forms

Within the statutorily prescribed period the Issuer will, in relation to the sub mortgage and assignment of the Loans, the Mortgages and the other relevant Assigned Rights, send a duly completed Form MR01 and a certified copy of this Deed pursuant to Section 859A of the Companies Act 2006 and promptly following receipt, deliver a copy of the certificates of registration to the Security Trustee or such other person(s) as the Security Trustee may instruct.

3.8 Further acquired items

For the avoidance of doubt it is hereby confirmed that reference herein to Loans, Mortgages, Charges, Insurance Contracts and related items include those which are hereafter assigned or transferred to or otherwise acquired by the Issuer (whether pursuant to the Mortgage Sale Agreement or otherwise) and that the security created by or pursuant to Clauses 3.1 (*The Mortgages*) to 3.5 (*Authorised Investments*) (both inclusive) are, and

are intended to be, specific and fixed assignments by way of security of, or specific and fixed charges over (as the case may be), the items to which they relate, both present and future acquired.

3.9 No Transfer of Obligations

Notwithstanding anything else in this Deed, it is hereby agreed that the Security Trustee does not assume, nor shall the Security Trustee be obligated to perform, any obligations of any other party to this Deed (including, for the avoidance of doubt, the making of further advances to Borrowers) and nothing herein shall be construed so as to transfer any of such obligations to the Security Trustee.

3.10 Charged Obligation Documents

Prior to the Security becoming enforceable, the Issuer is entitled to exercise, or refrain from exercising, all rights, powers, authorities, discretions and remedies of the Issuer under or in respect of the Charged Obligation Documents in such manner as the Issuer in its absolute discretion shall think fit (but subject to and in accordance with any other express provisions of the Transaction Documents).

3.11 Payments to the Issuer

Notwithstanding the Security but subject as provided otherwise in this Deed, each of the parties acknowledges that each Secured Creditor and each other party to any Transaction Document may continue to make all payments becoming due to the Issuer under any Transaction Document in the manner envisaged by that document until receipt of written notice from the Security Trustee or any Receiver stating that the Security has become enforceable and requiring payments to be made otherwise.

4 Redemption and Release

4.1 Upon proof being given to the satisfaction of the Security Trustee by any or all of the relevant Charged Obligors as to the full, final, irrevocable and unconditional payment or discharge by the Issuer of all the Secured Amounts, the Security Trustee will at the request and cost of the Issuer release, re-transfer or re-assign (as appropriate) without recourse, representation or warranty the Charged Property to the Issuer or other person entitled thereto of whom the Security Trustee has written notice provided that no assurance, security, disposition or payment which may be avoided or which must be repaid on bankruptcy, liquidation or otherwise under any enactment relating to bankruptcy or under Sections 238 to 245 or Section 423 of the Insolvency Act and no release, re-transfer, re-assignment, settlement or discharge given or made by the Security Trustee on the faith of any such assurance, security, disposition or payment shall prejudice or affect the right of the Security Trustee to enforce the security constituted hereby in respect of the full extent of the monies and liabilities hereby secured. It is hereby agreed that such security shall be deemed to have been and to have remained held by the Security Trustee as and by way of security for the payment to or to the order of the Security Trustee of all or any sums which may become due and owing to or to the order of the Security Trustee in respect of the monies and liabilities hereby secured.

4.2 If, pursuant to clause 9 (*Repurchase of Loans*) of the Mortgage Sale Agreement, a Repurchase Event occurs and the Issuer becomes obliged to sell and re-transfer or re-assign to the Seller or any affiliate thereof (as applicable), on a joint and several basis, its Mortgage Rights in relation to any Loan, the Security Trustee shall, against written

confirmation by the Issuer (on which the Security Trustee may rely without further enquiry or any liability to any person) of its receipt of the requisite consideration for such sale pursuant to clause 9 (*Repurchase of Loans*) of the Mortgage Sale Agreement, release such Loan from the Security.

4.3 Release pursuant to the Bank Agreement

The Security Trustee agrees that there shall be an automatic release of the Security over all, or the relevant part, of the Charged Property for the purposes of effecting any transfer thereof made in accordance with the Bank Agreement, including, without limitation, in respect of the transfer of any amounts (including the liquidation proceeds of any Swap Collateral in the form of securities) or securities from the Swap Collateral Accounts to the Swap Counterparty under the Swap Agreement.

4.4 Release pursuant to the Swap Agreements

4.4.1 Notwithstanding the foregoing provisions of this Clause 4 and Clause 4.6 (*Form of release*), the Security Trustee agrees that if it receives:

- (i) a certificate from the Seller stating that the Swap Agreement is to be novated, transferred or terminated and replaced pursuant to the Swap Agreement; and
- (ii) in the case of a transfer or novation of the Swap Agreement by the Swap Counterparty to the Seller only, a certificate from the Issuer that each of the requirements set out in the Swap Agreement in relation to the proposed transfer or novation have been satisfied,

then, in each case, the Security Trustee shall (at the request, cost and expense of the Issuer) execute a deed of release or assignment in accordance with Clause 4.6 and take such other steps as may be required in order to release the Swap Agreement from the Security provided that (i) in the case of a termination and replacement, the Issuer enters into a replacement of the Swap Agreement which is subject to the security created by this Deed; or (ii) in the case of a novation or transfer, the Swap Agreement remains subject to the security created by this Deed.

4.4.2 Any such certificate from the Seller together and/or the Issuer (if applicable) signed by any two of their respective directors or managers shall be conclusive and binding on all Secured Creditors and the Security Trustee shall not be liable to any person for effecting the release or assignment of the Swap Counterparty under the Swap Agreement in accordance with this Clause 4.4.

4.5 Swap Collateral

The Cash Administrator (or any successor) or, following the service of an Enforcement Notice, the Security Trustee shall instruct the Swap Collateral Account Bank to (i) liquidate any securities constituting Swap Collateral in the Swap Collateral Account on a delivery versus payment basis and (ii) convert at the then prevailing market rate any amounts constituting Swap Collateral in the Swap Collateral Account and any amounts received pursuant to (i) above, which are denominated in a currency other than sterling to sterling, promptly following the designation of an Early Termination Date under (and as defined in) the Swap Agreement.

4.6 Form of release

Subject to the provisions of Clause 4.2, Clause 4.3 and Clause 4.4, the Security shall be released only upon the execution by or on behalf of the Security Trustee of either an absolute and unconditional release by way of deed or a receipt, in each case relating to all (and not part only) of the Secured Amounts.

5 Restrictions on Exercise of Certain Rights

5.1 Subject to the proviso to this Clause 5, each of the Secured Creditors (other than the Security Trustee and the Note Trustee) hereby agrees with the Security Trustee that:

5.1.1 it shall not be entitled to take, and shall not take, any steps whatsoever to enforce the security created by or pursuant to Clause 3 (*Security*), or to direct the Security Trustee to do so; and

5.1.2 it shall not be entitled to take, and shall not take, any steps (including without limitation, the exercise of any right of set-off) for the purpose of recovering any of the Secured Amounts owing to it or any other debts whatsoever owing to it by the Issuer or procuring the winding-up, administration which includes, for the avoidance of doubt, filing of documents with a court or service of a notice of intention to appoint an administrator or liquidation of the Issuer or the making of a court protection order in relation to the Issuer in respect of any of its liabilities whatsoever, provided that nothing in this sub-clause 5.1.2 shall prevent the Swap Counterparty from exercising its rights to designate an Early Termination Date under (and as defined in) the Swap Agreement,

provided that, if the Note Trustee (or, as the case may be, the Security Trustee or Receiver) or the Receiver, having become bound to do so, fails to serve an Enforcement Notice and/or, subject to the proviso to the final paragraph of Note Condition 2 (*Status, Security and Administration*) of the conditions of each class of Notes and Certificate Condition 2 (*Status, Security and Administration*), to take any steps or proceedings to enforce such security pursuant to Clause 9 (*The Security Trustee's Powers*) or Clause 10 (*Receiver*) within a reasonable time, and such failure is continuing, the Secured Creditors shall be entitled to take any such steps and proceedings as they shall deem necessary (other than the presentation of a petition for the winding-up of, or for an administration order in respect of, the Issuer).

5.2 Notwithstanding the security created by this Deed but subject to Clause 6 (*Upon Enforcement*), the Security Trustee and the other Secured Creditors agree, and the Issuer concurs, that:

5.2.1 amounts may and shall be withdrawn from the Bank Accounts and the Collection Account, in the amounts contemplated, and for application in accordance with, the Bank Agreement and the Administration Agreements;

5.2.2 payments may be made by the Issuer of the commissions, expenses and other amounts payable by the Issuer relating to or otherwise in connection with the issue of the Notes and the Certificates out of proceeds from the issue of the Notes and the Certificates; and

5.2.3 payments to be made under the Transaction Documents may be made by the Issuer and in accordance with the directions of the Issuer, subject as provided in the Transaction Documents.

Any amount so withdrawn shall be released and discharged from the Security Interest created under this Deed.

- 5.3** Subject to Clause 5.2 above and Clause 5.4 below, no other payments may be made out of any of the Bank Accounts or the Collection Account without the prior written approval of the Security Trustee.
- 5.4** Pending the giving, and in respect of the Account Bank, the receipt by it, of an Enforcement Notice, the amounts standing to the credit of the Bank Accounts and the proceeds thereof from time to time shall be invested and applied in accordance with the Bank Agreement and the Cash Administration Agreement; and, if the Cash Administrator fails to ensure that this is the case, the Security Trustee may (but shall not be obliged to) take steps to do so itself.
- 5.5** No recourse under any obligation, covenant, undertaking or agreement of the Issuer contained in this Deed or in any of the Transaction Documents shall be made against any shareholder, officer or director of the Issuer as such, by the enforcement of any assignment or by any proceeding, by virtue of any statute or otherwise (except in the case of fraud); it being expressly agreed and understood that this Deed and the Transaction Documents are corporate obligations of the Issuer and no Liability shall attach to, or be incurred by, the shareholders, officers, agents, or directors of the Issuer as such, or any of them, under or by reason of any of the obligations, covenants and agreements of the Issuer contained in this Deed or in any of the Transaction Documents, or implied therefrom, and that any and all personal Liability for breach by the Issuer of any of such obligations, covenants or agreements, either at law or by statute or certification, of every such shareholder, officer, agent or director is hereby expressly waived by the Issuer as a condition of any consideration for the execution of this Deed.

5.6 Limited Recourse

5.6.1 Insufficient Recoveries

If, or to the extent that, after the Charged Property has been realised and the proceeds thereof have been applied in accordance with the Post-Enforcement Priority of Payments the amounts recovered on realisation of the Charged Property are insufficient to pay or discharge amounts due from the Issuer to the Secured Creditors in full for any reason, the Issuer or its directors, officers, agents or shareholders will have no liability to pay or otherwise make good any such insufficiency.

5.6.2 Non-Petition

No Secured Creditor may take any corporate action or other steps or legal proceedings for the winding-up, dissolution, arrangement, reconstruction or reorganisation of the Issuer or for the appointment of a liquidator, receiver, administrative receiver, administrator, trustee, manager or similar officer in respect of the Issuer or over any or all of its assets or undertaking, save as permitted by this Deed.

The Secured Creditors acknowledge that neither the Security Trustee nor the Note Trustee shall be bound to take any steps or institute any proceedings after the service of an Enforcement Notice or take any other action to enforce the security constituted by or pursuant to this Deed unless the Security Trustee and the Note Trustee shall have been indemnified and/or secured and/or prefunded to its

satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all Liabilities which it may incur by so doing.

