

**TENTH AMENDED AND RESTATED INTERCOMPANY
LOAN AGREEMENT**

16 June 2023

FOSSE FUNDING (NO. 1) LIMITED
(as Funding 1)

FOSSE MASTER ISSUER PLC
(as Issuer)

THE BANK OF NEW YORK MELLON, LONDON BRANCH
(as Funding 1 Security Trustee and as Issuer Security Trustee)

CITIBANK, N.A., LONDON BRANCH
(as Agent Bank)

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THIS TENTH AMENDED AND RESTATED INTERCOMPANY LOAN AGREEMENT (this Agreement) is made on 16 June 2023

BETWEEN:

- (1) **FOSSE FUNDING (NO. 1) LIMITED** (registered number 05925696), a private limited company incorporated under the laws of England and Wales whose registered office is at 1 Bartholomew Lane, London, EC2N 2AX (as **Funding 1**);
- (2) **FOSSE MASTER ISSUER PLC** (registered number 05925693), a public limited company incorporated under the laws of England and Wales whose registered office is at 1 Bartholomew Lane, London, EC2N 2AX (as **Issuer**);
- (3) **THE BANK OF NEW YORK MELLON, LONDON BRANCH**, a New York banking corporation, whose address is at 160 Queen Victoria Street, London EC4V 4LA (in its capacity as **Funding 1 Security Trustee**, which expression shall include such company and all other persons or companies for the time being acting as security trustee (or co-trustee) pursuant to the terms of the Funding 1 Deed of Charge and in its capacity as **Issuer Security Trustee**, which expression shall include such company and all other persons or companies for the time being acting as security trustee (or co-trustee) pursuant to the terms of the Issuer Deed of Charge); and
- (4) **CITIBANK, N.A., LONDON BRANCH**, acting through its office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (in its capacity as **Agent Bank**).

WHEREAS:

- (A) From time to time, the Issuer will issue Notes pursuant to the Programme.
- (B) The Issuer has agreed that it will lend the proceeds (or, as applicable, the sterling equivalent thereof) of any issue of Notes by it, and the proceeds of any Increase Amount under any Class Z Variable Funding Notes, to Funding 1.
- (C) The Intercompany Loan Agreement entered into on 28 November 2006 between the parties hereto as amended and restated pursuant to amended and restated intercompany loan agreements dated 1 August 2007, 21 August 2008, 21 April 2011, 27 April 2012, 9 October 2014, 29 April 2016, 13 September 2019, 29 July 2021 and 28 June 2022 (the **Existing Intercompany Loan Agreement**) sets out the terms and conditions with respect to lending by the Issuer of the proceeds of the issue of Notes to Funding 1.
- (D) The parties hereto have agreed to amend and restate the terms of the Existing Intercompany Loan Agreement on the terms set out herein.
- (E) Pursuant to the supplemental funding 1 deed of charge (the **Supplemental Funding 1 Deed of Charge**), the supplemental issuer deed of charge (the **Supplemental Issuer Deed of Charge**) and the supplemental note trust deed (the **Supplemental Note Trust Deed**) each dated 7 December 2018, entered into by, amongst others, Law Debenture Trust Company of New York and The Bank of New York Mellon, London Branch, The Bank of New York Mellon, London Branch was appointed in place of Law Debenture Trust Company of New

York as Funding 1 Security Trustee, Issuer Security Trustee and Note Trustee with effect from 7 December 2018.

1. DEFINITIONS AND INTERPRETATION

- 1.1 The master definitions and construction schedule dated 28 November 2006 and signed by, amongst others, the parties to this Agreement (as the same may be further amended, restated, varied, supplemented, replaced and/or novated from time to time with the consent of the parties thereto, including without limitation on 1 August 2007, 20 December 2007, 23 November 2009, 11 March 2010, 21 April 2011, 6 December 2011, 27 April 2012, 19 August 2013, 9 October 2014, 29 April 2016, 13 September 2019, 25 September 2019, 30 April 2020, 29 July 2021, 28 June 2022 and the date hereof) (the **Master Definitions and Construction Schedule**) is expressly and specifically incorporated into this Agreement and accordingly, the expressions defined in the Master Definitions and Construction Schedule shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Agreement (including the Recitals hereto) and this Agreement shall be construed in accordance with the interpretation provisions set out in clause 2 of the Master Definitions and Construction Schedule.
- 1.2 The parties hereto have agreed to amend and restate the terms of the Existing Intercompany Loan Agreement as set out herein. As at the date of this Agreement (the **Effective Date**), any future rights or obligations (excluding, for the avoidance of doubt, such rights and obligations accrued to the Effective Date) of a party under the Intercompany Loan Agreement shall be extinguished and shall instead be governed by this Agreement.

2. THE FACILITY

Subject to the terms of this Agreement, the Issuer agreed to make available to Funding 1 a facility (the **Intercompany Loan Facility**), pursuant to which the Issuer shall make Loan Tranches available to Funding 1 on each Drawdown Date that correspond to each Series and Class of Notes to be issued by the Issuer on the corresponding Closing Date (and, in the case of an NR VFN Loan Tranche, make available further advances under such NR VFN Loan Tranche on each date on which an Increase Amount is made under the relevant Class Z Variable Funding Note (the **Increase Date**)). Each Loan Tranche shall be denominated in Sterling.

3. CONDITIONS PRECEDENT

- 3.1 Save as the Issuer, the Issuer Security Trustee and the Funding 1 Security Trustee may otherwise agree, and save in respect of an NR VFN Loan Tranche, each Loan Tranche will not be available for utilisation unless Funding 1 shall have certified in writing to the Issuer, the Issuer Security Trustee and the Funding 1 Security Trustee that:
- (a) Funding 1 and the Issuer have signed a Loan Tranche Supplement (substantially in the form set out in Schedule 3);
 - (b) all of the information and documents listed in Schedule 1 have been delivered in form and substance satisfactory to the Issuer, the Issuer Security Trustee and the Funding 1 Security Trustee;
 - (c) the conditions set out in Clause 6.1 have been satisfied;
 - (d) each of the Rating Agencies has confirmed in writing to the Issuer (who will provide a copy to Funding 1, the Issuer Security Trustee and the Funding 1 Security Trustee)

that there will not, as a result of the Issuer issuing any Notes on the relevant Closing Date and loaning the proceeds thereof to Funding 1 under the terms of this Agreement, be any adverse effect on the then current ratings by the Rating Agencies of any Notes then outstanding;

- (e) one or more Deeds of Accession relating to the Funding 1 Deed of Charge have been executed by any additional Funding 1 Secured Creditors and the parties to the Funding 1 Deed of Charge;
- (f) one or more Deeds of Accession relating to the Issuer Deed of Charge have been executed by any additional Issuer Secured Creditors and the parties to the Issuer Deed of Charge; and
- (g) any other relevant conditions precedent specified in the applicable Loan Tranche Supplement have been satisfied.

4. PURPOSE

4.1 Purpose and application of a Loan Tranche

The proceeds of each Loan Tranche may only be used by Funding 1 either:

- (a) to make an Initial Contribution to the Mortgages Trustee to acquire a share of the Trust Property and the amount of such Initial Contribution will be applied by the Mortgages Trustee in accordance with the terms of the Mortgages Trust Deed; and/or
- (b) to make a Further Contribution to the Mortgages Trustee to increase the Funding 1 Share of the Trust Property and the amount of such Further Contribution will be applied by the Mortgages Trustee in accordance with the terms of the Mortgages Trust Deed; and/or
- (c) to fund or replenish the General Reserve Fund; and/or
- (d) to refinance the existing debt of Funding 1, including any existing Loan Tranche or New Loan Tranche (if any) in whole or in part.

An NR VFN Loan Tranche, including any further advances thereunder, may also be used by Funding 1 to refinance one or more NR Loan Tranches.

4.2 Application of amounts

Without prejudice to the obligations of Funding 1 under this Clause 4, neither the Funding 1 Security Trustee nor any Funding 1 Secured Creditor shall be obliged to concern themselves as to the application of amounts drawn by Funding 1 under a Loan Tranche.

5. LIMITED RECOURSE

5.1 Recourse limited to available funds

- (a) Subject to Clause 5.1(b), but notwithstanding the terms of any other provision of this Agreement or any other Transaction Document, each of the Issuer, the Issuer Security Trustee and the Funding 1 Security Trustee agrees that the liability of Funding 1 in respect of its obligations to repay principal and pay interest or any other amounts due under this Agreement or for any breach of any other representation, warranty, covenant or undertaking of Funding 1

under this Agreement, shall be limited to amounts standing to the credit of the Funding 1 Transaction Account and the Funding 1 GIC Account from time to time (including, for the avoidance of doubt, amounts received by Funding 1 in respect of the Funding 1 Share of the Trust Property and from the Funding 1 Swap Provider), provided that the application of such amounts to the discharge of Funding 1's obligations under this Agreement shall be subject to the terms of the Funding 1 Deed of Charge and the relevant Funding 1 Priority of Payments in all cases.

- (b) To the extent that on or prior to the Final Repayment Date of any Loan Tranche advanced under this Agreement there is a shortfall between all amounts (including interest and principal) payable on that Loan Tranche under this Agreement and the amounts available therefor, that shortfall shall not be due and payable to the Issuer until the time, if ever, when Funding 1 has enough money available to pay the shortfall on that Loan Tranche after making any other payments due that rank higher in priority to that Loan Tranche. Following enforcement of the Funding 1 Security and distribution of all enforcement proceeds in accordance with the Funding 1 Deed of Charge, all outstanding claims that the Issuer may otherwise have against Funding 1 under this Agreement will be extinguished.
- (c) In the event of a shortfall of Funding 1 Available Revenue Receipts, Funding 1 shall create a provision in its accounts for the shortfall equal to the amount by which the aggregate amount of interest (including the interest on unpaid interest) paid on the Loan Tranches on the relevant Funding 1 Payment Date falls short of the aggregate amount of interest (including interest on unpaid interest) payable (but for the provisions of this Clause 5.1) on the Loan Tranches on that date pursuant to Clause 7. Such shortfall shall itself accrue interest in accordance with Clause 16.

6. UTILISATION OF THE LOAN TRANCHES

6.1 Drawdown conditions relating to the Loan Tranches

Save as otherwise provided in the applicable Loan Tranche Supplement, each Loan Tranche will be made available by the Issuer to Funding 1 on the relevant Closing Date if:

- (a) the related Series and Class of Notes have (or, in the case of an NR VFN Loan Tranche, the related Class Z Variable Funding Note has) been issued by the Issuer on the relevant Closing Date and the subscription proceeds have been received by or on behalf of the Issuer;
- (b) not later than 2.00 p.m. (London time) on the relevant Closing Date (or such later time as may be agreed in writing by Funding 1, the Issuer, the Issuer Security Trustee and the Funding 1 Security Trustee), the Issuer, the Issuer Security Trustee and the Funding 1 Security Trustee have received from Funding 1 a Loan Tranche Notice (substantially in the form set out in Schedule 2) requesting a drawing under the Intercompany Loan Facility, receipt of which shall (subject to the terms of this Agreement and to the issue of the relevant Series and Class of Notes by the Issuer) oblige Funding 1 to borrow the whole of the amount requested in the Loan Tranche Notice on the date stated in the Loan Tranche Notice (which shall be the relevant Closing Date) upon the terms and subject to the conditions contained in this Agreement;
- (c) Funding 1 has confirmed in the relevant Loan Tranche Notice that:

- (i) no Intercompany Loan Event of Default has occurred and is continuing unremedied (if capable of remedy) or unwaived or would result from the making of such Loan Tranche;
 - (ii) the representations set out in Clause 13 are true on and as of the relevant Closing Date by reference to the facts and circumstances then existing; and
 - (iii) there is no debit balance on the Funding 1 Principal Deficiency Ledger as at the relevant Closing Date;
- (d) the aggregate principal amount of the Loan Tranches to be drawn on the Drawdown Date would not exceed the principal amount of the Series and Class of Notes to be issued by the Issuer on the relevant Drawdown Date; and
- (e) Funding 1 has delivered a solvency certificate to the Issuer, the Issuer Security Trustee and the Funding 1 Security Trustee substantially in the form set out in Schedule 4.

6.2 Loan Tranches correspond to Series and Classes of Notes

Each Loan Tranche shall be identified by reference to the relevant Series and Class of Notes (or, in the case of an NR VFN Loan Tranche, the relevant Class Z Variable Funding Note) that is used to fund it, as set out in the applicable Loan Tranche Supplement.

6.3 Loan Tranche Supplement

The Loan Tranche Supplement to be signed on each Closing Date in accordance with Clause 3.1(a) shall record, amongst other things, the amount of each Loan Tranche to be made on such Closing Date, which shall correspond to the principal amount of such Loan Tranche that is available for drawing which is notified to the Issuer in the applicable Loan Tranche Notice.

6.4 Drawing of the Loan Tranche

- (a) In respect of Loan Tranches other than NR VFN Loan Tranches, on satisfaction of the conditions set out in Clause 3, the Issuer shall make the applicable Loan Tranches available to Funding 1 on the relevant Closing Date. The aggregate of such Loan Tranches to be made on the relevant Closing Date will only be available for drawing in one amount by Funding 1 on the relevant Closing Date.
- (b) Each NR VFN Loan Tranche (which, for the avoidance of doubt, does not include any Increase Amount) will be advanced on the relevant Closing Date subject to the satisfaction of the matters specified in Clauses 3.1(a), (b), (c) and (g).
- (c) The Issuer shall make a further advance to Funding 1 in an amount equal to the Increase Amount on the Increase Date in respect of each relevant NR VFN Loan Tranche and Funding 1 agrees to borrow each such amount (and the Issuer shall notify the Agent Bank of such further advance as soon as reasonably possible). On and from the Increase Date, the Outstanding Principal Amount of such NR VFN Loan Tranche shall be increased by the Increase Amount.

6.5 Redemption/Payment Basis

Each Loan Tranche may be a Bullet Loan Tranche, a Scheduled Amortisation Loan Tranche, a Pass-Through Loan Tranche or a combination of any of the foregoing, depending upon the Redemption/Payment Basis shown in the applicable Loan Tranche Supplement.

7. INTEREST

7.1 Funding 1 Interest Periods

- (a) The first Funding 1 Interest Period in respect of a Loan Tranche will commence on (and include) the Loan Tranche Interest Commencement Date relating to that Loan Tranche and end on (but exclude) the first Funding 1 Interest Payment Date falling thereafter. Each subsequent Funding 1 Interest Period shall commence on (and include) a Funding 1 Interest Payment Date and end on (but exclude) the next following Funding 1 Interest Payment Date.
- (b) Whenever it is necessary to compute an amount of interest in respect of a Loan Tranche for any period (including any Funding 1 Interest Period), such interest shall be calculated on the basis of the actual number of days elapsed in such period and a year of 365 days (or, if different, such interest shall be calculated on the basis of the day count fraction specified in the relevant Issuer Swap (as notified to the Agent Bank by the Issuer Cash Manager or Cash Manager on behalf of the Issuer or Funding 1 as applicable) or, if there is no such Issuer Swap, the relevant Final Terms, in respect of the corresponding Series and Class of Notes).

7.2 Determination of Loan Tranche Rates of Interest

- (a) In relation to any Loan Tranche which pays a Compounded Daily SONIA rate, as specified in the relevant Loan Tranche Supplement, the rate of interest payable (the **Loan Tranche Rate of Interest**) will, subject as provided below, be Compounded Daily SONIA plus or minus (as indicated in the relevant Loan Tranche Supplement), the Relevant Margin and the Loan Tranche Interest Amount in respect of such Loan Tranche shall be determined on the basis of the provisions set out below and, in the case of a Term NR VFN Advance, subject to the following calculation provisions:

- (i) **Compounded Daily SONIA (Non-Index Determination)**

Where Overnight Rate is specified as "Applicable", the Loan Reference Rate is specified as being "Compounded Daily SONIA" and Index Determination is specified as "Not Applicable" for a Loan Tranche in the applicable Loan Tranche Supplement, the following provisions shall apply and the Loan Tranche Rate of Interest for each Funding 1 Interest Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as indicated in the applicable Loan Tranche Supplement) the Relevant Margin (if any), as calculated by the Agent Bank (or such other party responsible for the calculation of the Loan Tranche Rate of Interest, as specified in the applicable Loan Tranche Supplement).

Compounded Daily SONIA means, in relation to a Funding 1 Interest Period, the rate of return of a daily compound interest investment (with the daily Sterling Overnight Index Average as the reference rate for the calculation of interest) and will be calculated by the Agent Bank (or such other party responsible for the calculation of the Loan Tranche Rate of Interest, as specified in the applicable Loan Tranche Supplement) on the Interest Determination Date (i) as further specified in the applicable Loan Tranche Supplement; or (ii) in accordance with the following formula, and the resulting percentage will be rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{\text{Daily SONIA} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

d means the number of calendar days in:

- (a) where in the applicable Loan Tranche Supplement "Lag" is specified as the Observation Method, the relevant Funding 1 Interest Period; or
- (b) where in the applicable Loan Tranche Supplement "Shift" is specified as the Observation Method, the relevant SONIA Observation Period;

Daily SONIA means (save as specified in the applicable Loan Tranche Supplement), in respect of any London Business Day:

- (a) where in the applicable Loan Tranche Supplement "Lag" is specified as the Observation Method, SONIAi-pLBD; or
- (b) where in the applicable Loan Tranche Supplement "Shift" is specified as the Observation Method, SONIAi;

do means the number of London Business Days in:

- (a) where in the applicable Loan Tranche Supplement "Lag" is specified as the Observation Method, the relevant Funding 1 Interest Period; or
- (b) where in the applicable Loan Tranche Supplement "Shift" is specified as the Observation Method, the relevant SONIA Observation Period;

Designated Source means the screen page, display page or other information service of a distributor or other information service provider that is authorised by the SONIA Administrator to publish or otherwise make available SONIA, as specified in the applicable Loan Tranche Supplement, or any successor thereto or replacement thereof (and if any such screen page, display page or other information service is temporarily unavailable, as otherwise published by such distributor or other information service provider);

i means a series of whole numbers from 1 to do, each representing the relevant London Business Day in chronological order from (and including) the first London Business Day in:

- (a) where in the applicable Loan Tranche Supplement "Lag" is specified as the Observation Method, in the relevant Funding 1 Interest Period; or
- (b) where in the applicable Loan Tranche Supplement "Shift" is specified as the Observation Method, the relevant SONIA Observation Period;

London Business Day or **LBD** means any day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

ni, for any London Business Day *i*, means the number of calendar days from (and including) such London Business Day up to (but excluding), the following London Business Day;

p means the number of London Business Days included in the "Observation Look-back Period" specified in the applicable Loan Tranche Supplement;

Relevant Screen Rate has the meaning given to it in the applicable Loan Tranche Supplement;

SONIA Administrator means the Bank of England or any successor administrator of SONIA;

SONIA Observation Period means, in respect of each Funding 1 Interest Period, the period from (and including) the date falling *p* London Business Days prior to the first day of the relevant Funding 1 Interest Period (and the first Funding 1 Interest Period shall begin on and include the Interest Commencement Date) to (but excluding) the date falling *p* London Business Days prior to the Funding 1 Interest Payment Date for such Funding 1 Interest Period (or the date falling *p* London Business Days prior to such earlier date, if any, on which the Loan Tranche becomes due and payable);

SONIA reference rate in respect of any London Business Day, is a reference rate equal to the daily Sterling Overnight Index Average (SONIA) rate for such London Business Day as provided by the SONIA Administrator and published, displayed or made available on the Designated Source on the London Business Day immediately following such London Business Day;

SONIA_i means (save as specified in the applicable Loan Tranche Supplement) in respect of any London Business Day *i* falling in the relevant SONIA Observation Period, the SONIA reference rate for such day; and

SONIA_i-*p*LBD means (save as specified in the applicable Loan Tranche Supplement) in respect of any London Business Day *i* falling in the relevant Funding 1 Interest Period, the SONIA reference rate for the London Business Day falling *p* London Business Days prior to such day.

(ii) **Compounded Daily SONIA (Index Determination)**

Where Overnight Rate and Index Determination are specified as "Applicable" and the Loan Reference Rate is specified as being "Compounded Daily SONIA" for a Loan Tranche in the applicable Loan Tranche Supplement, the following provisions shall apply and the Loan Tranche Rate of Interest for each Funding 1 Interest Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as indicated in the applicable Loan Tranche Supplement) the Relevant Margin (if any), as calculated by the Agent Bank (or such other party responsible for the calculation of the Loan Tranche Rate of Interest, as specified in the applicable Loan Tranche Supplement).

Compounded Daily SONIA means, in relation to a Funding 1 Interest Period, the rate of return of a daily compound interest investment (with the daily Sterling Overnight Index Average as the reference rate for the calculation of interest) and will

be calculated by the Agent Bank (or such other party responsible for the calculation of the Loan Tranche Rate of Interest, as specified in the applicable Loan Tranche Supplement) on the Interest Determination Date (i) as further specified in the applicable Loan Tranche Supplement; or (ii) in accordance with the following formula, and the resulting percentage will be rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left(\frac{SONIA\ Index_{End}}{SONIA\ Index_{Start}} - 1 \right) \times \frac{365}{d}$$

where:

d means the number of calendar days from (and including) the day in relation to which SONIA IndexStart is determined to (but excluding) the day in relation to which SONIA IndexEnd is determined;

Designated Source means the screen page, display page or other information service of a distributor or other information service provider that is authorised by the SONIA Administrator to publish or otherwise make available the SONIA Index, as specified in the applicable Loan Tranche Supplement, or any successor thereto or replacement thereof (and if any such screen page, display page or other information service is temporarily unavailable, as otherwise published by such distributor or other information service provider);

London Business Day or **LBD** means any day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

p means the number of London Business Days included in the "Observation Look-back Period" specified in the applicable Loan Tranche Supplement;

SONIA Administrator means the Bank of England or any successor administrator of SONIA;

SONIA Index means, unless otherwise defined in the applicable Loan Tranche Supplement, the screen rate or index for compounded daily SONIA rates as provided by the SONIA Administrator and published, displayed or made available on the Designated Source on the relevant Interest Determination Date;

SONIA IndexStart means, with respect to a Funding 1 Interest Period, the SONIA Index value for the day which is p London Business Days prior to the first day of such Funding 1 Interest Period; and

SONIA IndexEnd means, with respect to a Funding 1 Interest Period, the SONIA Index value for the day which is p London Business Days prior to (A) the Funding 1 Interest Payment Date for such Interest Period, or (B) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Funding 1 Interest Period).