6 Upon Enforcement

- 6.1** Notwithstanding the security rights created by, or pursuant to, this Deed, the Security Trustee and each of the other Secured Creditors hereby agrees, and the Issuer concurs, that from the time of the giving of an Enforcement Notice (except for Swap Excluded Payable Amounts), no amount may be withdrawn from any of the Bank Accounts or the Collection Account except to the extent that it is applied in accordance with the Post-Enforcement Priority of Payments or as otherwise permitted by the provisions of the Transaction Documents that are applicable after the giving of an Enforcement Notice.
- 6.2** Notwithstanding the security rights created by, or pursuant to, this Deed, the Security Trustee and each of the other Secured Creditors hereby agrees, and the Issuer concurs, that (except for Swap Excluded Receivable Amounts) any monies whatsoever recovered by each of them or on their behalf whether by the Security Trustee or otherwise after the giving of an Enforcement Notice, shall be applied in accordance with the Post-Enforcement Priority of Payments. The Cash Administrator shall advise the Security Trustee of such amounts as soon as reasonably practicable after delivery of an Enforcement Notice.
- 6.3** The whole of the Security will become enforceable upon the service of an Enforcement Notice; provided that, if the Security has become enforceable otherwise than by reason of a default in payment of any amount due on the Notes and/or the Certificates, the Security Trustee will not be entitled to dispose of the assets comprised in the Security or any part thereof unless either a sufficient amount would be realised to allow discharge in full of all amounts owing in respect of the Rated Notes and/or the Certificates or the Security Trustee is of the opinion, reached after considering at any time and from time to time the advice of an investment bank or other financial adviser selected by the Security Trustee, that 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 owing in respect of the Rated Notes and/or the Certificates.
- 6.4** Without prejudice to the provisions of Clause 6.2 and Clause 6.3, the Security Trustee and each of the other Secured Creditors hereby agree, and the Issuer concurs, that:
- 6.4.1** in the exercise or non-exercise of any of its powers, authorities or discretions in relation to the Charged Property or otherwise under this Deed, the Security Trustee shall be required to have regard only to the interests of the Noteholders and the Certificateholders in accordance with the Trust Deed and shall not be required to have regard to the interests of the other Secured Creditors or to act upon or comply with any direction or request of the other Secured Creditors;
- 6.4.2** the Security Trustee shall remain trustee of the Charged Property at all times while it remains Note Trustee in relation to the Notes and the Certificates and shall not be liable to be removed at the behest of any Secured Creditor (other than the Noteholders and the Certificateholders);
- 6.4.3** if the Security Trustee determines (in respect of which determination, the provisions of sub-clause 6.4.1 shall apply) to sell, refinance or otherwise dispose of the Loans and their related Mortgages or any interest therein (the "**Assets**"), the Security Trustee shall appoint an investment bank selected by it to invite bids (each

a "**Bid**") for the purchase or financing of the Assets by way of competitive tender (and based on such assumptions as the Security Trustee or the relevant investment bank may select);

6.4.4 if the investment bank appointed pursuant to sub-clause 6.4.3 receives a Bid or Bids, subject to sub-clause 6.4.5, the Security Trustee shall sell the Assets at a price no less than that contained in the Bid or, in the case of more than one Bid, the highest Bid; and

6.4.5 nothing in this sub-clause shall, whether or not, following the appointment in sub-clause 6.4.3, the Security Trustee has received a Bid or Bids:

(i) prevent the Security Trustee from declining to sell the Assets or otherwise postponing any sale; or

(ii) require the Security Trustee to sell the Assets,

if, in either case, the Security Trustee determines (in respect of which determination, the provisions of sub-clause 6.4.1 shall apply) that it is in the interests of the Noteholders and the Certificateholders to do so.

6.5 For the avoidance of doubt, Swap Excluded Payable Amounts shall be paid in accordance with clause 4.10 of the Cash Administration Agreement.

6.6 Mandatory enforcement

6.6.1 Subject to sub-clause 6.6.2 below, the Security Trustee will not, and will not be bound to, take any steps, institute any proceedings, exercise its rights and/or to take any other action under or in connection with any of the Transaction Documents (including, without limitation, enforcing the Security and/or lodging an appeal in any proceedings) unless the Security Trustee is directed to do so by:

(i) the Note Trustee; or

(ii) if there are no Notes outstanding, all of the other Secured Creditors,

(in each case, the "**Instructing Party**") provided that the Security Trustee may at all times, whether or not so directed, take such action in respect of any right, power or discretion which is personal to the Security Trustee or is to preserve or protect the Security Trustee's position or is of a purely administrative nature.

6.6.2 Upon being directed in accordance with sub-clause 6.6.1 above, the Security Trustee will be bound to take the relevant action(s) in the manner instructed by the Instructing Party provided that the Security Trustee has been indemnified and/or secured and/or pre-funded to its satisfaction against all Liabilities to which it may render itself liable or which it may incur by so doing and, for this purpose, the Security Trustee may demand, prior to taking any such action, that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so to indemnify it.

6.6.3 The Security Trustee shall not be liable to any Secured Creditor or to the Issuer for any action it may take in accordance with any instructions received pursuant to sub-clause 6.6.1 above. The Security Trustee shall be entitled to seek clarification from the relevant Instructing Party with regard to such instructions and may in its discretion elect not to act pending receipt of such clarification to its satisfaction from such Instructing Party.

7 Continuance of Security and Conflict

- 7.1** Without prejudice to the generality of the foregoing, the security created by, and the covenants, undertakings and provisions contained in, this Deed (and any deed entered into and expressed to be supplemental hereto) shall remain in force as a continuing security to the Security Trustee (for itself and on trust for the other Secured Creditors) notwithstanding any intermediate payment, settlement of account, satisfaction or any other act, event or matter whatsoever, except only the execution by or on behalf of the Security Trustee under seal of an absolute and unconditional release or the execution by or on behalf of the Security Trustee of a receipt for all (and not part only) of the Secured Amounts, which receipt the Security Trustee is hereby authorised to execute on behalf of all other persons to whom any of the Secured Amounts are due, owing or payable.
- 7.2** In relation to the Security Trustee's duties, obligations and responsibilities to the other Secured Creditors in relation to the Charged Property and under or in connection with this Deed, the Security Trustee and the other Secured Creditors hereby agree, and the Issuer concurs, that the Security Trustee shall discharge these by performing and observing its duties, obligations and responsibilities to the Noteholders and the Certificateholders in accordance with the provisions of, and subject to the provisions in favour of the Security Trustee contained in, this Deed and the Transaction Documents.
- 7.3** For as long as the Notes and/or Certificates are outstanding and without prejudice to the generality of the foregoing, the Security Trustee shall, in its exercise of such powers, trusts, authorities, duties, rights and discretions, have regard only to the interests of the Noteholders and the Certificateholders in accordance with the Trust Deed. The Security Trustee shall have no regard to the interest of any other Secured Creditor of the Issuer and no such Secured Creditor shall have any claim against the Security Trustee for so doing except in the case of fraud, gross negligence or wilful default. Each of the Secured Creditors (other than the Security Trustee) acknowledges that the Security Trustee shall not be bound to take any steps or institute any proceedings after the service of an Enforcement Notice or to take any other action to enforce the security constituted by this Deed unless the Security Trustee shall first have been indemnified and/or secured and/or prefunded to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and Liabilities which it may incur by so doing.

8 Expenses

Without prejudice to the right of indemnity by law given to Trustees, the Issuer further covenants with and undertakes to the Security Trustee to reimburse, pay or discharge (on the basis of a full indemnity) all Liabilities incurred by the Security Trustee, the Receiver and their respective officers, employees and agents or any Appointee or other person appointed by the Security Trustee under this Deed, the Trust Deed or any of the other Transaction Documents in connection with:

- 8.1** the preparation, execution, registration or perfecting of this Deed or any other document relating hereto, which for the avoidance of doubt includes any amendments thereto;
- 8.2** its appointment hereunder, the carrying out of the trusts and duties under or in connection with this Deed and the Trust Deed or any other of the Transaction Documents;
- 8.3** the exercise, or the attempted or purported exercise by or on behalf of the Security Trustee or the Receiver of any of the powers of the Security Trustee or the Receiver; and

- 8.4** any other action taken by or on behalf of the Security Trustee or the Receiver with a view to or in connection with the recovery of the Secured Amounts from the Issuer or any other person or the enforcement of the security for the Secured Amounts, (including, but not limited to, all Liabilities incurred in disputing or defending the foregoing) together, in each case, with any VAT or similar tax charged or chargeable in respect thereof.

The indemnity contained in this Clause 8 shall survive the discharge and release of the whole or any part of the Charged Property from the Security and/or the discharge or termination of this Deed.

9 The Security Trustee's Powers

- 9.1** Section 103 of the LPA shall not apply to this Deed and forthwith after the service of an Enforcement Notice the security created by this Deed shall become immediately enforceable and the powers conferred by the LPA and this Deed immediately exercisable without the restrictions contained in the LPA, but subject to the proviso to the final paragraph of Note Condition 2 (*Status, Security and Administration*) and Certificate Condition 2 (*Status, Security and Administration*).

- 9.2** The provisions of the LPA relating to the power of sale are hereby extended as if such extensions were contained in the LPA and the exercise of the statutory power of sale conferred on mortgagees by the LPA shall be free from the restrictions imposed by Section 101(1) and (2) of the LPA which shall not apply to this Deed, but without limiting the Security Trustee's power to enter into possession of the Charged Property or into receipt of the income therefrom or the Security Trustee's other rights, subject to compliance with any specific restrictions imposed on the Security Trustee in this Deed or in the Administration Agreements in relation to dealing with the Charged Property, to authorise the Security Trustee at its absolute discretion, subject as aforesaid, and upon such terms as it may think fit:

- 9.2.1** to sell, exchange, license or otherwise dispose of or otherwise deal with the Charged Property, or any interest in the same, and to do so for shares, debentures or any other securities whatsoever, or in consideration of an agreement to pay all or part of the purchase price in respect of such disposal at a later date or dates, or an agreement to make periodical payments, whether or not any such agreement is secured by a Security Interest or a guarantee, or for such other consideration whatsoever as the Security Trustee may think fit, and also to grant any option to purchase, and to effect exchanges (and nothing shall preclude any such disposal being made to any person the Security Trustee thinks fit, including the Secured Creditors or any person associated with any of them);
- 9.2.2** with a view to, or in connection with, the disposal of the Charged Property, to carry out any transaction, scheme or arrangement which the Security Trustee may, in its absolute discretion, consider appropriate;
- 9.2.3** to take possession of, get in and collect the Charged Property;
- 9.2.4** to carry on and manage or concur in managing the business of the Issuer;
- 9.2.5** to appoint and engage employees, managers, agents and advisers (and nothing shall preclude the Secured Creditors or any person associated with any of them) upon such terms as to remuneration and otherwise for such periods as it may determine, and to dismiss them, except that the Security Trustee's Liability under

the Transaction Documents for the indemnification, remuneration and expenses of the Agents will be limited to the amounts for the time being held by the Security Trustee in respect of the Notes and the Certificates on the terms of the Trust Deed and/or the Paying Agency Agreement;

- 9.2.6** in connection with the exercise, or the proposed exercise, of any of its powers or in order to obtain payment of its remuneration or reimbursement of its expenses (in each case, whether or not already due), to borrow or raise money from any person, without security or on the security of the Charged Property (either in priority to this security or otherwise) and generally in such manner and on such terms as it may think fit;
- 9.2.7** to bring, defend, submit to arbitration, negotiate, compromise, abandon and settle any claims and proceedings concerning the Charged Property;
- 9.2.8** to transfer all or any of the Charged Property and/or of the liabilities of the Issuer to any other company or body corporate, whether or not formed or acquired for the purpose and whether or not a subsidiary or associated company of the Security Trustee, the Secured Creditors or a company or body corporate in which the Security Trustee or any Secured Creditor has an interest;
- 9.2.9** to call up all or any portion of the uncalled capital (if any) for the time being of the Issuer;
- 9.2.10** generally to carry out, or cause or authorise to be carried out, any transaction, scheme or arrangement whatsoever, whether similar or not to any of the foregoing, in relation to the Charged Property which it may consider expedient as effectually as if it were solely and absolutely entitled to the Charged Property;
- 9.2.11** in connection with the exercise of any of its powers, to execute or do, or cause or authorise to be executed or done, on behalf of or in the name of the Issuer or otherwise, as it may think fit, all documents, acts or things which it may consider appropriate; and
- 9.2.12** to pay and discharge out of the profits and income of the Charged Property and the monies to be made by it in carrying on any such business as aforesaid the expenses incurred in and about the carrying on and management of any such business as aforesaid or in the exercise of any of the powers conferred by this Clause 9.2 or otherwise in respect of the Charged Property and all outgoings which it shall think fit to pay and to apply the residue of the said profits, income or monies in the manner provided by Clause 6.2.
- 9.3** The Security Trustee and any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by either of them under this Deed. Any such delegation may be made upon the terms (including the power to sub-delegate) and subject to any regulations, which the Security Trustee or such Receiver (as the case may be) may think fit. Provided that the Security Trustee or the Receiver, as appropriate, has exercised reasonable care in the selection of any such delegate, neither the Security Trustee nor any Receiver will be responsible for supervising the actions of such delegate or sub-delegate or be in any way liable or responsible to the Issuer for any loss or Liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

- 9.4** The powers conferred by this Deed in relation to the Security or any part thereof on the Security Trustee or on any Receiver of the Charged Property or any part thereof shall be in addition to and not in substitution for the powers conferred on mortgagees or receivers under the LPA and the Insolvency Act 1986 and where there is any ambiguity or conflict between the powers contained in either such Acts and those conferred by this Deed the terms of this Deed shall prevail.
- 9.5** Without prejudice to any other rights of the Security Trustee and subject to the terms of the Transaction Documents, the Security Trustee may from time to time at any time after any part or parts of the Security becomes enforceable:
- 9.5.1** enter into, make, execute, sign, deliver and do all such contracts, agreements, deeds, receipts, payments, assignments, transfers, conveyances, assurances and things and bring, prosecute, enforce, defend and abandon all such actions, suits and proceedings in relation to the Charged Property as it may think expedient;
 - 9.5.2** exercise or refrain from exercising, in such manner as in its absolute discretion the Security Trustee shall think fit, all or any of the rights, powers, authorities, discretions or remedies of the Issuer under or in relation to the Charged Property or incidental to the ownership thereof and, in particular but without limiting the generality of the foregoing, exercise all rights to vote or to give any consent or notification or make any declaration in relation to such Charged Property. For the avoidance of doubt, the Security Trustee shall not be required to have regard to the interests of the Issuer in the exercise or non-exercise of any such rights, powers, authorities, discretions and remedies or to comply with any direction given by the Issuer in relation thereto; and
 - 9.5.3** demand, sue for and take any advice or institute any proceedings to recover or obtain payment of any amounts which may then be due and payable to the Issuer but which remains unpaid under or in respect of the Charged Property or any part thereof either in its own name or in the name of the Issuer.
- 9.6** The Security Trustee may at any time after the Security has become enforceable, without notice and notwithstanding any settlement of account or other matter whatsoever (save in respect of amounts standing to the credit of the Swap Collateral Accounts), combine or consolidate all or any existing accounts of the Issuer whether in its own name or jointly with others and held by it or any Secured Creditor and may set-off or transfer all or any part of any credit balance or any sum standing to the credit of any such account (whether or not the same is due to the Issuer from the Security Trustee or relevant Secured Creditor and whether or not the credit balance and the account in debit or the Secured Amounts are expressed in the same currency in which case the Security Trustee is hereby authorised to effect any necessary conversions at its prevailing rates of exchange) in or towards satisfaction of any of the Secured Amounts (and on or at any time after the Security has become enforceable the Security Trustee may make such application notwithstanding any specified maturity of any deposits), but subject always to the Post-Enforcement Priority of Payments, and may in its absolute discretion estimate the amount of any Liability of the Issuer which is contingent or unascertained and thereafter set-off such estimated amount and no amount shall be payable by the Security Trustee to the Issuer unless and until all the Secured Amounts have been ascertained and fully repaid or discharged in accordance with the Post-Enforcement Priority of Payments.

9.7 No provision of this Deed or the Transaction Documents shall (a) confer on the Security Trustee any right to exercise any investment discretion in relation to the assets subject to the trust constituted by this Deed and, to the extent permitted by law, Section 3 of the Trustee Act 2000 shall not apply to the duties of the Security Trustee in relation to the trusts constituted by this Deed and (b) require the Security Trustee to do anything which may cause the Security Trustee to be considered a sponsor of a covered fund under Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and any regulations promulgated thereunder.

9.8 If the Issuer for any reason fails to observe or punctually to perform any of its obligations to the Security Trustee or the Note Trustee, as the case may be, whether under this Deed, the Trust Deed or any of the Transaction Documents, the Security Trustee or the Note Trustee, as the case may be, shall have power, on behalf of or in the name of the Issuer or otherwise, to perform the obligation and to take any steps which the Security Trustee or the Note Trustee may (but shall not be obliged to do so), in its absolute discretion, consider appropriate with a view to remedying, or mitigating the consequences of, the failure, but so that the exercise of this power, or the failure to exercise it, shall in no circumstances prejudice the Security Trustee's or the Note Trustee's other rights under this Deed and the Security Trustee or the Note Trustee, as the case may be, shall have no Liability to anyone whatsoever for acting or not acting (as the case may be).

10 Receiver

10.1 At any time after this Deed becomes enforceable or after any application is made for the appointment of, or notice is given of the intention to appoint, an administrator in relation to the Issuer, the Security Trustee may appoint such person or persons (including an officer or officers of the Security Trustee) as it thinks fit to be receiver or receivers of the Charged Property or any part or parts thereof.

10.2 The Security Trustee may not appoint an administrative receiver, receiver, manager or receiver and manager pursuant to Clause 10.1 above solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the Insolvency Act 2000 except with leave of the Court.

10.3 The Security Trustee may remove the Receiver appointed by it whether or not appointing another in his place, and the Security Trustee may also appoint another receiver if the Receiver resigns.

10.4 The exclusion of any part of the Charged Property from the appointment of the Receiver shall not preclude the Security Trustee from subsequently extending his appointment (or that of the Receiver replacing him) to that part.

10.5 The Receiver shall, so far as the law permits, be the agent of the Issuer and (subject to the Companies Act 1985, the Companies Act 2006 and the Insolvency Act 1986, each as amended from time to time) the Issuer shall be solely responsible for his acts and defaults and liable on any contracts or engagements made or entered into by him; and in no circumstances whatsoever shall the Security Trustee, or any Secured Creditor be in any way responsible or have any Liability for any fraud, misconduct, negligence or default of his. Notwithstanding the generality of the foregoing, such Receiver shall in the exercise of his powers, authorities and discretions conform to the regulations from time to time made and given by the Security Trustee.

- 10.6** The remuneration of the Receiver may be fixed by the Security Trustee (and may be or include a commission calculated by reference to the gross amount of all money received or otherwise) and the restrictions in Section 36 of the Insolvency Act 1986 shall not apply, but such remuneration shall be payable by the Issuer alone; and the amount of such remuneration may be debited by the Security Trustee to any account of the Issuer, but shall, in any event, form part of the Secured Amounts and accordingly be secured on the Charged Property under the security created by this Deed.
- 10.7** The Receiver may be invested by the Security Trustee with such of the powers exercisable by the Security Trustee under this Deed as the Security Trustee may think fit.
- 10.8** The Security 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 such Receiver and may fix the nature and amount of the security to be so given but the Security Trustee shall not be bound in any case to require any such security.
- 10.9** Save so far as otherwise directed by the Security Trustee or as required by law, all monies from time to time received by such Receiver shall be paid over to the Security Trustee to be held by it on the trusts declared by Clause 3 (*Security*).
- 10.10** The Security Trustee may pay over to such Receiver any monies constituting part of the Charged Property to the extent that the same may be applied for the purposes of this Deed by such Receiver and the Security 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.
- 10.11** Sections 109(6) and (8) of the LPA (application of monies received by receiver) shall not apply in relation to the Receiver.
- 10.12** Subject to any relevant provisions of the Insolvency Act 1986, the Security Trustee may, at its discretion, by any instrument or deed or notice of appointment, appoint one or more persons to be the administrator of the Issuer at any time after:
- 10.12.1** the Security becomes enforceable;
 - 10.12.2** being requested to do so by the Issuer;
 - 10.12.3** any application having been made to the court for an administration order under the Insolvency Act 1986;
 - 10.12.4** any person having ceased to be an administrator as a result of any event specified in paragraph 90 of Schedule B1 to the Insolvency Act 1986; or
 - 10.12.5** any notice of intention to appoint an administrator having been given by any person or persons entitled to make such appointment under the Insolvency Act 1986.
- 10.13** Where any such appointment is made at a time when an administrator continues in office, the additional administrator shall act either jointly or concurrently with the existing administrator previously appointed hereunder, as the appointment specifies.
- 10.14** Subject to any applicable order of a Court in England and Wales, the Security Trustee may replace any administrator, or seek an order replacing the administrator, in any manner allowed by the Insolvency Act 1986.
- 10.15** Where the administrator was appointed by the Security Trustee under paragraph 14 of Schedule B1 to the Insolvency Act 1986, the Security Trustee may, by notice in writing to

the Issuer, replace the administrator in accordance with paragraph 92 of Schedule B1 to the Insolvency Act 1986.

10.15.1 Every such appointment shall take effect at the time and in the manner specified by the Insolvency Act 1986; and

10.15.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charges created hereunder.

10.16 If at any time and by virtue of any such appointment(s) any two or more persons shall hold office as administrators of the same assets or income, such administrators may act jointly or concurrently as the appointment specifies so that, if appointed to act concurrently, each one of such administrators shall be entitled (unless the contrary shall be stated in any of the deed(s) or other instrument(s) appointing them) to exercise all the functions conferred on an administrator by the Insolvency Act 1986.

10.17 Every such instrument, notice or deed of appointment, and every delegation or appointment by the Security Trustee in the exercise of any right to delegate its powers herein contained, may be made in writing under the hand of any manager or officer of the Security Trustee or any other authorised person of any delegate.

10.18 In exercising his functions hereunder and under the Insolvency Act 1986, the Receiver and/or administrator (as applicable) acts as agent of the Issuer and does not act as agent of the Security Trustee. The Issuer alone shall be responsible for its acts, defaults and misconduct of the Receiver and/or any administrator and the Security Trustee shall not incur any liability therefor. The Security Trustee shall not be responsible for any misconduct or negligence on the part of any such Receiver and/or administrator.

10.19 Every administrator shall be entitled to remuneration for his services in the manner fixed by or pursuant to the Insolvency Act 1986.

11 Protection of Third Parties

11.1 The Secured Amounts shall become due for the purposes of Section 101 of the LPA and the statutory powers of sale and of appointing a receiver which are conferred upon the Security Trustee as varied and extended by this Deed and all other powers shall in favour of any purchaser be deemed to arise and be exercisable immediately after the execution of this Deed.

11.2 No purchaser from or other person dealing with the Security Trustee and/or the Receiver shall be concerned to enquire whether any of the powers which they have exercised or purported to exercise has arisen or become exercisable, or whether the Secured Amounts remain outstanding, or whether any event has happened to authorise the Security Trustee and/or the Receiver to act or as to the propriety or validity of the exercise or purported exercise of any such power, or whether the requirements of the proviso to the final paragraph of Note and Certificate Condition 2 (*Status, Security and Administration*) have been satisfied; and the title and position of such a purchaser or other persons shall not be impeachable by reference to any of those matters.