If, as at any relevant Interest Determination Date, the relevant SONIA Index is not published, displayed or made available on the Designated Source by 5.00 p.m. (London time) (or, if later, by the time falling one hour after the customary or

scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the SONIA Administrator or the relevant authorised distributor or of such other information service provider, as the case may be), the Compounded Daily SONIA for the applicable Funding 1 Interest Period for which the relevant SONIA Index is not available shall be "Compounded Daily SONIA" determined as set out under the section entitled "Compounded Daily SONIA (Non-Index Determination)" above and as if Index Determination were specified in the applicable Loan Tranche Supplement as being "Not Applicable", and for these purposes: (i) the "Observation Method" shall be deemed to be "Shift"; and (ii) the "Observation Look-Back Period" shall be deemed to be equal to p London Business Days, as if such alternative elections had been made in the applicable Loan Tranche Supplement.

- (b) If, in respect of any London Business Day in the relevant SONIA Observation Period or the relevant Funding 1 Interest Period (as the case may be), the Agent Bank (or such other party responsible for the calculation of the Loan Tranche Rate of Interest, as specified in the applicable Loan Tranche Supplement) determines that the SONIA reference rate is not available on the Designated Source, such SONIA reference rate shall be: (i) the Bank of England's Bank Rate (the **Bank Rate**) prevailing at close of business on the relevant London Business Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Business Days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

Notwithstanding the paragraph above, in the event the Bank of England publishes guidance as to (i) how the SONIA reference rate is to be determined; or (ii) any rate that is to replace the SONIA reference rate, the Agent Bank (or such other party responsible for the calculation of the Loan Tranche Rate of Interest, as specified in the applicable Loan Tranche Supplement) shall, subject to receiving written Instructions from the Issuer and to the extent that it is reasonably practicable, follow such guidance in order to determine SONIA_i for the purpose of the relevant Loan Tranche for so long as the SONIA reference rate is not available or has not been published, displayed or made available on the Designated Source. To the extent that any amendments or modifications to the Conditions or the Transaction Documents are required in order for the Agent Bank (or such other party responsible for the calculation of the Loan Tranche Rate of Interest, as specified in the applicable Loan Tranche Supplement) to follow such guidance in order to determine SONIA_i, the Agent Bank (or such other party responsible for the calculation of the Loan Tranche Rate of Interest, as specified in the applicable Loan Tranche Supplement) shall have no obligation to act until such amendments or modifications have been made in accordance with the Conditions and the Transaction Documents.

In the event that the Loan Tranche Rate of Interest cannot be determined in accordance with the foregoing provisions by the Agent Bank (or such other party responsible for the calculation of the Loan Tranche Rate of Interest, as specified in the applicable Loan Tranche Supplement), the Loan Tranche Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date in relation to such Loan Tranche (though substituting, where a different Relevant Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Funding 1 Interest Period from that which applied to the last preceding Funding 1 Interest Period, the Relevant Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Funding 1 Interest Period in place of the Relevant Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Funding 1 Interest Period); or (ii) if there is no such preceding Interest Determination Date, the initial Loan Tranche Rate of Interest which would have been

applicable to such Loan Tranche for the first Funding 1 Interest Period had the Loan Tranche existed for a period equal in duration to the scheduled first Funding 1 Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Relevant Margin or Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).

- (c) All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Clause 7, whether by the Reference Banks (or any of them) or any other bank or the Agent Bank, the Issuer, the Issuer Security Trustee or the Funding 1 Security Trustee, shall (in the absence of wilful default, bad faith or manifest error) be binding on Funding 1, the Issuer, the Issuer Cash Manager, the Cash Manager, the Reference Banks, such bank, the Agent Bank, the Issuer Security Trustee and the Funding 1 Security Trustee and (in the absence of wilful default, bad faith or manifest error) no liability to Funding 1 shall attach to the Issuer, the Issuer Cash Manager, the Cash Manager, the Reference Banks, such bank, the Agent Bank, the Issuer Security Trustee or the Funding 1 Security Trustee in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretions hereunder.
- (d) If, in the Funding 1 Interest Period immediately preceding a Funding 1 Interest Payment Date, there has been a further advance in respect of an NR VFN Loan Tranche pursuant to Clause 6.4(c) above, the Loan Tranche Interest Amount in respect of such NR VFN Loan Tranche shall be determined as the sum of:
 - (i) the interest determined as being payable in respect of the NR VFN Loan Tranche as if the Outstanding Principal Amount were the Outstanding Principal Amount of the NR VFN Loan Tranche at the beginning of such Funding 1 Interest Period and as if the reference rate was the reference rate specified in the relevant Loan Tranche Supplement; plus
 - (ii) the interest determined as being payable in respect of each Increase Amount made in such Funding 1 Interest Period calculated on the basis set out in the other provisions of this Clause 7.2 as if references in such provisions to the Loan Tranche and the Outstanding Principal Amount were instead references to the Increase Amount and the Funding 1 Interest Period in respect of such Increase Amount commenced on the Increase Date. The Loan Tranche Rate of Interest payable in respect of any Increase Amount made on an Increase Date which is not a Funding 1 Interest Payment Date shall be the same rate as that determined in respect of the NR VFN Loan Tranche pursuant to this Clause 7.2 immediately prior to such Increase Date, or such other rate as may be specified in the applicable Loan Tranche Supplement in respect of such NR VFN Loan Tranche.

In all other cases, the interest payable in respect of each NR VFN Loan Tranche shall be determined pursuant to Clause 7.2(a), 7.2(b) or 7.2(c) above as applicable.

- (e) Subject to Clause 5.1(a), interest shall be paid on each Loan Tranche on the Funding 1 Interest Payments Dates specified in the applicable Loan Tranche Supplement and in accordance with the terms of the Funding 1 Deed of Charge and the applicable Funding 1 Priority of Payments.
- (f) Subject to Clause 5.1(b), to the extent that there are insufficient funds available to pay interest on a Loan Tranche on any Funding 1 Interest Payment Date, the shortfall in the interest amount payable will not then fall due but will instead be due on the next Funding 1 Interest Payment Date (if any) on which Funding 1 has sufficient amounts standing to the credit of the Funding 1 GIC Account and the Funding 1 Transaction Account to pay such interest in

accordance with the Funding 1 Deed of Charge and the applicable Funding 1 Priority of Payments, and, pending such payment, will accrue interest at the Loan Tranche Rate of Interest applicable to such Loan Tranche from time to time.

- (g) In addition to the interest and principal payments to be made by Funding 1 in respect of each Loan Tranche under this Clause 7 and Clause 8, respectively, on each Funding 1 Interest Payment Date or on any other date on which the Issuer notifies Funding 1, but subject to Clause 5.1(a), Funding 1 shall pay to the Issuer for same day value to the Issuer Transaction Account a fee for the provision of the Intercompany Loan Facility (except that in the case of payments due under paragraphs (i), (ii), (iv), (v) and (x) below, such payments shall be paid when the relevant amounts fall due by the Issuer). Such fee shall be an amount or amounts in the aggregate equal to the following:
- (i) the fees, costs, charges, liabilities and expenses and any other amounts due and payable to the Note Trustee and the Issuer Security Trustee pursuant to the Issuer Note Trust Deed, the Issuer Deed of Charge or any other Transaction Document, together with interest thereon as provided therein;
 - (ii) the reasonable fees and expenses of any legal advisers, accountants and auditors appointed by the Issuer and properly incurred in their performance of their functions under the Transaction Documents which have fallen due;
 - (iii) the fees, costs and expenses due and payable to the Paying Agents, the Agent Bank, the Transfer Agent, the Exchange Rate Agent and the Registrar pursuant to the Issuer Paying Agent and Agent Bank Agreement;
 - (iv) any amounts due and payable by the Issuer to HM Revenue and Customs in respect of the Issuer's liability to United Kingdom corporation tax (insofar as such liability is not or will not be capable of being satisfied out of the profits, income or gains of the Issuer and subject to the terms of the Issuer Deed of Charge) or any other Taxes payable by the Issuer;
 - (v) the fees, costs, charges, liabilities and expenses due and payable to the Issuer Account Bank pursuant to the Issuer Bank Account Agreement (if any);
 - (vi) the fees, costs, charges, liabilities and expenses due and payable to the Issuer Cash Manager pursuant to the Issuer Cash Management Agreement;
 - (vii) the fees, costs, charges, liabilities and expenses due and payable to the Issuer Corporate Services Provider pursuant to the Issuer Corporate Services Agreement;
 - (viii) any termination payment due and payable by the Issuer to an Issuer Swap Provider pursuant to an Issuer Swap Agreement after taking into account any amount received by the Issuer in consideration of it entering into an agreement in replacement of such Issuer Swap Agreement (which amounts shall be deemed to be received by the Issuer in respect of the Loan Tranche corresponding to the Series and Class of Notes to which such Issuer Swap Agreement relates and shall be applied by the Issuer in payment of such termination payment due and payable pursuant the relevant Issuer Swap Agreement);
 - (ix) £1,250, provided that the amount payable by Funding 1 to the Issuer pursuant to this paragraph (ix) together with the amount payable by Funding 1 to the Issuer pursuant to paragraph (iv) above, in respect of each accounting period of the Issuer, shall in aggregate not exceed an amount equal to 0.01 per cent. of the interest amounts paid

by Funding 1 to the Issuer in respect of the Loan Tranches in that accounting period plus any amount payable under Clause 7.2(f); and

- (x) any other amounts due or overdue by the Issuer to third parties (excluding, for these purposes, the Noteholders) including the Rating Agencies, the Dealers and the Managers under the Programme Agreement and each Subscription Agreement and in consideration of the Issuer entering into any replacement Issuer Swap Agreement to the extent not paid or payable using any early termination amount received or receivable by the Issuer pursuant to the Issuer Swap Agreement it replaces and excluding, for the avoidance of doubt, any amounts specified in paragraphs (i) to (ix) above,

together with (A) in respect of taxable supplies made to the Issuer, an amount in respect of any VAT or similar tax payable in respect thereof against production of a copy of the relevant tax invoice and (B) in respect of taxable supplies made to a person other than the Issuer, any amount in respect of any VAT or Irrecoverable VAT or similar tax (as the case may be) payable in respect thereof as provided in the relevant agreement (against production of a copy of the relevant tax invoice), and to be applied subject to and in accordance with the provisions of the Issuer Pre-Acceleration Revenue Priority of Payments in the Issuer Cash Management Agreement. The parties acknowledge that the amount payable by Funding 1 to the Issuer pursuant to this Clause 7.2(g) shall be paid in accordance with the Funding 1 Deed of Charge and the relevant Funding 1 Priority of Payments (which, prior to service of an Intercompany Loan Acceleration Notice, shall be paragraph (a)(ii) of the Funding 1 Pre-Acceleration Revenue Priority of Payments in the case of the amount payable pursuant to paragraphs (i) to (vii) and (x) above and paragraphs (p) and (t)(ii) of the Funding 1 Pre-Acceleration Revenue Priority of Payments in the case of the amount payable pursuant to paragraphs (viii) and (ix) above) and (in each case) subject to the provisions of Clause 5.1(a) such that in the event of a shortfall resulting in any such amount not being paid on a Funding 1 Interest Payment Date then such amount shall not be paid until the next Funding 1 Interest Payment Date (if any) on which Funding 1 has sufficient amounts standing to the credit of the Funding 1 GIC Account and the Funding 1 Transaction Account to pay such amount in accordance with the Funding 1 Deed of Charge and the relevant Funding 1 Priority of Payments.