11.3 The receipt of the Security Trustee or the Receiver for any monies paid to it shall be an absolute and a conclusive discharge to a purchaser or such other person and shall relieve him of any obligation to see to the application of any monies paid to or by the direction of the Security Trustee or the Receiver or, if applicable, the Secured Creditors.

12 Protection of Security Trustee and Receiver

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

12.2 Advice

The Security Trustee may act on the opinion or advice of, or a certificate, report or any information obtained from, any lawyers, valuers, accountants, surveyors, bankers, brokers, auctioneers, credit agencies, financial advisers, financial institutions or any other expert and will not be responsible to anyone for any loss occasioned by so acting whether such opinion, certificate, information or advice is obtained by or addressed to the Issuer, an Agent, the Security Trustee or any other person. Any such opinion, advice certificate or information may be sent or obtained by letter, fax, electronic mail or other written format and the Security Trustee will not be liable to anyone for acting on any opinion, advice, certificate or information purporting to be conveyed by such means even if it contains some error or is not authentic. The Security Trustee may rely without Liability to Noteholders or Certificateholders or any other person whatsoever on any opinion, advice, information or certificate or any advice of any lawyers, valuers, accountants, bankers, brokers, credit agencies, financial advisers, financial institution or any other expert, whether or not addressed to the Security Trustee or any Receiver and whether or not Liability in relation thereto is limited by reference to a monetary cap, methodology or otherwise and without prejudice to the right of indemnity given by law to trustees and subject to the provisions of Section 750 of the Companies Act 2006.

12.3 Certificate from the Issuer

If the Security Trustee, in the exercise of its functions, requires to be satisfied or to have information as to any fact or the expediency of any act, it may call for and accept as sufficient evidence of that fact or the expediency of that act a certificate signed by any two directors of the Issuer or a certificate signed by two authorised signatories of any other Transaction Party as to that fact within the knowledge of the Issuer or such other Transaction Party, and to the effect that, in their opinion, that act is expedient and the Security Trustee need not call for further evidence and will not be responsible for any Liability occasioned by it or any other person acting on such a certificate.

12.4 Deposit of Transaction Documents

The Security Trustee shall be at liberty to appoint as custodian, on any terms, any banker or banking company or company whose business includes undertaking the safe custody of documents or any lawyer or firm of lawyers considered by the Security Trustee to be of good repute to hold or place this Deed of Charge and any other documents relating hereto or to the Notes or Certificates in any part of the world with such custodian or, in the case of the mortgage deeds, charges, insurance policies and other matters referred to in the Mortgage Administration Agreement, shall be at liberty to hold or place such documents with the Mortgage Administrator or otherwise as permitted by such Agreement and the Security Trustee shall not be responsible for or required to insure against any loss incurred in connection with any such deposit and may pay all sums required to be paid on account of or in respect of any such deposit.

12.5 Discretion

Save as expressly otherwise provided in this Deed of Charge, the Conditions or the Transaction Documents, the Security Trustee shall have absolute and uncontrolled discretion as to the exercise of its powers (the exercise or non-exercise of which as between the Security Trustee and the Noteholders, the Certificateholders and other Secured Creditors shall be conclusive and binding on the Noteholders, the Certificateholders and other Secured Creditors and the Security Trustees shall not be liable or responsible for any Liability that may result from such exercise or non-exercise) but whenever the Security Trustee is under the provisions of this Deed of Charge, the Conditions, or the Transaction Documents bound to act at the request or direction of the Noteholders or Certificateholders, or any of them, or any other Secured Creditors the Security Trustee shall nevertheless not be so bound unless first indemnified and/or secured and/or pre-funded 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 doing.

12.6 Resolutions of Noteholders and Certificateholders

The Security Trustee will not be responsible or liable to any person in any way for having acted upon:

- (i) resolution purporting to be a Written Resolution or to have been passed at a meeting of Noteholders of any Class or of Certificateholders in respect of which minutes have been made and signed or a direction of the requisite percentage of Noteholders or Certificateholders (as applicable) even if it is later found that there was a defect in the constitution of the meeting or the passing of the Written Resolution or the giving of such directions or that for any reason the resolution purporting to be a Written Resolution or to have been passed at any Meeting or the giving of the directions was not valid or binding on the Noteholders or Certificateholders (as applicable).
- (ii) any direction provided to it by the Note Trustee or the Secured Creditors even though subsequent to its acting it may be found that there was some defect in the relevant direction

12.7 Confidentiality

The Security Trustee shall not (unless and to the extent ordered so to do by a court of competent jurisdiction) be required to disclose to any Secured Creditor any confidential, financial, price sensitive or other information made available to the Security Trustee by the Issuer or any other person in connection with the trusts of this Deed or the Transaction Documents and no Secured Creditor shall be entitled to take any action to obtain from the Security Trustee any such information.

12.8 Currency Conversion

Where it is necessary or desirable to convert any sum from one currency to another, it will (unless otherwise provided hereby or required by law) be converted at such rate or rates, in accordance with such method and as at such date as may reasonably be specified by the Security Trustee but having regard to current rates of exchange, if available. Any rate, method and date so specified will be binding on the Issuer and the Secured Creditors.

12.9 Determinations Conclusive

As between itself and the Secured Creditors, the Security Trustee may determine all questions and doubts arising in relation to any of the provisions of this Deed or any other Transaction Document. Such determinations, whether made upon such a question actually raised or implied in the acts or proceedings of the Security Trustee, shall be conclusive and shall bind the Security Trustee and the Secured Creditors.

12.10 Remuneration

Any trustee of this Deed being a lawyer, accountant, 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 firm in connection with the trusts of this Deed and the Transaction Documents and also his reasonable charges in addition to disbursements for all other work and business done and all time spent by him or his firm in connection with matters arising in connection with this Deed and the Transaction Documents.

12.11 Agents

Whenever it considers it expedient in the interests of the Secured Creditors, the Security Trustee may, in the conduct of its trust business, instead of acting personally, employ and pay an agent selected by it, 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 Security Trustee (including the receipt and payment of money).

12.12 Delegation

Whenever it considers it expedient in the interests of the Secured Creditors, the Security Trustee may delegate to any person on any terms (including power to sub-delegate) all or any of its functions.

12.13 Nominees

In relation to any asset held by it under this Deed, the Security Trustee may appoint any person to act as its custodian or nominee on any terms.

12.14 Responsibility for Agents, Etc.

If the Security Trustee exercises reasonable care in selecting any Appointee under this Clause 12, it shall not be under any obligation to supervise the proceedings or acts of such Appointee and will not be responsible for any Liability incurred by reason of the Appointee's act, misconduct, omission, or default or the act, misconduct, omission, or default of any substitute appointed by the Appointee.

12.15 the Security Trustee will not have any responsibility for, or have any duty to make any investigation in respect of, or in any way be liable whatsoever for:

- (i) the nature, status, creditworthiness or solvency of the Issuer or any other party to any Transaction Document;
- (ii) the execution, delivery, legality, validity, adequacy, admissibility in evidence, enforceability, genuineness, effectiveness or suitability of any Transaction Document or any other document entered into in connection therewith or of any transfer, security or trust effected or constituted or purported to be effected or

constituted by any Transaction Document or any other document entered into in connection therewith;

- (iii) the title to, or the ownership, value, sufficiency or existence of the Charged Property;
- (iv) the registration, filing, protection or perfection of the Security or the priority of any such security, whether in respect of any initial advance or any subsequent advance or any other sums or liabilities;
- (v) any insurance in respect of any of the Charged Property or to require any other person to maintain any such insurance;
- (vi) the scope or accuracy of any recital, representation, warranty or statement made by or on behalf of any person in any Transaction Document or any other document entered into in connection therewith;
- (vii) the failure by any person to obtain or comply with any licence, consent or other authority in connection with any Transaction Document;
- (viii) the failure to call for delivery of documents of title to or require any transfers, legal mortgages, charges or other further assurances pursuant to this Deed or the provisions of any other Transaction Document; or
- (ix) any accounts, books, records or files maintained by any person in connection with or in respect of the Issuer Charged Property;

12.16 Legal Opinions

Except where the receipt of the same by the Security Trustee is expressly provided for in the Transaction Document, the Security Trustee shall not be responsible to any person for failing to request, require or receive any legal opinion relating to the Security or any Transaction Document or any search, report, certificate, advice, valuation, investigation or information relating to any Transaction Document, any transaction contemplated by any Transaction Document, any party to any Transaction Document or any of such party's assets or liabilities or for checking or commenting upon the content of any such legal opinion, search, report, certificate, advice, valuation, investigation or information or for ensuring disclosure to the Secured Creditors of such content or any part of it or for determining the acceptability of such content or any part of it to any Secured Creditor and shall not be responsible for any Liability incurred thereby.

12.17 Merger or Consolidation

Subject to the requirements, if any, of the Central Bank of Ireland and/or the Irish Stock Exchange, any corporation into which the Security Trustee shall be merged or with which it shall be consolidated or any company resulting from any such merger or consolidation shall be a party hereto and shall be the Security Trustee under the Transaction Documents without executing or filing any paper or document or any further act on the part of the parties hereto.

12.18 Financial Liability

No provision of this Deed or the other Transaction Documents shall require any Trustee to do anything which in its opinion may be illegal or contrary to applicable law or regulation or the requirements of any regulatory authority or prevent the Security Trustee from doing anything which is necessary or desirable to comply with any applicable law or regulation or

the requirements of any regulatory authority or expend or risk its own funds or otherwise incur any Liability in the performance of any of its duties, or in the exercise of any of its rights or powers, authorities or discretions or otherwise in connection with this Deed, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against or security for such risk or Liability is not assured to it and, for this purpose, the Security Trustee may demand prior to taking such action that there be paid to it in advance such sums as it considers (without prejudice to any further demand) sufficient so to indemnify it, provided that, if the Security Trustee is required to appoint an administrative receiver pursuant to Clause 10 of this Deed, the Security Trustee agrees that it is adequately indemnified and secured in respect of such appointment by virtue of its rights against the Issuer under this Deed and the security that it has in respect of such rights] and, without prejudice to the generality of the foregoing, nothing contained in this Deed shall impose any obligation on either Trustee to make any further advance to a Borrower or to borrow any moneys or to maintain, protect or preserve any moneys standing to the credit of the Bank Accounts, or which are subject to the Collection Account Declaration of Trust.

12.19 No Responsibility for Ratings

The Security Trustee shall have no responsibility for the maintenance of any rating of the Notes by the Rating Agencies or any other person. Each Noteholder and other Secured Creditor shall be solely responsible for making its own independent appraisal of and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer, and the Security Trustee shall not at any time have any responsibility for the same and no Noteholder or Certificateholder shall rely on the Security Trustee in respect thereof.

The Security Trustee shall not be liable or responsible for any Liabilities or inconvenience which may result from anything done or omitted to be done by it in accordance with the provisions of this Trust Deed.

The Security Trustee shall be entitled to take into account, for the purpose of exercising or performing any right, power, trust, authority, duty or discretion under or in relation to this Deed or any other Transaction Document (including, without limitation, any consent, approval, modification, waiver, authorisation or determination referred to in Clause 13 (*Modification, Authorisation, Waiver and Consent*)), among other things, to the extent that it considers, in its sole and absolute discretion, it is necessary and/or appropriate and/or relevant, any confirmation by any Rating Agency (whether or not such confirmation is addressed to, or provides that it may be relied upon by, the Security Trustee and irrespective of the method by which such confirmation is conveyed) (i) that the then current rating by it of the relevant class of Notes would not be downgraded, suspended, withdrawn or qualified by such exercise or performance and/or (ii) if the original rating of the relevant class of Notes has been downgraded previously, that such exercise or performance will not prevent the restoration of such original rating of such class of Notes.