- (h) Funding 1 and each of the other parties to this Agreement agree that the Issuer shall be entitled to set-off those amounts due and payable by Funding 1 pursuant to Clause 7.2(g) on the Closing Date for a Loan Tranche against the amount to be advanced by the Issuer to Funding 1 under such Loan Tranche on such Closing Date.
- (i) If and to the extent that Part 4 Taxation (International and Other Provisions) Act 2010 applies to any provision between the Issuer and Funding 1 under or in relation to the Funding 1 Agreements in respect of any period prior to the entry of Funding 1 and the Issuer into the permanent regime for securitisation companies established by the Taxation of Securitisation Companies Regulations 2006, such that the liability to UK corporation tax of either the Issuer or Funding 1 exceeds the amount which it would otherwise have been (so that that person is the "advantaged party" as defined in Part 4 Taxation (International and Other Provisions) Act 2010):
 - (i) the disadvantaged party (as defined in Part 4 Taxation (International and Other Provisions) Act 2010) shall make such corresponding adjustments as it is permitted under Part 4 Taxation (International and Other Provisions) Act 2010 to make; and
 - (ii) where the disadvantaged party is Funding 1, Funding 1 shall, to the extent necessary and to the fullest extent possible, satisfy its obligations under Clause 7.2(g)(iv) by making balancing payments pursuant to Part 4 Taxation (International and Other

Provisions) Act 2010 to the Issuer. For the avoidance of doubt, such balancing payments shall be treated for all purposes in the same way as any other payment pursuant to Clause 7.2(g)(iv) and shall be made in accordance with the Issuer Deed of Charge.

8. REPAYMENT

8.1 Repayment of Loan Tranches

Subject to Clause 5, on each Loan Tranche Payment Date, other than a Loan Tranche Payment Date on which a Loan Tranche is to be prepaid under Clause 9, Funding 1 shall repay principal in respect of such Loan Tranche in an amount equal to:

- (a) prior to the earlier to occur of the Step-Up Date (if any) in respect of such Loan Tranche and the occurrence of a Pass-Through Trigger Event, the lower of:
 - (i) the amount due to be paid on such Loan Tranche Payment Date as specified for such Loan Tranche in the applicable Loan Tranche Supplement; and
 - (ii) the amount which is available, under the terms of the Funding 1 Deed of Charge and the Cash Management Agreement, to repay principal in respect of such Loan Tranche as set out in paragraphs 1 to 3 of part 2 of schedule 4 of the Funding 1 Deed of Charge,

provided that, in the case of any Pass-Through Loan Tranche, the amount of principal to be repaid by Funding 1 in respect of such Loan Tranche on the applicable Loan Tranche Payment Date shall be calculated in accordance with sub-paragraph (ii) above; or

- (b) on and following the Step-Up Date (if any) in respect of such Loan Tranche, the amount which is available under the terms of the Funding 1 Deed of Charge and the Cash Management Agreement to repay principal in respect of such Loan Tranche in such circumstances as set out in paragraph 4 of part 2 of schedule 4 of the Funding 1 Deed of Charge; or
- (c) following the occurrence of a Non-Asset Trigger Event but prior to the occurrence of an Asset Trigger Event, service on Funding 1 of an Intercompany Loan Acceleration Notice or service on the Issuer of a Note Acceleration Notice, the amount which is available under the terms of the Funding 1 Deed of Charge and the Cash Management Agreement to repay principal in respect of such Loan Tranche in such circumstances as set out in paragraph 5 of part 2 of schedule 4 of the Funding 1 Deed of Charge; or
- (d) following the occurrence of an Asset Trigger Event but prior to service on Funding 1 of an Intercompany Loan Acceleration Notice or service on the Issuer of a Note Acceleration Notice, the amount which is available under the terms of the Funding 1 Deed of Charge and the Cash Management Agreement to repay principal in respect of such Loan Tranche in such circumstances as set out in paragraph 6 of part 2 of schedule 4 of the Funding 1 Deed of Charge; or
- (e) following service on the Issuer of a Note Acceleration Notice but prior to service on Funding 1 of an Intercompany Loan Acceleration Notice, the amount which is available under the terms of the Funding 1 Deed of Charge and the Cash Management Agreement to repay principal in respect of such Loan Tranche in such circumstances as set out in paragraph 7 of part 2 of schedule 4 of the Funding 1 Deed of Charge; or

- (f) following service on Funding 1 of an Intercompany Loan Acceleration Notice, the amount which is available under the terms of the Funding 1 Deed of Charge and the Cash Management Agreement to repay principal in respect of such Loan Tranche in such circumstances as set out in part 3 of schedule 4 of the Funding 1 Deed of Charge.

To the extent that there are insufficient funds available to Funding 1 to repay the amount due to be paid on such Loan Tranche Payment Date, the shortfall shall be paid on subsequent Funding 1 Interest Payment Dates to the extent Funding 1 has sufficient amounts standing to the credit of the Funding 1 GIC Account and the Funding 1 Transaction Account to pay such amounts in accordance with the Funding 1 Deed of Charge and the relevant Funding 1 Priority of Payments.

8.2 Loan Tranche Ratings

Unless otherwise specified for any Loan Tranche in the applicable Loan Tranche Supplement, such Loan Tranche shall be repaid (as to both interest and principal) in the priority according to the Loan Tranche Rating of that Loan Tranche. The Loan Tranche Rating for a Loan Tranche will be specified for such Loan Tranche in the applicable Loan Tranche Supplement.

8.3 Payment subject to terms of the Funding 1 Deed of Charge

Clause 7 and this Clause 8 are to be read in conjunction with the provisions of the Funding 1 Deed of Charge, as the same may be modified from time to time in accordance with the provisions thereof.

9. PREPAYMENT

9.1 Prepayment for taxation or other reasons

If:

- (a) Funding 1 is required to withhold or deduct, from any payment of principal or interest in respect of any Loan Tranche, any amount for or on account of Tax; or
- (b) a Loan Tranche becomes illegal as described in Clause 11; or
- (c) the Issuer is required to deduct or withhold, from any payment of principal, interest or premium in respect of the Notes, any amount for or on account of Tax,

then, without prejudice to the obligations of Funding 1 under Clause 11 and subject to Clause 12, Funding 1 may prepay, on any Loan Tranche Payment Date, having given not more than 60 days' and not less than 30 days' (or such shorter period as may be required by any relevant law in the case of any Loan Tranche which becomes illegal pursuant to Clause 11) prior written notice to the Issuer, the Issuer Security Trustee and the Funding 1 Security Trustee (or on or before the latest date permitted by the relevant law in the case of Clause 11) as long as the relevant circumstances continue, the applicable Loan Tranche without penalty or premium but subject to Clause 16, provided that the Issuer is able to redeem the related Notes used to fund such Loan Tranche on such Loan Tranche Payment Date from funds received from repayment of such Loan Tranche.

9.2 Prepayment at option of Issuer

The Issuer, at its option, may require Funding 1 to prepay the Outstanding Principal Amount of a Loan Tranche (together with any accrued interest) on any Loan Tranche Payment Date on which the Issuer has decided to exercise its option, if any, to redeem in full the Notes used to fund such Loan Tranche provided that the Repayment Tests will be satisfied following such prepayment. The Issuer shall give Funding 1 not more than 60 days' and not less than 30 days' prior written notice (or, in the case of the exercise of an option to redeem the Notes pursuant to Condition 5.4(c) of the Notes, not more than 30 days' nor less than 5 days' prior written notice) of the Issuer's decision to exercise its option to require Funding 1 to prepay the relevant Loan Tranche. Any prepayment by Funding 1 will be made without penalty or premium but will be subject to Clause 16.

9.3 Application of monies

The Issuer hereby agrees to apply any amounts received by way of prepayment pursuant to Clauses 9.1 and 9.2 to redeem, in full or in part, the relevant Notes subject to and in accordance with the applicable Issuer Priority of Payments.

9.4 Funding 1 Ledgers

Funding 1 shall maintain, or cause to be maintained, the Funding 1 Ledgers in accordance with the Cash Management Agreement.

10. TAXES

10.1 No gross up

All payments by Funding 1 under this Agreement shall be made without any deduction or withholding for or on account of and free and clear of, any Taxes, except to the extent that Funding 1 is required by law to make payment subject to such deduction or withholding.

10.2 Tax receipts

All Taxes required by law to be deducted or withheld by Funding 1 from any amounts paid or payable under this Agreement shall be paid by Funding 1 when due and Funding 1 shall, within 30 days of the payment being made, deliver to the Issuer evidence satisfactory to the Issuer (including all relevant Tax receipts) that the payment has been duly remitted to the appropriate authority.

11. ILLEGALITY

If, at any time, it is unlawful for the Issuer to make, fund or allow to remain outstanding a Loan Tranche made or to be made by it under this Agreement, then the Issuer shall, promptly after becoming aware of the same, deliver to Funding 1, the Issuer Security Trustee, the Funding 1 Security Trustee and the Rating Agencies a legal opinion to that effect from reputable counsel and, if the Issuer so requires, Funding 1 shall promptly to the extent necessary to cure such illegality prepay all such Loan Tranche subject to and in accordance with the provisions of Clause 9.1.

12. MITIGATION

If circumstances arise in respect of the Issuer which would, or would upon the giving of notice, result in:

- (a) the prepayment of the Loan Tranches pursuant to Clause 11;
- (b) a withholding or deduction from the amount to be paid by Funding 1 for or on account of Taxes pursuant to Clause 10,

then, without in any way limiting, reducing or otherwise qualifying the obligations of Funding 1 under this Agreement, the Issuer shall:

- (i) promptly upon becoming aware of the circumstances, notify the Issuer Security Trustee, the Funding 1 Security Trustee, Funding 1 and the Rating Agencies thereof; and
- (ii) upon written request from Funding 1, take such steps as may be practical to mitigate the effects of those circumstances including (without limitation) the assignment of all its rights under this Agreement to, and assumption of all its obligations under this Agreement by, another company acceptable to the Funding 1 Security Trustee, which is willing to participate in the relevant Loan Tranches in its place and which is not subject to (a) and/or (b) above,

provided that no such assignment and assumption may be permitted unless the Rating Agencies confirm in writing to the Issuer (which the Issuer shall copy to the Issuer Security Trustee and the Funding 1 Security Trustee) that there will be no withdrawal, downgrading or qualification of the then current ratings of the Rated Notes issued by the Issuer as a result thereof (it being acknowledged that none of the Rating Agencies has any obligation to provide such confirmation at any time and that, pursuant to Condition 16, the confirmation of one of the Rating Agencies may be sufficient for such purpose in respect of the Issuer Notes) and Funding 1 indemnifies the Issuer, the Issuer Security Trustee and the Funding 1 Security Trustee for any costs and expenses properly incurred as a result of such assignment and assumption.

13. REPRESENTATIONS AND WARRANTIES OF FUNDING 1

13.1 Representations and warranties

Funding 1 makes the representations and warranties set out in this Clause 13 to the Issuer and the Funding 1 Security Trustee (as trustee for each of the Funding 1 Secured Creditors).

13.2 Status

- (a) It is a limited liability company duly incorporated, validly existing and registered under the laws of the jurisdiction in which it is incorporated, capable of being sued in its own right and not subject to any immunity from any proceedings.
- (b) It has the power to own its property and assets and to carry on its business as it is being conducted.

13.3 Powers and authority

It has the power to enter into, perform and deliver, and has taken all necessary corporate and other action to authorise the execution, delivery and performance by it of each of the Transaction Documents to which it is a party.

13.4 Legal validity

Each Transaction Document to which it is or will be a party constitutes, or when executed in accordance with its terms will constitute, a legal, valid and binding obligation enforceable in accordance with its terms, subject to general equitable principles, insolvency, liquidation and other laws affecting creditors' rights generally.

13.5 Non-conflict

The execution by it of each of the Transaction Documents to which it is a party and the exercise by it of its rights and the performance of its obligations under such Transaction Documents including, without limitation, borrowing pursuant to the terms of this Agreement or granting any security contemplated by the Transaction Documents will not:

- (a) result in the existence or imposition of nor oblige it to create any Security Interest in favour of any person (other than the Funding 1 Secured Creditors) over all or any of its present or future revenues or assets;
- (b) conflict with any document which is binding upon it or any of its assets;
- (c) conflict with its constitutional documents; or
- (d) conflict with any law, regulation or official or judicial order of any government, governmental body or court, domestic or foreign, having jurisdiction over it.

13.6 No litigation

No litigation, arbitration or administrative proceedings are current or, to its knowledge, pending or threatened.

13.7 No default

No Intercompany Loan Event of Default is continuing unremedied (if capable of remedy) or unwaived or would result from the making of any Loan Tranche.

13.8 Authorisations

All governmental consents, licences and other approvals and authorisations required or desirable in connection with the entry into, performance, validity and enforceability of, and the transactions contemplated by, the Transaction Documents have been obtained or effected (as appropriate) and are in full force and effect.

13.9 Registration requirements

Except for due registration of the Funding 1 Deed of Charge under Section 395 of the Companies Act 1985, it is not necessary that the Funding 1 Deed of Charge or this Agreement be filed, recorded or enrolled with any authority or that, except for registration fees payable to the Registrar of Companies in respect of the Funding 1 Deed of Charge, any stamp, registration or similar tax be paid on or in respect thereof.

13.10 Ranking of security

The security conferred by the Funding 1 Deed of Charge constitutes a first priority Security Interest, of the type described in the Funding 1 Deed of Charge, over the security assets

referred to in the Funding 1 Deed of Charge, and the security assets are not subject to any prior or *pari passu* ranking Security Interests.

13.11 No other business

- (a) It has not traded or carried on any business since its date of incorporation or engaged in any activity whatsoever that is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage that it will engage.
- (b) It is not party to any material agreements other than the Transaction Documents.

13.12 Ownership

- (a) Its entire issued share capital is beneficially owned and controlled by Holdings.
- (b) Its shares are fully paid.

13.13 Good title as to assets

Subject to the Security Interests created by the Funding 1 Deed of Charge, it is and will remain the absolute beneficial owner of the Funding 1 Share and absolute legal and beneficial owner of all other assets charged or assigned by the Funding 1 Deed of Charge to which it is a party.

13.14 Tax

- (a) It is resident for tax purposes solely in the United Kingdom.
- (b) It has no branch, business establishment or other permanent establishment outside the United Kingdom.
- (c) Its centre of main interests for the purpose of the EU Insolvency Regulation (EC) No 1346/2000 of 29 May 2000 (the **Regulation**) is in England.
- (d) It has no purpose for entering into the Funding 1 Agreements that is an unallowable purpose within the meaning of Section 442 of the Corporation Tax Act 2009 (**CTA 2009**), section 691 CTA 2009 or Regulation 12 of the Taxation of Securitisation Companies Regulations 2006.
- (e) It hereby confirms that the obtaining of a tax advantage (as defined in section 1139 Corporation Tax Act 2010) for any person is not the main or one of the main purposes of Funding 1 for entering into the Funding 1 Transaction Documents to which it is a party.

13.15 Repetition

The representations in this Clause 13 shall survive the execution of this Agreement and the making of each Loan Tranche under this Agreement, and shall be repeated by Funding 1 on each Closing Date relating to the making of each Loan Tranche by reference to the facts and circumstances then subsisting.

14. COVENANTS

14.1 Duration

The undertakings in this Clause 14 remain in force from the date of this Agreement for so long as any amount is or may be outstanding under this Agreement.

14.2 Information

Funding 1 shall supply to the Funding 1 Security Trustee (as trustee for each of the Funding 1 Secured Creditors) and the Rating Agencies:

- (a) as soon as the same are available, its audited accounts for that Financial Year; and
- (b) promptly, such other information in connection with the matters contemplated by the Transaction Documents as the Funding 1 Security Trustee or the Rating Agencies may reasonably request.

14.3 Notification of Default

Funding 1 shall notify the Issuer and the Funding 1 Security Trustee (as trustee for each of the Funding 1 Secured Creditors) of any Intercompany Loan Event of Default (and the steps, if any, being taken to remedy it) promptly upon its occurrence.

14.4 Authorisations

Funding 1 shall promptly:

- (a) obtain, maintain and comply with the terms of; and
- (b) upon request, supply certified copies to the Issuer and the Funding 1 Security Trustee (as trustee for each of the Funding 1 Secured Creditors) of,

any authorisation required under any law or regulation to enable it to perform its obligations under, or for the validity or enforceability of, any Transaction Document to which it is a party.

14.5 *Pari passu* ranking

Funding 1 shall procure that its obligations under the Transaction Documents do and will rank at least *pari passu* with all its other present and future unsecured obligations, except for obligations mandatorily preferred by law applying to companies generally.

14.6 Negative pledge

Funding 1 shall not create or permit to subsist any Security Interest over or in respect of any of its assets (unless arising by operation of law) other than as provided pursuant to the Transaction Documents.

14.7 Disposals

Funding 1 shall not, either in a single transaction or in a series of transactions, whether related or not and whether voluntarily or involuntarily, sell, transfer, lease, convey, lend, part with or otherwise dispose of all or any part of its assets, properties or undertakings or any interest, estate, rights, title or benefits therein, other than as provided for pursuant to the Transaction Documents.

14.8 Mergers and acquisitions

- (a) Funding 1 shall not, without the consent of the Issuer and the Funding 1 Security Trustee, enter into any amalgamation, demerger, merger or reconstruction.

- (b) Funding 1 shall not acquire any assets or business or make any investments other than as contemplated in the Transaction Documents.

14.9 Lending and borrowing

- (a) Except as provided or contemplated by the Transaction Documents, Funding 1 shall not make any loans or provide any other form of credit to any person.
- (b) Funding 1 shall not give any guarantee or indemnity to or for the benefit of any person in respect of any indebtedness or any obligation of any other person whatsoever or enter into any document under which Funding 1 assumes any liability of any other person.
- (c) Funding 1 shall not incur any indebtedness in respect of any borrowed money other than under the Transaction Documents.

14.10 Shares and dividends

Funding 1 shall not:

- (a) declare or pay any dividend or make any other distribution in respect of any of its shares other than, for so long as the Holdings Loan Agreement is still outstanding, by making a dividend to Holdings for the purpose of prepaying the Holdings Loan Agreement;
- (b) issue any further shares or alter any rights attaching to its issued shares as at the date hereof; or
- (c) repay or redeem any of its share capital.

14.11 Change of business

- (a) Funding 1 shall not carry on any business or engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage that Funding 1 will be engaged.
- (b) Funding 1 shall not have any subsidiaries or subsidiary undertakings as defined in the Companies Act 2006, as amended.
- (c) Funding 1 shall not have any employees or own any premises.

14.12 Tax

Funding 1 shall not apply to become part of any group for the purposes of sections 43A to D of the Value Added Tax Act 1994 (including any other legislative provisions supplementing the same) with the Issuer or any other person unless required to do so by law.

14.13 United States Activities

Funding 1 will not engage in any activities in the United States (directly or through agents), will not derive any income from United States sources as determined under United States income tax principles and will not hold any United States property if doing so would cause it to be engaged or deemed to be engaged in a trade or business within the United States as determined under United States tax principles.

15. DEFAULT

15.1 Intercompany Loan Events of Default

Each of the events set out in Clauses 15.2 to 15.9 (inclusive) is an **Intercompany Loan Event of Default** (whether or not caused by any reason whatsoever outside the control of Funding 1 or any other person).

15.2 Non-payment

Subject to Clause 5.1, Funding 1 does not pay on the due date or for a period of five Business Days after such due date any amount payable by it under this Agreement at the place at and in the currency in which it is expressed to be payable.

15.3 Breach of other obligations

Funding 1 does not comply in any material respect with any of its obligations under the Transaction Documents to which it is a party (other than those referred to in Clause 15.2) and such non-compliance, if capable of remedy, is not remedied promptly and in any event within 20 London Business Days of Funding 1 becoming aware of the non-compliance or receipt of written notice from the Issuer requiring Funding 1's non-compliance to be remedied.

15.4 Misrepresentation

A representation, warranty or statement made or repeated in or in connection with any Transaction Document or in any document delivered by or on behalf of Funding 1 under or in connection with any Transaction Document is incorrect in any respect when made or deemed to be made or repeated and such incorrectness has or would reasonably be expected to have a Material Adverse Effect.

15.5 Insolvency

Any corporate action is taken by Funding 1, or any legal proceedings are started, for the winding-up, dissolution, administration or appointment of a liquidator, receiver, administrator, administrative receiver, trustee, monitor or similar officer of Funding 1 or of any or all of Funding 1's revenues and assets or any application is made or petition is lodged for the making of an administration order in relation to Funding 1.

15.6 Creditors' process

Any attachment, sequestration, distress, execution or diligence affects any asset of Funding 1 and is not discharged within 20 London Business Days.

15.7 Unlawfulness

It is or becomes unlawful for Funding 1 to perform any of its obligations under any Transaction Document.

15.8 Funding 1 Deed of Charge

The Funding 1 Deed of Charge is not, or is alleged by Funding 1 not to be, binding on or enforceable against Funding 1 or effective to create the security intended to be created by it.

15.9 Ownership

The entire issued share capital of Funding 1 ceases to be beneficially owned and controlled by Holdings.

15.10 Acceleration

Upon the occurrence of an Intercompany Loan Event of Default which is continuing unremedied and/or has not been waived, the Issuer may, subject to the terms of the Funding 1 Deed of Charge, by written notice to Funding 1 (the **Intercompany Loan Acceleration Notice**) which is copied to the Issuer Security Trustee, the Funding 1 Security Trustee and each of the other Funding 1 Secured Creditors and the Mortgages Trustee:

- (a) declare all the Loan Tranches made under this Agreement to be immediately due and payable (whereupon the same shall, subject to Clause 15.11), become so payable together with accrued interest thereon and any other sums then owed by Funding 1 under this Agreement; and/or
- (b) declare the Loan Tranches to be due and payable on demand of the Issuer.

15.11 Repayment of Term Loan on acceleration

Upon the Issuer declaring the Loan Tranches to be immediately due and payable pursuant to Clause 15.10(a), the amount due and payable in respect of each Loan Tranche shall be paid by Funding 1 without penalty or premium but subject to Clause 16.

16. DEFAULT INTEREST AND INDEMNITY

16.1 Default Loan Interest Periods

If any sum due and payable by Funding 1 under this Agreement is not paid on the due date for payment in accordance with the relevant provision of this Agreement, or if any sum due and payable by Funding 1 under any judgment or decree of any court in connection with this Agreement is not paid on the date of such judgment or decree, the period beginning on such due date or, as the case may be, the date of such judgment or decree and ending on the date upon which the obligation of Funding 1 to pay such sum (the balance thereof for the time being unpaid being herein referred to as an **unpaid sum**) is discharged shall be divided into successive periods, each of which (other than the first) shall start on the last day of the preceding such period and the duration of each of which (other than the first) shall start on (and include) a Funding 1 Interest Payment Date and end on (but exclude) the next Funding 1 Interest Payment Date unless the Issuer otherwise provides having regard to when such unpaid sum is likely to be paid.