When determining whether an indemnity or any security or pre-funding is satisfactory to it, the Security Trustee shall be entitled to evaluate its risk in any given circumstances by considering the worst-case scenario and, for this purpose, it may take into account, without limitation, the potential costs of defending or commencing proceedings in England or elsewhere and the risk, however remote, of any award of damages against it in England or elsewhere.

- 12.20** Neither the Security Trustee, nor the Receiver, nor any Secured Creditor shall be liable in respect of any loss or damage which arises out of the exercise, or the attempted or purported exercise of, or the failure to exercise, any of their respective powers, unless such loss or damage is caused by its or his fraud, gross negligence or wilful default.
- 12.21** The Security Trustee shall accept without investigation, requisition or objection such right and title as the Issuer may have to the Charged Property 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 the Charged Property whether such defect or failure was known to the Security Trustee or might have been discovered upon examination or enquiry and whether capable of remedy or not.
- 12.22** Without prejudice to the provisions of the Mortgage Administration Agreement, neither the Security Trustee nor the Receiver shall be under any obligation to insure any of the Charged Property or any certificate, note, bond or other evidence in respect thereof, or to require any other person to maintain any such insurance.
- 12.23** Neither the Security Trustee nor the Receiver shall be responsible for any loss, cost, damage, expense or Liability occasioned to the Charged Property, however, caused, by the Administrators, whether or not acting in accordance with the Administration Agreements, or any other person (including any bank, broker, depository, warehouseman or other intermediary or by any clearing system or the operator thereof), or otherwise, unless such loss is occasioned by the fraud, gross negligence or wilful default of the Security Trustee or the Receiver respectively.
- 12.24** Neither the Security Trustee nor any Receiver will be liable for any decline in the value nor any loss realised upon any sale or other disposition of any Charged Property pursuant to the Trust Deed or other Transaction Document.
- 12.25** Neither the Security Trustee nor the Receiver shall be under any obligation to monitor or supervise the functions of the Issuer or the Administrators or any other person under any of the Transaction Documents and each of the Security Trustee and the Receiver shall be and is hereby entitled and authorised to assume without enquiry, in the absence of actual knowledge or express notice to the contrary, that each of the Issuer and the other parties hereto and thereto is duly performing and observing all the covenants and provisions contained in the Transaction Documents relating to it and on its part to be performed and observed and that no event has happened which constitutes (and/or which with the giving of notice and/or the lapse of time and/or the Security Trustee making any relevant determination and/or issuing any relevant certificate, would constitute) an Event of Default or Potential Event of Default and, until it shall have actual knowledge or express notice pursuant to this Deed to the contrary, the Security Trustee shall be entitled to assume that no such event has happened.
- 12.26** Neither the Security Trustee nor the Receiver shall have any responsibility whatsoever to any other party hereto or to any Noteholder or any Certificateholder as regards any deficiency which might arise because the Security Trustee or the Receiver is subject to any tax in respect of the Charged Property or any part thereof or any income therefrom or any proceeds thereof.
- 12.27** Without prejudice to the generality of the foregoing, by reason of the Security or entry into possession of the Charged Property shall not render the Security Trustee or the Receiver liable to account as mortgagee in possession or to be liable for any loss on realisation or for any default or omission on realisation or for any default or omission for which a

mortgagee or in possession might be liable; and if and whenever the Security Trustee or the Receiver enters into possession of the Charged Property, it shall be entitled at any time at its pleasure to go out of such possession.

- 12.28** Each of the Security Trustee, the other Secured Creditors and any Receiver will not take any action (other than, in the case of the other Secured Creditors, with the Security Trustee's prior written consent) which would be likely to lead to the Security Trustee or the other Secured Creditors becoming a mortgagee in possession in respect of any Charged Property.
- 12.29** Each of the Issuer and the Secured Creditors agrees and acknowledges that in the event of the enforcement of the Security or the appointment of a Receiver, the Security Trustee shall not be obliged to indemnify out of its own money any such Receiver for any of its Liabilities or to advance, in whatever form, any moneys to such a Receiver or any other person arising out of or in connection with such enforcement or to carry on or to require any Receiver to carry on, any business carried on from time to time in connection with the Charged Property.
- 12.30** Neither the Security Trustee nor the Receiver shall be obliged to perfect legal title to any Mortgage or Charge in its name if, in its opinion, such perfection would or might result in the Security Trustee or the Receiver, as the case may be, becoming liable to or incurring any obligation to any Borrower under a Mortgage and Charge and, in its opinion, there is or would be insufficient cash to discharge, in accordance with the provisions of this Deed such liabilities or obligations as and when they arise.

12.31 Indemnity

Without prejudice to the right of indemnity given by law to Security Trustees, the Issuer hereby covenants with the Security Trustee, each Secured Creditor and the Receiver to fully indemnify each of them and their respective officers, employees and agents and any attorney, manager, delegate, Appointee or other person appointed by the Security Trustee, each Secured Creditor or the Receiver under this Deed of Charge or the Collection Account Declaration of Trust or any other Transaction Document from and against all Liabilities which any of them may from time to time incur or may from time to time be made against it (in the case of the Security Trustee, whether before or after this Deed has become enforceable):

- (i) in consequence of the performance of the terms of this Deed of Charge and the Trust Deed or any other Transaction Document, or anything done or purported to be done or omitted by any of them under or in connection with the Deed of Charge, the Trust Deed or any of the other Transaction Documents to which the Security Trustee is a party or of any failure by the Issuer to comply with its obligations to any of them under or in connection with this Deed of Charge, the Trust Deed, the Notes, the Certificates, the Conditions or any other Transaction Document;
- (ii) in consequence of any payment in respect of the Secured Amounts (whether made by the Issuer or a third person) being impeached or declared void for any reason whatsoever,

(including, but not limited to, all Liabilities properly incurred in disputing or defending the foregoing) save to the extent that the same arise as a result of the fraud, gross negligence or wilful default of the provisions of this Deed or any of the Transaction Documents by the person claiming to be entitled to be indemnified.

13 Modification, Authorisation, Waiver and Consent

13.1 Modification

Subject to the provisions of Clause 18.3 (*Swap Counterparty Consent for Modification*) of the Trust Deed, the Security Trustee shall concur with the Issuer or any other person in making any modification to any Transaction Document only if so directed by the Instructing Party.

13.2 Authorisation or waiver

Subject to the provisions of Clause 18.3 (*Swap Counterparty Consent for Modification*) of the Trust Deed, the Security Trustee shall waive or authorise (without prejudice to its rights in respect of any further or other breach) any breach or proposed breach by the Issuer or any other person of any of the covenants or provisions of any Transaction Document only if so directed by the Instructing Party.

13.3 Requests for consent or approval

If a request is made to the Security Trustee by the Issuer or any other person to give its consent or approval to any event, matter or thing, then:

13.3.1 if any Transaction Document specifies that the Security Trustee is required to give its consent or approval to that event, matter or thing if certain specified conditions are satisfied in relation to that event, matter or thing, then the Security Trustee will give its consent or approval to that event, matter or thing upon being satisfied that those specified conditions have been satisfied; and

13.3.2 in any other case, the Security Trustee shall give its consent or approval to that event, matter or thing only if so directed by the Instructing Party.

13.4 Binding on Secured Creditors

Any modification, authorisation, waiver, consent or approval provided under this Clause will be binding on all of the Secured Creditors.

13.5 Additional terms and conditions

Any modification, authorisation, waiver, consent or approval provided under this Clause may be made or given on such terms and subject to such conditions (if any) as directed by the Instructing Party.

13.6 Notice to Secured Creditors

If required by the Security Trustee, the Issuer will as soon as practicable notify:

13.6.1 the Noteholders and the Certificateholders in accordance with the Conditions; and

13.6.2 each of the other Secured Creditors in accordance with this Deed,

in each case, of any modification, authorisation, waiver, consent or approval made under this Clause.

14 Remuneration

14.1 Normal Remuneration

The Issuer shall pay to the Security Trustee as remuneration for its services as security trustee from the date of this Deed, such sum to be payable on such dates and at such rate as they may from time to time agree. Such remuneration will accrue from day to day and be payable in accordance with the Priority of Payments up to (and including) the date when the Security Trustee has released, reassigned and/or discharged the Charged Property from the Security provided under this Deed.

14.2 Additional Remuneration

In the event of an enforcement the Security Trustee shall be entitled to be paid additional remuneration calculated at its normal hourly rates in force from time to time. In any other case, if the Security Trustee considers it expedient or necessary or the Security Trustee is requested by the Issuer to undertake duties which they both agree to be of an exceptional nature or otherwise outside the scope of the Security Trustee's normal duties under this Deed or the Transaction Documents, the Issuer shall pay to the Security Trustee, as applicable, such additional remuneration as may be agreed between them at the relevant time (and which may be calculated by reference to the Security Trustee's normal hourly rates in force from time to time). For the avoidance of doubt, any duties in connection with investments, the granting of waivers, modification, substitution of the Issuer or the enforcement of security and during the period post enforcement shall be deemed to be of an exceptional nature.

14.3 VAT in Respect of Remuneration

The Issuer shall, in addition to the payment of remuneration, pay to the Security Trustee an amount equal to the amount of any VAT (or similar tax levied by reference to added value or sales) thereon.

14.4 Remuneration Disputes

In the event that the Security Trustee and the Issuer fail to agree upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Security Trustee under this Deed or the Transaction Documents, or upon such additional remuneration, such matter shall be determined by an independent investment bank (acting as an expert and not as an arbitrator) or, failing agreement as to any of the matters in this Clause 14.4 (or as to such sums referred to in Clause 14.1 (*Normal Remuneration*)), as determined by a financial institution or person (acting as an expert) selected by the Security Trustee and approved by the Issuer or, failing such approval, nominated by the President for the time being of The Law Society of England and Wales. The expenses involved in such nomination and such financial institution's or person's fee will be borne by the Issuer. The determination of such financial institution or person will be conclusive and binding upon the Issuer and the Security Trustee.

14.5 The Issuer covenants with and undertakes to each of the Security Trustee, any other Secured Creditor and the Receiver to pay the amounts payable under Clauses 8 (*Expenses*) and Clause 13 on demand or, in the case of remuneration and fees payable to the Security Trustee under the Deed of Charge or the other Transaction Documents, on the due dates for payment thereof, with interest as well after as before judgment or decree at the rate of 3 per cent. per annum above the base rate from the date on which they were paid, charged or incurred by the Security Trustee, a Secured Creditor, or the Receiver (as

the case may require) or, in the case of remuneration and fees payable to the Security Trustee as aforesaid, the due date for payment thereof, until payment, as well after as before any judgment or decree.

- 14.6** Unless otherwise specifically stated in any discharge of this Deed the provisions of Clause 8 (*Expenses*) and this Clause 14 shall continue in full force and effect notwithstanding such discharge or the termination or resignation of the Security Trustee.