16.2 Default interest

During each such period relating to an unpaid sum as is mentioned in this Clause 16 an unpaid sum shall bear interest at the rate per annum which the Issuer, acting reasonably, determines and certifies to Funding 1 and the Funding 1 Security Trustee (upon which certification the Funding 1 Security Trustee can rely without liability and without further investigation), will be sufficient to enable it to pay interest and other costs and indemnities on or in respect of any amount which the Issuer does not pay as a result of Funding 1's non-payment under this Agreement (which shall, where Clause 5.1(c) applies, be the same rate applicable on the relevant Loan Tranche).

16.3 Payment of default interest

Any interest which shall have accrued under Clause 16.2 in respect of an unpaid sum shall be due and payable and shall be paid by Funding 1 at the end of the period by reference to which it is calculated.

16.4 Broken periods

Funding 1 shall forthwith on demand indemnify the Issuer against any loss or liability that the Issuer incurs as a consequence of any payment of principal being received from any source otherwise than on a Funding 1 Interest Payment Date or an overdue amount being received otherwise than on its due date.

16.5 Funding 1's payment indemnity

Funding 1 undertakes to indemnify each of the Issuer and, save in the case of paragraph (b) below, the Funding 1 Security Trustee:

- (a) against any cost, claim, loss, expense (including legal fees) or liability together with any amount in respect of Irrecoverable VAT thereon (other than by reason of the negligence or wilful default by the Issuer or prior breach by the Issuer of the terms of any of the Transaction Documents to which it is a party), which it may sustain or incur as a consequence of the occurrence of any Intercompany Loan Event of Default or any default by Funding 1 in the performance of any of the obligations expressed to be assumed by it in any of the Transaction Documents;
- (b) against any loss it may suffer as a result of its funding a Loan Tranche requested by Funding 1 under this Agreement but not made; and
- (c) against any other loss or liability or loss of profit (other than by reason of the negligence or default of the Issuer or breach by the Issuer of the terms of any of the Transaction Documents to which it is a party (except where such breach is caused by the prior breach of Funding 1)) it may suffer by reason of having made a Loan Tranche available or entering into this Agreement or enforcing any security granted pursuant to the Funding 1 Deed of Charge.

17. PAYMENTS

17.1 Payment

- (a) Subject to Clause 5, all amounts of interest and principal to be paid to the Issuer under this Agreement shall be paid in Sterling for value by Funding 1 to the Issuer Sterling Account and the relevant irrevocable payment instruction for such payment shall be given by Funding 1 by no later than noon to the Cash Manager under the Cash Management Agreement (with a copy to the Issuer and the Issuer Cash Manager) on the day falling 2 Business Days before the relevant Funding 1 Interest Payment Date.
- (b) On each date on which this Agreement requires any amount (other than those amounts specified in Clause 17.1(a)) to be paid by Funding 1, Funding 1 shall, save as provided otherwise herein, make the same available to the Issuer by payment in Sterling in immediately available, freely transferable, cleared funds to the Issuer Sterling Account.

17.2 Alternative payment arrangements

If, at any time, it shall become impracticable (by reason of any action of any governmental authority or any change in law, exchange control regulations or any similar event) for Funding 1 to make any payments under this Agreement in the manner specified in Clause 17.1, then Funding 1 shall make such alternative arrangements for the payment direct to the Issuer of amounts due under this Agreement as are acceptable to the Issuer (acting reasonably).

17.3 No set-off

All payments required to be made by Funding 1 under this Agreement shall be calculated without reference to any set-off or counterclaim and shall be made free and clear of and without any deduction for or on account of any set-off or counterclaim.

17.4 Intercompany Loan consideration

Funding 1 will be entitled to receive as consideration for entering into this Agreement, amounts from time to time equal to the amounts received or recovered and available at item (l) of the Issuer Pre-Enforcement Revenue Priority of Payments, if any.

18. ENTRENCHED PROVISIONS

Each of Funding 1, the Issuer, the Issuer Security Trustee and the Funding 1 Security Trustee acknowledge and agree that Funding 1 may from time to time enter into New Intercompany Loan Agreements and that the obligations of Funding 1 to repay Loan Tranches made under this Agreement will rank *pari passu* with the obligations of Funding 1 to repay any such other loans made under such New Intercompany Loan Agreements. If Funding 1 intends to enter into a New Intercompany Loan Agreement then the provisions of this Agreement may be varied (with the consent of the parties to this Agreement to the extent necessary to reflect the terms of such New Intercompany Loan Agreement) in accordance with clause 12 of the Funding 1 Deed of Charge PROVIDED THAT no variation shall be made to any of the following terms without the prior written consent of the Issuer:

- (a) the Funding 1 Interest Payment Dates;
- (b) the determination of the Loan Tranche Rates of Interest;
- (c) Clause 5 (Limited Recourse);
- (d) Clause 8 (Repayment); and
- (e) Clause 10 (Taxes).

19. FURTHER PROVISIONS

19.1 Evidence of indebtedness

In any proceeding, action or claim relating to a Loan Tranche a statement as to any amount due to the Issuer under such Loan Tranche which is certified as being correct by a director of the Issuer or any agent of the Issuer shall, unless otherwise provided in this Agreement and in the absence of manifest or proven error, be *prima facie* evidence that such amount is in fact due and payable.

19.2 Entire Agreement

This Agreement sets out the entire agreement and understanding between the parties with respect to the subject matter of this Agreement superseding all prior oral or written understandings other than the other Transaction Documents.

19.3 Amendments, Waivers and Consents

- (a) Subject to the Funding 1 Deed of Charge, no amendment or waiver of any provision of this Agreement shall be effective unless the same shall be in writing and signed by (or by some person duly authorised by) each of the parties to this Agreement. In the case of a waiver, such waiver shall be effective only in the specific instance and as against the party or parties giving it for the specific purpose for which it is given. No single or partial exercise of, or failure or delay in exercising, any right under this Agreement shall constitute a waiver or preclude any other or further exercise of that or any other right.
- (b) It is hereby agreed and acknowledged that Funding 1 and the Funding 1 Security Trustee will exercise all rights, powers, benefits, duties, functions and/or discretions conferred on it under this Agreement (including, without limitation, in giving its consent, approval or authorisation to any event, matter or thing requested or making any determination hereunder) in accordance with and subject to the provisions of the Funding 1 Deed of Charge.
- (c) It is hereby acknowledged and agreed that each of the Issuer and the Issuer Security Trustee will exercise all rights, powers, benefits, duties, functions and/or discretions conferred on it under this Agreement (including, without limitation, in giving its consent, approval or authorisation to any event, matter or thing requested or making any determination hereunder) in accordance with and subject to the provisions of the Issuer Deed of Charge.

19.4 Assignment

Neither the Issuer nor Funding 1 may assign or transfer any of its respective rights and obligations under this Agreement PROVIDED THAT:

- (a) the Issuer may assign its rights, title, interest or benefit hereunder to the Issuer Security Trustee pursuant to the Issuer Deed of Charge; and
- (b) Funding 1 may assign its rights hereunder to the Funding 1 Security Trustee pursuant to the Funding 1 Deed of Charge.

19.5 Severability

If a provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect:

- (a) the validity or enforceability in that jurisdiction of any other provision of this Agreement; or
- (b) the validity or enforceability in other jurisdictions of that or any other provision of this Agreement.

19.6 Notices

Any notices to be given pursuant to this Agreement to any of the parties hereto shall be in writing and shall be sufficiently served if sent by prepaid first class post, by hand or by email

(and in the case of the Issuer and Funding 1 shall only be sufficiently served to the Issuer and Funding 1 if sent by email) and shall be deemed to be given (in the case of email) when despatched if despatched before 17.00 hours on a Business Day or on the next Business Day if despatched thereafter, (in the case of delivery by hand) on the day delivered if delivered before 17.00 hours on a Business Day or the next Business Day if delivered thereafter, or (in the case of first class post) when it would be received in the ordinary course of post and in the case of the Master Issuer and Funding shall only be sufficiently served to the Master Issuer and Funding if sent by email. Any notices to be given pursuant to this Agreement shall be sent:

- (a) in the case of the Issuer: to Fosse Master Issuer plc, c/o Intertrust Management Limited, 1 Bartholomew Lane, London, EC2N 2AX (telephone: +44 (0)20 7398 6300 and e-mail: directors-uk@intertrustgroup.com) for the attention of The Directors with a copy to Santander UK plc at 2 Triton Square, Regent's Place, London NW1 3AN (e-mail: MTF@santander.co.uk and FundingLegal@santander.co.uk) for the attention of Medium Term Funding and Funding Legal;
- (b) in the case of Funding 1: to Fosse Funding (No. 1) Limited, c/o Intertrust Management Limited, 1 Bartholomew Lane, London, EC2N 2AX (telephone: +44 (0)20 7398 6300 and e-mail: directors-uk@intertrustgroup.com) for the attention of The Directors with a copy to Santander UK plc at 2 Triton Square, Regent's Place, London NW1 3AN (e-mail: MTF@santander.co.uk and FundingLegal@santander.co.uk) for the attention of Medium Term Funding and Funding Legal;
- (c) in the case of each of the Funding 1 Security Trustee and the Issuer Security Trustee: to The Bank of New York Mellon, London Branch, 160 Queen Victoria Street, London EC4V 4LA (email: corpsov2@bnymellon.com) for the attention of Trustee Administration Manager; and
- (d) in the case of the Agent Bank, to Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB for the attention of MTN Paying Agency,

or to such other address or for the attention of such other person or entity as may from time to time be notified by any party to the others by written notice in accordance with the provisions of this Clause 19.6.

19.7 Funding 1 Security Trustee and Issuer Security Trustee

Neither the Funding 1 Security Trustee nor the Issuer Security Trustee shall have any responsibility for any of the obligations of Funding 1 or the Issuer respectively or of any other party to this Agreement (other than itself). For the avoidance of doubt, the parties to this Agreement acknowledge that the rights, protections and obligations of the Funding 1 Security Trustee under this Agreement are governed by the Funding 1 Deed of Charge and that the rights and obligations of the Issuer Security Trustee under this Agreement are governed by the Issuer Deed of Charge.

19.8 Counterparts

The Intercompany Loan Agreement may be signed (manually or electronically) and delivered in more than one counterpart all of which, taken together, shall constitute one and the same agreement.

19.9 Third Party Rights

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

20. REDENOMINATION

Each obligation under this Agreement which has been denominated in Sterling shall be redenominated in Euro in accordance with applicable legislation passed by the European Monetary Union upon such redenomination of the Notes.

21. GOVERNING LAW

This Agreement (and any non-contractual obligations arising out of or in connection with it) is governed by English law.

22. SUBMISSION TO JURISDICTION

Each party to this Agreement hereby irrevocably submits to the non-exclusive jurisdiction of the English courts in any action or proceeding arising out of or relating to this Agreement (and any non-contractual obligations arising out of or in connection with it), and hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined by such courts. Each party to this Agreement hereby irrevocably waives, to the fullest extent it may possibly do so, any defence or claim that the English courts are an inconvenient forum for the maintenance or hearing of such action or proceeding.

IN WITNESS WHEREOF the parties have caused this Agreement to be duly executed on the day and year first before written.