15 Further Assurances and Power of Attorney

- 15.1** If so requested by the Security Trustee after the giving of an Enforcement Notice or after the Seller, the Legal Title-Holder, the Issuer, the Mortgage Administrator or the Security Trustee is obliged to give notice or execute any documents pursuant to clause 7.1 of the Mortgage Sale Agreement after the perfection of the Issuer's interest pursuant to clause 7 (*Further Assurance*) of the Mortgage Sale Agreement, the Issuer, the Mortgage Administrator and/or the Legal Title-Holder (as the case may be) shall execute in favour of the Security Trustee such documents in relation to the Charged Property and give or join in giving such notice thereof to the relevant Borrowers, insurers and other persons, and all in such form as the Security Trustee or the Receiver may require at the Issuer's cost.
- 15.2** The Issuer further covenants with and undertakes to the Security Trustee, and any other Secured Creditors and with each of them, from time to time upon demand to execute, at the Issuer's own cost, any document or to do any act or thing which the Security Trustee or the Receiver may properly specify with a view to perfecting or improving any security created or intended to be created by or pursuant to this Deed or facilitating the exercise, or the proposed exercise of any of their (or any of their delegates or sub-delegates) powers, rights and discretions, provided that this Clause 15.2 shall not extend to matters which are the subject of Clause 15.1.
- 15.3** For good and valuable consideration the Issuer irrevocably and as security for the interests of the Security Trustee and any Receiver hereunder hereby appoints the Security Trustee and any Receiver severally to be its attorney and its agent (with full power to appoint substitutes and to 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 with power to date the same and to do any act or thing which the Security Trustee or such Receiver (or such substitute or delegate) may, in its or his absolute discretion, consider appropriate in connection with the exercise of any of the powers of the Security Trustee or the Receiver or which the Issuer is obliged to execute or do whether under this Deed or otherwise; and, without prejudice to the generality of its power to appoint substitutes and to delegate or to sub-clause 9.2.5, the Security Trustee may appoint the Receiver as its substitute or delegate; and any person appointed the substitute or delegate of the Security Trustee shall, in connection with the exercise of the said power of attorney, be the agent of the Issuer.
- 15.4** References in Clause 8 (*Expenses*) and Clause 12.31 (*Indemnity*) to the Security Trustee and the Receiver shall include references to any substitute or delegate appointed under Clause 15.3.
- 15.5** The Issuer hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this Clause 15.

15.6 Immediately upon execution of this Deed, the Issuer shall execute and deliver to the Security Trustee the power of attorney in or substantially in the form set out in Schedule 2 (*Issuer Security Power of Attorney*).

16 Other Security etc.

16.1 This Security is in addition to, and shall neither be merged in, nor in any way exclude or prejudice, any other Security Interest, right of recourse or other right whatsoever which the Security Trustee or any other Secured Creditor may now or at any time hereafter hold or have (or would apart from this security hold or have) as regards the Issuer or any other person in respect of the Secured Amounts.

16.2 The restriction on consolidation of mortgages contained in Section 93 of the LPA shall not apply in relation to the security created by this Deed.

16.3 The powers which this Deed confers on each of the Security Trustee, the Receiver, and the other Secured Creditors are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as it or he thinks appropriate; and it or he may, in connection with the exercise of its or his powers, join or concur with any person in any transaction, scheme or arrangement whatsoever; and the Issuer acknowledges that its or his respective powers shall in no circumstances whatsoever be suspended, waived or otherwise prejudiced by anything other than an express waiver or variation in writing.

17 Warranties and Covenants

17.1 The Issuer hereby warrants to the Security Trustee for itself and on trust for the Noteholders and the Certificateholders and to the other Secured Creditors and to each of them, that it is at the date of this Deed entitled in equity to such of the Charged Property as is purported to be transferred to it pursuant to the Mortgage Sale Agreement, subject to the subsisting rights of redemption of Borrowers but otherwise free from Security Interests and that it has taken all necessary steps to enable it to charge or assign by way of security the Charged Property in accordance with Clause 3 (*Security*) and that it has taken no action or steps to prejudice its right, title and interest in and to the Charged Property, provided that none of the Legal Title-Holder or the Mortgage Administrator shall have any rights against the Issuer in relation to any breach of this warranty to the extent that such breach results directly or indirectly from any breach by any of the Legal Title-Holder or the Mortgage Administrator of any representation, warranty or other obligation given or owed by it to the Issuer.

17.2 Save with the prior written consent of the Security Trustee or as provided in or envisaged by any of the Transaction Documents, the Issuer hereby covenants with and represents, warrants and undertakes to the Security Trustee, for itself and on trust for the Noteholders and the Certificateholders and with the Secured Creditors and with each of them, that:

17.2.1 it will not create or permit to exist upon or affect any of the Charged Property any Security Interest whatsoever other than as created by, or in accordance with, the Transaction Documents;

17.2.2 it will not transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option, present or future, or right to acquire, any of the Charged Property or any interest, estate, right, title or benefit therein or thereto or agree or attempt or purport to do so, except that the Issuer:

- (i) may sell all of the Mortgages at a price equal to the aggregate Balances of the Mortgages at the date of completion of such sale together with an amount equal to all other amounts due under such Mortgages at a price equal to or greater than an amount being the aggregate of (a) the aggregate Principal Amount Outstanding of the Notes on the relevant Interest Payment Date on which the Notes are to be redeemed; (b) the accrued interest on the Notes on the relevant Interest Payment Date on which the Notes are to be redeemed; (c) any expenses incurred in connection with such sale; (d) if there is a shortfall between the amount standing to the credit of the General Reserve Ledger as at the relevant Interest Payment Date and the General Reserve Fund Required Amount, an amount equal to that shortfall; and (e) amounts required under the then applicable Priority of Payments to be paid in priority to or *pari passu* with the Notes on such Interest Payment Date in accordance with Note Condition 5(d) (*Mandatory Redemption in Full*) or Note Condition 5(e) (*Optional Redemption for Taxation or Other Reasons*) of the conditions of each class of Notes; and
 - (ii) may (and may agree to), in respect of all or any part of its assets or undertaking, transfer, sell, lend, pledge, part with or otherwise dispose of or deal with, or grant any option over any present or future right to acquire any of its assets or undertaking or any interest, estate right title or benefit therein where contemplated in or provided for in the Transaction Documents and where the proceeds of the same are applied *inter alia*, in or towards the redemption of the Notes in accordance with the terms and conditions of the Notes and the terms of the Transaction Documents;
- 17.2.3 it shall ensure that save as permitted by the Transaction Documents, no person other than the Issuer and the Security Trustee shall have any equitable interest in the Charged Property;
- 17.2.4 it shall give such notices of assignment in relation to the Charged Property as may be required pursuant to the Mortgage Sale Agreement or by the Security Trustee (except, in the circumstances described in Clause 15.1, the notices referred to in clause 7.1 of the Mortgage Sale Agreement);
- 17.2.5 so long as any of the Notes remains outstanding it will not have an interest in any bank or securities account other than the Bank Accounts save as may be permitted by the Security Trustee;
- 17.2.6 it shall not:
- (i) engage in any activity which is not, or hold any capital assets (other than the Mortgage Pool) the holding of which is not, reasonably incidental to any of the activities which the Transaction Documents provide or envisage that the Issuer will engage in;
 - (ii) open nor have any interest in any account whatsoever with any bank or other financial institution other than the Bank Accounts and Collection Account held with the Account Bank, the Collection Account Provider, or any other accounts with any bank or financial institution charged in accordance with Clause 3.4 (*Bank Accounts and Collection Account*), save where such account is immediately charged in favour of the Security

Trustee so as to form part of the Security described in Note Condition 2 (*Status, Security and Administration*) and Certificate Condition 2 (*Status, Security and Administration*) and where the Security Trustee receives an acknowledgement from such bank or financial institution of the security rights and interests of the Security Trustee and an agreement that it will not exercise any right of set off it might otherwise have against the account in question;

- (iii) hold any shares or other interest in any company (including but not limited to, an interest in the capital or income of a company or voting rights in a company), or have any subsidiaries or employees or premises;
- (iv) act as a director of any company; or
- (v) carry on any trade or business or any activities other than those contemplated by the Transaction Documents and shall not carry on such trade, business or activities as contemplated by the Transaction Documents prior to the Issue Date;

17.2.7 it shall not pay any dividend or make any other distribution to its shareholders other than as contemplated by the Transaction Documents;

17.2.8 it shall not incur any indebtedness in respect of borrowed money (other than under any subordinated loan agreements) whatsoever or give any guarantee in respect of any obligation of any person;

17.2.9 it shall not consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any other person;

17.2.10 it shall not permit any of the Charged Obligation Documents, the Insurance Contracts relating to the Mortgages owned by the Issuer or the priority of the security interests created thereby to be amended, invalidated, rendered ineffective, terminated or discharged, or consent to any variation of, or exercise of any powers of consent or waiver pursuant to the terms of the Trust Deed and the Conditions, or permit any party to any of the Charged Obligation Documents or Insurance Contracts or any other person whose obligations form part of the Security to be released from such obligations, or dispose of any Mortgage save as envisaged in the Transaction Documents;

17.2.11 it (a) is not (and never has been) a member of a VAT group, (b) is not, and is not liable to be, and will not be, registered (or part of any registration) for VAT in the United Kingdom immediately prior to entering into the Transaction Documents, and will not voluntarily become registered (or part of any registration) for VAT in the United Kingdom, and (c) does not and will not make or receive any supplies for VAT purposes otherwise than in accordance with the Transaction Documents;

17.2.12 it (a) was incorporated in England and Wales under the Companies Act 2006 and has been, and shall be, resident for tax purposes solely in, and has had, and shall have, its usual place of abode in the United Kingdom, and (b) does not have, and will not have, any business establishments or fixed establishments outside the United Kingdom for VAT purposes;

17.2.13 it has not done any of the things specified in sub-clauses 17.2.6 and 17.2.10;

- 17.2.14** it is not a party to the transaction for the purposes of securing a tax advantage for any other person within the meaning of Section 1139 Corporation Tax Act 2010;
- 17.2.15** it will at all times comply with the obligations and provisions binding upon it under and pursuant to this Deed and the other Transaction Documents;
- 17.2.16** it will duly and promptly pay and discharge all taxes imposed upon it or its assets unless such taxes are, in the opinion of the Security Trustee, being contested in good faith by the Issuer;
- 17.2.17** it shall at all times retain at least one Independent Director; and
- 17.2.18** within 21 days from the date of this Deed and any supplemental Deed of Charge, it shall deliver to the registrar of companies a duly completed Form MR01 together with a certified copy of this Deed or any supplemental Deed of Charge (as applicable) for registration in accordance with Section 859A of the Companies Act 2006; and
- 17.2.19** for accounting purposes it shall treat each transaction it has entered into pursuant to the Swap Agreement as a derivative for the purposes of Financial Reporting Standard ("FRS") 102, being the successor accounting standard to FRS 25 and FRS 26),

provided that none of the Legal Title-Holder or the Mortgage Administrator shall have any rights against the Issuer in relation to any breach of these covenants and undertakings to the extent that such breach results directly or indirectly from any breach by the Legal Title-Holder or the Mortgage Administrator of any of the representations, warranties, or other obligations given or owed by it to the Issuer.

In giving any consent pursuant to this Clause 17.2, the Security Trustee may request the Issuer to make such modifications or additions to the provisions of any of the Transaction Documents or may impose such other conditions or requirements as the Security Trustee and/or the Note Trustee may deem expedient in the interest of the Noteholders and the Certificateholders.

- 17.3** Save with the prior written consent of the Security Trustee or as provided in or envisaged by any of the Transaction Documents, Holdings hereby covenants with and represents, warrants and undertakes to the Security Trustee, for itself and on trust for the Noteholders and the Certificateholders and with the Secured Creditors and with each of them that:

- 17.3.1** Holdings shall procure that the Issuer will not become a member of a group of companies for the purposes of VAT;
- 17.3.2** Holdings will not enter into any transaction in circumstances where Section 710 or 713 Corporation Tax Act 2010 (formerly Sections 767A and 767AA Income and Corporation Taxes Act 1988), or Sections 109B-109F Taxes Management Act 1970, or Section 190 Taxation of Chargeable Gains Act 1992 will, or may, apply to impose a charge to corporation tax on the Issuer;
- 17.3.3** Holdings will not engage in any activity which is not reasonably incidental to any of the activities which the Transaction Documents provide or envisage that Holdings shall engage in;
- 17.3.4** Holdings does not have any employees;

17.3.5 it will maintain its **"centre of main interests"** (for the purposes of Council Regulation (EC) No 1346/2000 of 29 May 2000 (the **"EU Insolvency Regulation"**) and the Cross-Border Insolvency Regulations 2006, SI 2006/1030 (**"UNCITRAL Regulations"**)) in the United Kingdom; and

17.3.6 it will not maintain an **"establishment"** (as that expression is defined in the EU Insolvency Regulation and the UNCITRAL Regulations) in any jurisdiction other than the United Kingdom.

17.4 If the Issuer for any reason fails to observe or punctually to perform any of its obligations to the Security Trustee, whether under this Deed and any of the Transaction Documents or otherwise, (after the service of an Enforcement Notice) the Security Trustee shall have power, on behalf of or in the name of the Issuer or otherwise, to perform the obligation and to take any steps which the Security Trustee may (but shall not be obliged to do so) and subject to the Security Trustee being indemnified and/or pre-funded and/or secured to its satisfaction, in its absolute discretion, consider appropriate with a view to remedying, or mitigating the consequences of, the failure, but so that the exercise of this power, or the failure to exercise it, shall in no circumstances prejudice the Security Trustee's other rights under this Deed and the Security Trustee shall incur no Liability whatsoever for so acting or not acting (as the case may be).

18 Application to Court

The Security Trustee may at any time after the giving of an Enforcement Notice apply to the Court for an order that the terms of this Deed or the trusts of this Deed or any of them be carried into execution under the direction of the Court and for the appointment of a Receiver of the Charged Property or any part thereof and for any other order in relation to the administration of the terms of this Deed or the trusts of this Deed or any of them as the Security Trustee shall deem fit and it may assent to or approve any application to the Court made at the instance of any of the holders of the Most Senior Class and shall be indemnified and/or secured and/or pre-funded to its satisfaction by the Issuer against all the Liabilities incurred by it in relation to any such applications or proceedings.

19 Miscellaneous

19.1 No failure on the part of the Security Trustee or the other Secured Creditors to exercise, and no delay on their part in exercising, any right or remedy under this Deed will operate as a waiver thereof, nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy. Subject as provided herein to the contrary, the rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

19.2 Any waiver and any consent by the Security Trustee and the other Secured Creditors under this Deed must be in writing and may be given subject to any conditions thought fit by the Security Trustee. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

19.3 The Issuer will pay all stamp duties, land registry, and similar fees, filing and registration fees and other transaction taxes required in relation to or for the purpose of procuring the execution, validity, enforceability or carrying into effect of this Deed or any of the other Transaction Documents and the security created hereby and keep the Security Trustee and the Secured Creditors indemnified against any failure or delay in paying the same.

- 19.4** No variation of this Deed shall be effective unless it is in writing and signed by an authorised signatory of each of the parties hereto.
- 19.5** It is hereby acknowledged and agreed that the Seller is a party to this Deed for the purposes of acknowledging the rights of the Issuer pursuant to the Mortgage Sale Agreement. By its execution of this Deed, the Seller shall not assume or have any of the obligations or liabilities of the Issuer or Holdings hereunder.
- 19.6** The execution of this Deed by the Secured Creditors shall be deemed to constitute a notice to such Secured Creditors of the security created by the Issuer under this Deed (including, without limitation any charge or assignment by way of security in respect of the Issuer's rights as against such Secured Creditor) and constitutes an acknowledgement of receipt of such notice.
- 19.7** Without prejudice to the rights of the Noteholders to transfer the Notes, a Secured Creditor shall not assign, transfer or create any trust or interest in (whether by way of security or otherwise howsoever) all or any of its rights or interest under this Deed to any person (a "Transferee") unless that Transferee undertakes (in favour of the Security Trustee, the Issuer and each other Secured Creditor) to be bound by the provisions of this Deed (by executing the Accession Undertaking in the form set out in Schedule 1), as if it had been named as an original Secured Creditor, any such assumption of obligations by a Transferee to be without prejudice to all obligations of the transferor hereunder which shall continue to subsist.
- 19.8** The Security Trustee shall be entitled to rely on (and to accept as conclusive evidence save in the case of manifest error) a certificate from each Secured Creditor as to the amounts owed to such Secured Creditor under the Transaction Documents. The Security Trustee shall not take into account for the purpose of the application of moneys in accordance with the relevant Priority of Payments any amounts of which it has not been notified by the intended recipient on or prior to the date in question.
- 19.9** For the purposes of determining the amounts payable pursuant to Clause 6.2 and the Post-Enforcement Priority of Payments, a Secured Creditor will, at all times, promptly provide the Security Trustee and/or any Receiver on request with a certificate setting out detailed information as to the amount of the Secured Amounts to which such Secured Creditor is entitled and such other information as the Security Trustee and/or any Receiver may require to enable or facilitate the Security Trustee and/or any Receiver to perform its functions under this Deed or under any of the Transaction Documents, such certificate to be in a form required by the Security Trustee and/or any Receiver.
- 19.10** In any action, proceedings or claim relating to this Deed or the Security, a statement as to any amount due to any Secured Creditor or of the Secured Amounts or any part thereof or a statement of any amounts which have been notified to the Security Trustee as being amounts due to any Secured Creditor which is certified as being correct by an officer of the Security Trustee or an officer of the relevant Secured Creditor shall, save in the case of manifest error, be conclusive evidence that such amount is in fact due and payable.
- 19.11 Payments in respect of the Notes**
- Any payment required by this Deed to be made by the Security Trustee in respect of the Notes and/or Certificates may be paid to the Note Trustee and any such payment to the Note Trustee will be a good discharge to the Security Trustee.

19.12 Retirement and Removal

Subject to a trustee remaining at all times, any Security Trustee may retire at any time on giving at least three months 60 days' written notice to the Issuer without giving any reason or being responsible for any costs occasioned by such retirement and the Noteholders and the Certificateholders may by an Extraordinary Resolution of the holders of the Most Senior Class so long as there are notes outstanding or by direction of the Secured Creditors, remove any Security Trustee provided that the retirement or removal of a sole Trust Corporation will not be effective until a Trust Corporation is appointed as successor Security Trustee. If a sole Trust Corporation gives notice of retirement or an Extraordinary Resolution of the holders of the Most Senior Class is passed for its removal, the Issuer will use all reasonable endeavours to procure that another Trust Corporation be appointed as Security Trustee as soon as reasonably practicable thereafter. If it fails to do so before the expiry of such 60 day notice period (in the case of any such retirement), the Security Trustee shall have the power to appoint a new Security Trustee provided that any such new Security Trustee is a lending bank or investment banking firm or Trust Corporation.

19.13 Trustee's Powers to be Additional

The powers conferred upon the Security Trustee by this Deed and the Transaction Documents shall be in addition to any powers which may from time to time be vested in the Security Trustee by the general law or as a holder of any of the Notes or Certificates.

20 Notices

20.1 All communications relating to this Deed shall be given by letter, fax, or electronic communication:

20.1.1 if to the Issuer, to it at:

Tower Bridge Funding No.1 plc
35 Great St. Helen's
London EC3A 6AP

Fax no.: +44 207 398 6325
Email: directors-uk@intertrustgroup.com
Attention: The Directors

(with a copy sent to the Seller)

20.1.2 if to the Registrar, to it at:

Elavon Financial Services DAC
2nd Floor, Block E
Cherrywood Science & Technology Park
Loughlinstown, Co. Dublin, Ireland

Fax no.: +44 (0)20 7365 2577
Email: mbs.relationship.management@usbank.om
Attention: Structured Finance Relationship Management

20.1.3 if to the Security Trustee or the Note Trustee, to it at:

U.S Bank Trustees Limited
125 Old Broad Street, Fifth Floor

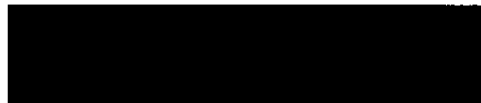
London EC2N 1AR

Fax no.: +44 (0)20 7365 2577
Email: mbs.relationship.management@usbank.com
Attention: Structured Finance Relationship Management

20.1.4 if to the Seller, the Legal Title-Holder or the Mortgage Administrator, to it at:

Belmont Green Finance Limited
1 London Road
Staines-upon-Thames
Surrey, TW18 4EX

Tel no.:
Email:
Attention:



20.1.5 if to the Standby Mortgage Administrator, to it at:

Homeloan Management Limited
The Pavilions, Bridgwater Road
Bristol, Avon BS13 8AE, United Kingdom

with a copy to:

Homeloan Management Limited
Gateway House, Gargrave Road
Skipton, North Yorkshire BD23 2HL

Fax no.: +44 175 677 6980
Email: securitisationservices@hml.co.uk
Attention: Head of the Legal Team.

20.1.6 if to the Back-up Mortgage Administrator Facilitator, to it at:

Intertrust Management Limited
35 Great St. Helen's
London EC3A 6AP

Fax no.: +44 207 398 6325
Email: directors-uk@intertrustgroup.com
Attention: The Directors

20.1.7 if to the Cash Administrator, the Account Bank, the Swap Collateral Account Bank, the Custodian, the Principal Paying Agent or the Agent Bank, to it at:

Elavon Financial Services DAC, UK Branch
125 Old Broad Street, Fifth Floor
London, EC2N 1AR

Fax no.: +44 (0)20 7365 2577
Email: mbs.relationship.management@usbank.com
Attention: Structured Finance Relationship Management

20.1.8 if to Holdings, to it at:

Tower Bridge Funding No.1 Holdings Limited
35 Great St. Helen's
London EC3A 6AP

Fax no.: +44 207 398 6325
Email: directors-uk@intertrustgroup.com
Attention: The Directors

(with a copy sent to the Seller)

20.1.9 if to the Corporate Services Provider, to it at:

Intertrust Management Limited
35 Great St. Helen's
London EC3A 6AP

Fax no.: +44 207 398 6325
Email: directors-uk@intertrustgroup.com
Attention: The Directors

20.1.10 if to the Swap Counterparty, to it at:

The Royal Bank of Scotland Plc (trading as NatWest Markets)
RBS Corporate & Institutional Banking
250 Bishopsgate
London EC2M 4AA

Attention: Head of Legal, CIB
Fax: +44 (0)20 7085 5050

or to such other address, e-mail address or facsimile number as may from time to time be notified by any party to the other by written notice in accordance with the provisions of this Clause 20.

20.2 Communications will take effect, in the case of a letter, when delivered, in the case of fax, when the relevant delivery receipt is received by the sender or, in the case of an electronic communication when the relevant receipt of such communication being read is given, or where no read receipt is requested by the sender, at the time of sending, provided that no delivery failure notification is received by the sender within 24 hours of sending such communication; provided that any communication which is received (or deemed to take effect in accordance with the foregoing) outside business hours or on a non-Business Day in the place of receipt shall be deemed to take effect at the opening of business on the next following Business Day in such place. Any communication delivered to any party under this Deed which is to be sent by fax or electronic communication will be deemed to be a communication "in writing".

20.3 Notwithstanding the provisions of sub-clauses 20.1 and 20.2, any notice, demand, approval, certificate, direction or instruction given or made to the Security Trustee concerning any enforcement of the Security or the provisions of this Deed, the Notes, the Certificates or the Transaction Documents shall not be deemed sufficiently given or made until actually received by the Security Trustee.

21 Electronic Directions

21.1 The Security Trustee is authorised to act on written directions conveyed by facsimile transmission or written directions or data transmissions conveyed by electronic mail or other electronic means, notwithstanding the fact that such directions do not bear an original authorised signature, provided the directions acted upon appear to the Security Trustee to be signed by a person or persons entitled to give binding directions to the Security Trustee on behalf of a Transaction Party. The parties hereto acknowledge their responsibility for the legibility, accuracy and completeness of the facsimile, electronic direction and electronic data transmissions it submits to the Security Trustee, including facsimile or electronic direction or data transmissions from duly appointed third party agents and agrees to be responsible for any adverse consequences that may result from errors caused by the quality of such facsimile or electronic data or data transmissions that were the fault of the relevant party. The Security Trustee may fully rely on the content of any facsimile or electronic direction or data transmission received, and shall have no obligation to verify its accuracy.