SCHEDULE 1

CONDITIONS PRECEDENT

1. Authorisations

- (a) A copy of the memorandum and articles of association and certificate of incorporation of Funding 1.
- (b) A copy of a resolution of the board of directors of Funding 1 authorising the entry into, execution and performance of the Loan Tranche Supplement and each of the relevant Transaction Documents related to the relevant Loan Tranche Supplement to which Funding 1 is a party and authorising specified persons to execute those on its behalf.
- (c) A certificate of a director of Funding 1 certifying:
 - (i) that each document delivered under this paragraph 1 of Schedule 1 is correct, complete and in full force and effect as at a date no later than the date of the Loan Tranche Supplement and undertaking to notify the Funding 1 Security Trustee and the Issuer Security Trustee if that position should change prior to the relevant Closing Date; and
 - (ii) as to the identity and specimen signatures of the directors and signatories of Funding 1.

2. Legal opinion

Legal opinions of:

- (a) Ashurst LLP, English legal advisers to the Seller, the Issuer and Funding 1, addressed to, and in form and substance satisfactory to, the Issuer, the Arrangers and the Dealers;
- (b) Cleary Gottlieb Steen & Hamilton LLP, U.S. legal advisers to the Seller, the Issuer and Funding 1, addressed to, and in form and substance satisfactory to, the Funding 1 Security Trustee, the Issuer Security Trustee and the Note Trustee;
- (c) Shepherd and Wedderburn LLP, Scottish legal advisers to the Seller, the Issuer and Funding 1, addressed to the Funding 1 Security Trustee, the Issuer Security Trustee and the Note Trustee; and
- (d) Allen & Overy LLP, English and U.S. legal advisers to the Arrangers and the Dealers addressed to the Funding 1 Security Trustee, the Issuer Security Trustee and the Note Trustee.

3. Transaction Documents

Duly executed copies of:

- (a) the Cash Management Agreement;
- (b) any relevant Conditional Purchase Agreement;
- (c) the Controlling Beneficiary Deed;

- (d) the Data Processor Agreement;
- (e) the Funding 1 Bank Account Agreement;
- (f) the Funding 1 Corporate Services Agreement;
- (g) the Funding 1 Deed of Charge and any relevant Deed of Accession thereto;
- (h) each Funding 1 Start-Up Loan Agreement;
- (i) the Funding 1 Swap Agreement;
- (j) the Funding 1 Loan Agreement;
- (k) the Intercompany Loan Agreement and the relevant Loan Tranche Supplement;
- (l) the Issuer Bank Account Agreement;
- (m) the Issuer Cash Management Agreement;
- (n) the Issuer Corporate Services Agreement;
- (o) the Issuer Deed of Charge and each Deed of Accession thereto;
- (p) the Issuer Master Definitions and Construction Schedule;
- (q) the relevant Issuer Swap Agreements and any related Issuer Swap Guarantees;
- (r) the Master Definitions and Construction Schedule;
- (s) the Mortgage Sale Agreement;
- (t) the Mortgages Trust Deed;
- (u) the Mortgages Trustee Bank Account Agreement;
- (v) the Mortgages Trustee Corporate Services Agreement;
- (w) the Note Trust Deed and the relevant Pricing Supplement;
- (x) the Paying Agent and Agent Bank Agreement;
- (y) the Programme Agreement;
- (z) any relevant Remarketing Agreement;
- (aa) each Scottish Declaration of Trust;
- (bb) the Servicing Agreement; and
- (cc) the relevant Subscription Agreement

SCHEDULE 2

FORM OF LOAN TRANCHE NOTICE

From: Fosse Funding (No. 1) Limited (**Funding 1**)

To: Fosse Master Issuer plc (the **Issuer**)

Copy: The Bank of New York Mellon, London Branch (the **Funding 1 Security Trustee** and the **Issuer Security Trustee**)

Dear Sirs,

1. We refer to the agreement between, *inter alios*, ourselves, the Issuer, the Funding 1 Security Trustee and the Issuer Security Trustee dated 28 November 2006 (as from time to time amended, varied, novated or supplemented, including without limitation on 1 August 2007, 21 August 2008, 11 March 2010, 27 April 2012, 9 October 2014, 29 April 2016, 13 September 2019, 29 July 2021, 28 June 2022 and [●] 2023) (the **Intercompany Loan Agreement**) whereby an Intercompany Loan Facility was made available to us. Terms defined in the Intercompany Loan Agreement shall have the same meaning in this notice.
2. We hereby give you notice that, pursuant to the Intercompany Loan Agreement and upon the terms and subject to the conditions contained therein, we wish the following Loan Tranches to be made available to us on [*specify Closing Date*]:
 - (a) [Series [●] [●] (Class [●]) Loan Tranche][NR VFN Loan Tranche [*number*]] to be funded by the [Series [●] Class [●] Notes][Class Z Variable Funding Note [*number*]] on the Closing Date:
 - (i) principal amount and currency of [●];
 - (ii) specified Currency Exchange Rate of GBP 1.00/[●];
 - (iii) Principal amount (in Sterling) available to be drawn in respect of such Loan Tranche of £[●];

[*repeat for all applicable Loan Tranches*]
3. The interest rate(s) applicable to each Loan Tranche will be as follows:
 - (a) [Series [●] [●] (Class [●]) Loan Tranche][NR VFN Loan Tranche [*number*]]: [●]
[*Set out relevant interest rate(s)*]

[*repeat for all applicable Loan Tranches*]
4. The net proceeds of these Loan Tranches should be credited to our account numbered [] with [].

Yours faithfully,

for and on behalf of

Fosse Funding (No. 1) Limited

per pro Intertrust Directors 1 Limited, as Director

SCHEDULE 3
FORM OF LOAN TRANCHE SUPPLEMENT

FORM OF LOAN TRANCHE SUPPLEMENT

DATED [●]

FOSSE FUNDING (NO. 1) LIMITED
(as Funding 1)

FOSSE MASTER ISSUER PLC
(as Issuer)

THE BANK OF NEW YORK MELLON, LONDON BRANCH
(as Funding 1 Security Trustee and as Issuer Security Trustee)

and

CITIBANK, N.A., LONDON BRANCH
(as Agent Bank)

THIS LOAN TRANCHE SUPPLEMENT is dated [●] **BETWEEN:**

- (1) **FOSSE FUNDING (NO. 1) LIMITED** (registered number 05925696), a private limited company incorporated under the laws of England and Wales whose registered office is at 1 Bartholomew Lane, London, EC2N 2AX (as **Funding 1**);
- (2) **FOSSE MASTER ISSUER PLC** (registered number 05925693), a public limited company incorporated under the laws of England and Wales whose registered office is at 1 Bartholomew Lane, London, EC2N 2AX (as **Issuer**);
- (3) **THE BANK OF NEW YORK MELLON, LONDON BRANCH**, a New York banking corporation, whose address is at 160 Queen Victoria Street, London EC4V 4LA in its capacity as **Funding 1 Security Trustee** which expression shall include such company and all other persons or companies for the time being acting as security trustee (or co-trustee) pursuant to the terms of the Funding 1 Deed of Charge and in its capacity as Issuer Security Trustee, which expression shall include such company and all other persons or companies for the time being acting as security trustee (or co-trustee) pursuant to the terms of the Issuer Deed of Charge; and
- (4) **CITIBANK, N.A., LONDON BRANCH**, acting through its office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB in its capacity as **Agent Bank**.

This document constitutes the Loan Tranche Supplement relating to the Loan Tranches described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Intercompany Loan Agreement entered into between the parties hereto on 28 November 2006 (as amended and restated on 1 August 2007, 21 August 2008, 11 March 2010, 27 April 2012, 9 October 2014, 29 April 2016, 13 September 2019, 29 July 2021, 28 June 2022 and [●] 2023). This Loan Tranche Supplement contains the final terms of the Loan Tranches identified and described herein, is supplemental to and must be read in conjunction with the Intercompany Loan Agreement.

[To be repeated for each Loan Tranche (other than an NR Class Z Loan Tranche) funded by Notes of each class of the same Series]

Loan Tranche: The Series 20[●]-[●] Class [●] Notes will fund the Series 20[●]-[●] [AAA/AA/A/BBB/BB/NR] (Class [●]) Loan Tranche which shall have the following terms:

- | | | |
|----|-------------------------------------|---|
| 1. | Borrower: | Fosse Funding (No. 1) Limited |
| 2. | Lender: | Fosse Master Issuer plc |
| 3. | Tier of Loan Tranche: | [●] |
| 4. | Series Number: | Series [●] |
| 5. | Redemption/Payment Basis: | [Bullet Redemption]
[Scheduled Amortisation][Pass-Through] |
| 6. | Change of Redemption/Payment Basis: | <i>[Specify details of any provision for change of Loan Tranches into another Redemption/Payment Basis]</i> |
| 7. | Initial Principal Amount: | £[●] |

- (a) Closing Date: [●]
- (b) Loan Tranche Interest Commencement Date: [●]
- (c) Loan Tranche Interest Reset Dates: The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in [●] provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date.
- (d) Funding 1 Interest Payment Dates: The 18th of [January, April, July and October/February, May, August and November/March, June, September and December] in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year (or, in each case, if such day is not a Business Day, the next succeeding Business Day), up to and including the Final Maturity Date, commencing on 18 July 2010.
8. Relevant Margin: [●] [+/-][●]%
9. Loan Reference Rate [●]
- [where Compounded Daily SONIA means [●]]
- [Observation Method: [Not Applicable/Lag /Shift] / / [unless otherwise agreed with the Agent Bank] / being no less than [●] London Business Days prior to each relevant Funding 1 Interest Payment Date / [where [●] means [●]]
- [Observation Look-Back Period: [●] / Not Applicable] / [unless otherwise agreed with the Agent Bank] / being no less than [●] London Business Days prior to each relevant Funding 1 Interest Payment Date / [where [●] means [●]]
- [Relevant Screen Rate]: [●]/[Not Applicable]
- [Overnight Rate: [Applicable/Not Applicable]]
- [Index Determination: [Applicable/Not Applicable]]
- [Designated Source: [Not Applicable]/ [●]]
- [[SONIA] Index: [●]/[Not Applicable]]
10. Step-Up Date (if any): [Not Applicable/The Funding 1 Interest Payment Date occurring in [specify date] on which date

the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum]

11. Stepped-Up Loan Tranche Margin per annum: [Not Applicable/[●]%
12. Details relating to Bullet Loan Tranches: [Applicable/Not Applicable]
[if not applicable, delete the remaining subparagraphs of this paragraph]
- (a) Bullet Repayment Date: [●]
- (b) Repayment Amount: [●]
- (c) Relevant Accumulation Amount: [●]
13. Details relating to Scheduled Amortisation Loan Tranche: [Applicable/Not Applicable]
[if the Scheduled Amortisation Loan Tranche is applicable, specify the Scheduled Amortisation Dates and Scheduled Amortisation Instalments below]
[if not applicable, delete the remaining subparagraphs of this paragraph]
- (a) Scheduled Repayment Dates: [●]
- (b) Repayment Amounts: [●]
- (c) Relevant Accumulation Amounts: [●]
14. Details relating to Pass-Through Loan Tranches: [Applicable/Not Applicable]
[if the Pass-Through Loan Tranche is applicable, to be redeemed on the Funding 1 Interest Payment Date occurring in [●] and each applicable Funding 1 Interest Payment Date thereafter]
15. Final Repayment Date: The Funding 1 Interest Payment Date occurring in [●]
16. Loan Tranche Payment Dates: [Each Funding 1 Interest Payment Date/[●]]
17. Other terms and special conditions: [Not Applicable/give details]