21.2 Each party to this Deed acknowledges that:

21.2.1 it understands the risks associated with communicating sensitive matters, including time sensitive matters, by facsimile or electronic means and acknowledges that, if it elects to do so, the Security Trustee may act within a reasonable time of receipt of the facsimile or electronic directions or data transmission; and

21.2.2 that directions and data sent by facsimile or electronic means may be less confidential or secure than directions or data transmitted by other methods.

The Security Trustee shall not be liable for any loss of the confidentiality of directions and data prior to receipt by the Security Trustee.

21.3 The Issuer agrees to indemnify, defend and hold harmless the Security Trustee, its employees, agents, affiliates, successors and assigns from and against any loss, cost, claim or expense it incurs as a result of the Security Trustee acting or relying upon facsimile or electronic directions or data transmission received by the Security Trustee under the authority of this provision, except such as may result from the wilful default, gross negligence or fraud of the Security Trustee in relation to such facsimile or electronic directions. This indemnity shall survive the revocation of this provision and the termination of any agreement governing the relationship between the Security Trustee and the Issuer.

22 Counterparts

This Deed may be executed in any number of counterparts and by the different parties hereto on separate counterparts each of which, when executed and delivered, shall constitute an original, but all the counterparts shall together constitute but one and the same instrument, provided, however, that this Deed shall have no force or effect until it is executed by the last party to execute the same and shall be deemed to have been executed as delivered in the place where such last party executed this Deed.

23 Governing Law

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

23.2 The courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Deed and accordingly any legal action or proceeding arising out of or in connection with this Deed ("**Proceedings**") may be brought in such courts. Each of the parties hereto (save for the Note Trustee and the Security Trustee) irrevocably submits to the jurisdiction of such courts and waives any objection to any Proceedings in such courts whether on the grounds of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

23.3 To the extent allowed by law each of the Note Trustee, the Security Trustee, the Noteholders and /or the Certificateholders may, in respect of any Proceedings take (a) Proceedings in any other court or jurisdiction; and (b) concurrent Proceedings in any number of jurisdictions.


24 Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of this Deed.

In witness whereof the parties hereto have caused this Deed to be executed and delivered on the date stated at the beginning of this Deed.

Issuer

Executed as a Deed
for and on behalf of
TOWER BRIDGE FUNDING NO. 1 PLC
acting by two directors being Intertrust Directors 1
Limited and Intertrust Directors 2 Limited



.....
per pro Intertrust Directors 1 Limited



.....
per pro Intertrust Directors 2 Limited

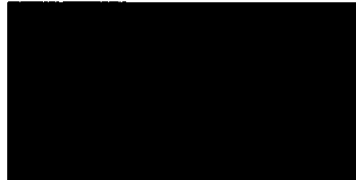
Security Trustee and Note Trustee

Executed as a Deed

for and on behalf of

U.S. BANK TRUSTEES LIMITED

acting by its duly authorised attorney



Authorised Attorney:



Witness:

Name: Cuan Mills

Address: One Silk Street
London
EC2Y 8HQ

Seller, Legal Title-Holder and Mortgage Administrator

Executed as a Deed
for and on behalf of

BELMONT GREEN FINANCE LIMITED
acting by its duly authorised attorneys



Authorised Attorney:



Witness:

Name: Cuan Mills

Address: One Silk Street, London, EC2Y 8HQ

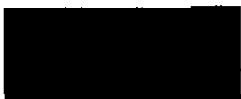
Standby Mortgage Administrator

Executed as a Deed
for and on behalf of

HOMELOAN MANAGEMENT LIMITED
acting by its duly authorised attorneys



Authorised Attorney: *MATT TREVETT*



Witness:

Name:

Address:

Helen Jones
Legal Services Assistant
Gateway House, Gargrave Road
Skipton, North Yorkshire
BD23 2HL

Cash Administrator, Principal Paying Agent, Agent Bank, Account Bank, Custodian and Swap Collateral Account Bank

Executed as a Deed
for and on behalf of
ELAVON FINANCIAL SERVICES DAC, UK BRANCH
acting by its duly authorised attorney

Authorised Attorney:

Witness:

Name: Cuan Mills

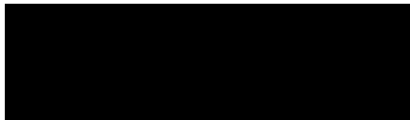
Address: One Silk Street, London, EC2Y 8HQ

Registrar

Executed as a Deed
for and on behalf of
ELAVON FINANCIAL SERVICES DAC
acting by its duly authorised attorney



Authorised Attorney:



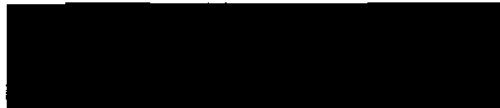
Witness:

Name: Cuan Mills

Address: One Silk Street, London, EC2Y 8HQ

Corporate Services Provider and the Back-up Mortgage Administrator Facilitator

Executed as a Deed
for and on behalf of
INTERTRUST MANAGEMENT LIMITED
acting by two authorised signatories.



Director:



Director/~~Secretary~~:

Holdings

Executed as a Deed

for and on behalf of

**TOWER BRIDGE FUNDING NO.1 HOLDINGS
LIMITED**

acting by its two directors

[REDACTED]

.....

per pro Intertrust Directors 1 Limited

[REDACTED]

.....

per pro Intertrust Directors 2 Limited

Collection Account Provider

Executed as a Deed
for and on behalf of

BARCLAYS BANK PLC

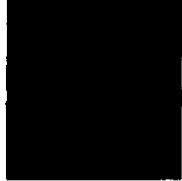
acting by its two directors

By:



SCOTT FORDHAM

By:



PAUL JOHNSON

Swap Counterparty

Executed as a Deed
for and on behalf of

THE ROYAL BANK OF SCOTLAND PLC (TRADING AS NATWEST MARKETS)
acting by its authorised signatory:



Authorised Signatory: *James Duncalf . Structured Finance Derivatives Solutions.*



Witnessed by:

Name: *S. Zodgeka*

Address: *250 Bishopsgate
London EC2M 4AA*

Schedule 1
Form of Accession Undertaking

To: The Security Trustee, for itself and each of the other parties to the Deed of Charge referred to below.

This accession undertaking is made the [●] day of [●] 20[●] by [new Secured Creditor] (the "**Acceding Secured Creditor**") in relation to the deed of charge (the "**Deed of Charge**") dated [●] between Tower Bridge Funding No.1 plc as Issuer and [●] as Security Trustee (this "**Undertaking**"). Terms defined in the Deed of Charge shall bear the same meanings herein.

In consideration of the Acceding Secured Creditor being accepted as a Secured Creditor for the purposes of the Deed of Charge by the parties thereto as from such date, the Acceding Secured Creditor hereby confirms that, as from [date], it intends to be party to the Deed of Charge as a Secured Creditor, undertakes to perform all the obligations expressed therein to be assumed by Secured Creditors and agrees that it shall be bound by all the provisions of the Deed of Charge, as if it had been an original party thereto.

This Undertaking 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.

In witness whereof, this Undertaking has been executed as a deed by the Acceding Secured Creditor on the date stated at the beginning of this Undertaking.

Executed by
acting by

Address for Notices:

For the attention of:

Countersigned by the Security Trustee
for and on behalf of
[●]

.....

Date:

Schedule 2

Issuer Security Power of Attorney

This Power of Attorney is made on _____ by TOWER BRIDGE FUNDING NO. 1 PLC registered number 10801292 and whose registered office is at 35 Great St. Helen's, London EC3A 6AP (the "**Principal**").

Whereas:

- (1) By virtue of a deed of charge (the "**Deed of Charge**") dated on or about _____ and made between, among others, the Principal and the Attorney (as defined below) provision was made for the execution by the Principal of this Power of Attorney.
- (2) Words and phrases in this Power of Attorney shall (save where expressed to the contrary) have the same meanings respectively as the words and phrases in the Deed of Charge.

Now this Power of Attorney witnesseth:

- 1 The Principal hereby irrevocably and by way of security for the performance of the covenants, conditions, obligations and undertakings on the part of the Principal contained in the Deed of Charge, appoints U.S. Bank Trustees Limited in its capacity as Security Trustee, and any other person or persons for the time being the security trustee or security trustees of and under the Deed of Charge (the "**Attorney**") and any Receiver (including any administrative receiver) and/or administrator (the "**Administrator**") appointed from time to time by the Attorney or on its behalf its true and lawful attorney for and in the Principal's name or otherwise jointly and severally to do any act matter or thing which the Attorney, Receiver or Administrator considers in each case bona fide necessary for the protection or preservation of the Attorney's interests and rights in and to the Charged Property or which ought to be done under the covenants, undertakings and provisions contained in the Deed of Charge (and any document entered into or to be entered into by the Principal pursuant thereto) in any circumstances where the Attorney has become entitled to take the steps referred to in clause 9 (*The Security Trustee's Powers*) of the Deed of Charge including any or all of the following:
 - (a) to do every act or thing which the Attorney, Receiver or Administrator may deem to be necessary, proper or expedient for fully and effectually vesting, transferring or assigning the Security and/or the Charged Property or any part thereof and/or the Principal's estate, right, title, benefit and/or interest therein or thereto in or to the Attorney and its successors in title or other person or persons entitled to the benefit thereof in the same manner and as fully and effectually in all respects as the Principal could have done; and
 - (b) the power by writing under its hand by an officer of the Attorney or by an officer of any Receiver or Administrator appointed by the Attorney from time to time to appoint a substitute attorney (each a "**Substitute**") who shall have power to act on behalf of the Principal as if that Substitute shall have been originally appointed Attorney by this Power of Attorney and/or to revoke any such appointment at any time without assigning any reason therefore.
- 2 In favour of the Attorney, any Receiver and/or Administrator and/or Substitute, or a person dealing with any of them and the successors and assigns of such a person, all acts done and documents executed or signed by the Attorney, a Receiver, an Administrator or a

Substitute in the purported exercise of any power conferred by this Power of Attorney shall for all purposes be valid and binding on the Principal and its successors and assigns.

- 3 The Principal irrevocably and unconditionally undertakes to indemnify the Attorney and each Receiver and/or Administrator and/or Substitute appointed from time to time by the Attorney and their respective estates against all actions, proceedings, claims, costs, expenses and liabilities of every description arising from the exercise, or the purported exercise, of any of the powers conferred by this Power of Attorney, save where the same arises as the result of the fraud, negligence or wilful default of the relevant indemnified party or its officers or employees.
- 4 The provisions of Clause 3 shall continue in force after the revocation or termination, howsoever arising, of this Power of Attorney.
- 5 The laws of England shall apply to this Power of Attorney and to any non-contractual matters arising out of or in connection with it and the interpretation thereof and to all acts of the Attorney and each Receiver and/or Administrator and/or substitute carried out or purported to be carried out under the terms hereof.
- 6 The Principal hereby agrees at all times hereafter to ratify and confirm whatsoever the said Attorney or its attorney or attorneys or any Receiver or Administrator or substitute shall properly and lawfully do or cause to be done in and concerning the Security Trustee's Security and/or the Charged Assets.

In witness whereof this Power of Attorney has been executed and delivered as a deed by the Principal the day and year first before written.

Executed as a Deed

for and on behalf of

TOWER BRIDGE FUNDING NO. 1 PLC

acting by two directors being Intertrust Directors 1

Limited and Intertrust Directors 2 Limited

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per pro Intertrust Directors 1 Limited

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per pro Intertrust Directors 2 Limited