[For an NR VFN Loan Tranche funded by a Class Z Variable Funding Note]

NR VFN Loan Tranche: The Class Z Variable Funding Note [number] will fund the NR VFN Loan Tranche [number] which shall have the following terms:

1. Borrower: Fosse Funding (No. 1) Limited
2. Lender: Fosse Master Issuer plc
3. Tier of Loan Tranche: NR VFN Loan Tranche
4. NR VFN Loan Tranche Number: [●]
5. Redemption/Payment Basis: [Pass-Through]
6. Change of Redemption/Payment Basis: Not Applicable
7. Initial Principal Amount: £[●]
 - (a) Closing Date: [●]
 - (b) Loan Tranche Interest Commencement Date: [●]
 - (c) Loan Tranche Interest Reset Dates: The Funding 1 Interest Payment Dates occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in [●] provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date.
 - (d) Funding 1 Interest Payment Dates: The 18th of [January, April, July and October/February, May, August and November/March, June, September and December] in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year (or, in each case, if such day is not a Business Day, the next succeeding Business Day), up to and including the Final Maturity Date, commencing on 18 [●].
8. Loan Reference Rate: [●]

[where Compounded Daily SONIA means [●]]

[Observation Method: [Not Applicable/Lag/Shift] / [unless otherwise agreed with the Agent Bank] / being no less than [●] London Business Days prior to each relevant Funding 1 Interest Payment Date / [where [●] means [●]]

[Observation Look-Back Period: [●] / Not Applicable] / [unless otherwise agreed with the Agent Bank] / being no less than [●] London

Business Days prior to each relevant Funding 1 Interest Payment Date / [where [●] means [●]]

[Relevant Screen Rate: [●]/[Not Applicable]]

[Overnight Rate: [Applicable/Not Applicable]]

[Index Determination: [Applicable/Not Applicable]]

[Designated Source: [Not Applicable]/ [●]]

[[SONIA] Index: [●]/[Not Applicable]]

9. Initial Loan Tranche Margin per annum: [●]%
10. Step-Up Date (if any): Not Applicable
11. Stepped-Up Loan Tranche Margin per annum: Not Applicable
12. Details relating to Bullet Loan Tranches: Not Applicable
13. Details relating to Scheduled Amortisation Loan Tranche: Not Applicable
14. Details relating to Pass-Through Loan Tranches: Applicable

The NR Loan Tranche relating to the Class Z Variable Funding Notes shall be due and payable up to an amount of £[●] on and following the Loan Tranche Payment Date occurring in [●] and due and payable in full on and following the Loan Tranche Payment Date in [●] and on each applicable Loan Tranche Payment Date thereafter

15. Final Repayment Date: The Funding 1 Interest Payment Date occurring in [●]
16. Loan Tranche Payment Dates: [Each Funding 1 Interest Payment Date/[●]]
17. Other terms and special conditions: Not Applicable

Confirmations:

Funding 1 confirms that:

- (a) no Intercompany Loan Event of Default has occurred and is continuing which has not been waived, or would result from the making of such Loan Tranche;
- (b) the representations and warranties set out in clause 13 of the Intercompany Loan Agreement are true on and as of the Closing Date specified in this Loan Tranche Supplement by reference to the facts and circumstances then existing; and

- (c) as of the Closing Date specified in this Loan Tranche Supplement, there will be no debit balance on the Funding 1 Principal Deficiency Ledger.

The Issuer confirms that no Note Event of Default has occurred and is continuing which has not been waived, or would result from the making of such Loan Tranche.

**EXECUTION PAGE
for Loan Tranche Supplement**

Funding 1

EXECUTED)
for and on behalf of)
FOSSE FUNDING (NO. 1) LIMITED)
per pro Intertrust Directors 1 Limited, as Director)

Name:

Issuer

EXECUTED)
for and on behalf of)
FOSSE MASTER ISSUER PLC)
Per pro Intertrust Directors 1 Limited, as Director)
by:)

Name:

Funding 1 Security Trustee and Issuer Security Trustee

EXECUTED for and on behalf of)
THE BANK OF NEW YORK MELLON,)
LONDON BRANCH)
by:)

Name:

Agent Bank

EXECUTED for and on behalf of)
CITIBANK, N.A., LONDON BRANCH)
by)

Name:

SCHEDULE 4

FORM OF SOLVENCY CERTIFICATE

FOSSE FUNDING (NO. 1) LIMITED
1 Bartholomew Lane
London, EC2N 2AX (Registered Number: 05925696)

To: Fosse Master Issuer plc (the **Issuer**) [●]

The Bank of New York Mellon, London Branch (the **Funding 1 Security Trustee** and the **Issuer Security Trustee**)

Expressions defined in the Master Definitions and Construction Schedule dated 28 November 2006 (as the same may be further amended, restated, varied, supplemented and/ or novated from time to time with the consent of the parties thereto, including without limitation on 1 August 2007, 20 December 2007, 23 November 2009 and 11 March 2008, 21 April 2011, 6 December 2011, 27 April 2012, 19 August 2013, 9 October 2014, 29 April 2016, 13 September 2019, 29 July 2021, 28 June 2022 and [●] 2023) by, among others, Fosse Funding (No.1) Limited (the **Company**) and The Bank of New York Mellon, London Branch (as **Funding 1 Security Trustee** and **Issuer Security Trustee**) shall, unless the context otherwise requires, have the same meaning in this Certificate.

We, per pro Intertrust Directors 1 Limited and per pro Intertrust Directors 2 Limited, being Directors of the Company hereby certify that as at the date of this Certificate:

1. We are duly authorised officers of the Company.
2. We have made all appropriate searches, enquiries and investigations (including, without limitation, of the Company's books and records, the Company's management accounts and the Company's accounts required by law) to ascertain the true position in relation to everything stated below.
3. We have duly considered the provisions of the insolvency laws of England and Wales and Scotland (including, without limitation, the provisions of sections 123 and 238 to 243 (inclusive) and 423 of the Insolvency Act 1986) and the provisions of the common law of Scotland regarding gratuitous alienations and fraudulent preferences, in relation to this Certificate and the Company entering into and the Company's ability to perform its obligations in respect of the transaction involving the issue of the Notes (the [●]-[●] **Notes**) by the Issuer on or about [●] (the [●]-[●] **Closing Date**) and the lending of the proceeds thereof by the Issuer to the Company (the **Transaction**).
4. To the best of our knowledge and belief, the Company is not unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 and would not become unable to do so in consequence of entering into the Transaction and there is no reason for believing that the foregoing state of affairs will not continue thereafter.
5. The Company's assets currently exceed its liabilities (taking into account its actual, contingent and prospective liabilities) and will continue to do so notwithstanding the entry into by it of the Transaction and there is no reason for believing that the foregoing state of affairs will not continue thereafter.
6. No execution, diligence or other process issued on a judgment, decree or order of any court in favour of a creditor of the Company remains unsatisfied in whole or in part.

7. To the best of our knowledge and belief, no action has been taken or is pending, no other steps have been taken by any person (including, without limitation, the Company, the directors of the Company, or any creditors of the Company or any floating charge holder) and no legal proceedings have been commenced or are threatened or are pending for:
- (a) the suspension of payments, a moratorium in respect of any indebtedness, the winding-up, liquidation, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement, Part 26A restructuring plan or otherwise) of the Company; or
 - (b) the Company to enter into any composition, compromise, assignment or arrangement with its creditors generally; or
 - (c) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager, trustee, monitor or similar officer in respect of the Company or any of its property, undertaking or assets,

and no event equivalent to any of the foregoing has occurred in or under the laws of any relevant jurisdiction;

8. That:

- (a) (i) no notice of intention to appoint an administrator of the Company has been given under paragraph 26 of Schedule B1 to the Insolvency Act 1986 nor has a copy of any such notice been filed with the court under paragraph 27 of Schedule B1 to the Insolvency Act 1986; (ii) no notice of appointment of an administrator of the Company has been filed under paragraphs 18 or 29 of Schedule B1 to the Insolvency Act 1986; (iii) no application for an administration order in relation to the Company has been made; and (iv) no administrator has been appointed or sought to be appointed in respect of the Company and none of the insolvency procedures referred to in this paragraph have been threatened against the Company;
- (b) (i) no steps have been taken by the Company with a view of obtaining a moratorium in respect of any indebtedness of the Company or for the purpose of proposing a company voluntary arrangement; and (ii) no event equivalent to any of the foregoing has occurred in or under the laws of any relevant jurisdiction; and
- (c) neither the entry into the Transaction nor the making of any drawing nor granting of security under the Transaction will be a gratuitous alienation under section 242 of the Insolvency Act 1986 (and equivalent provisions of the common law of Scotland), since such drawing and/or grant of security is made for adequate consideration.

9. The entry into of the Transaction would not be a transaction at an undervalue within the meaning of section 238 of the Insolvency Act 1986, since the value of any consideration received by the Company as a result of such Transaction is not and will not be significantly less than the value of any consideration provided by the Company under the Transaction.

10. The entry into of the Transaction will be entered into or made, as the case may be, by the Company, in good faith and for the purpose of carrying on its business, and there are reasonable grounds for believing that such entry into of such Transaction would promote the success of the Company for the benefit of the members as a whole, having regard to the relevant factors in section 172 of the Companies Act 2006.

11. In entering into the Transaction:

- (a) the Company has no desire or intention to give and has taken no action which would have the effect of conferring a preference to or on any person as contemplated by section 239 of the Insolvency Act 1986; and
 - (b) it is not the purpose of the Company to put assets beyond the reach of a person who is making, or may at some time make, a claim against the Company or of otherwise prejudicing the interests of such a person in relation to the claim which he is making or may make;
12. The entry into of the Transaction will constitute reciprocal obligations of the Company with the other parties thereto for the purposes of section 243 of the Insolvency Act 1986 (and equivalent provisions of the common law of Scotland) and the entry into of the Transaction is not, nor will be, collusive with the purpose of prejudicing the general body of creditors of the Company.
13. In entering into the Transaction, the Company has not and will not breach any provision of or exceed any powers contained in its Memorandum and Articles of Association.

.....
For and on behalf of Fosse Funding (No. 1) Limited
per pro Intertrust Directors 1 Limited, as Director

.....
For and on behalf of Fosse Funding (No. 1) Limited
per pro Intertrust Directors 2 Limited, as Director

EXECUTION PAGE

Funding 1

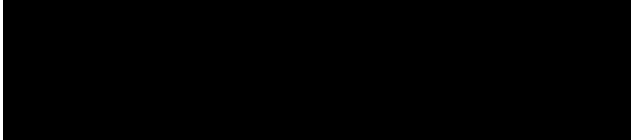
EXECUTED

for and on behalf of

FOSSE FUNDING (NO. 1) LIMITED

per pro Intertrust Directors 1 Limited, as Director

by:

— 

Issuer

EXECUTED

for and on behalf of

FOSSE MASTER ISSUER PLC

per pro Intertrust Directors 1 Limited, as Director

by:

— 

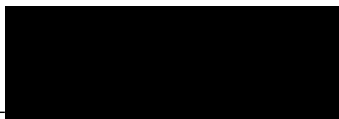
Funding 1 Security Trustee and Issuer Security Trustee

EXECUTED

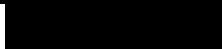
for and on behalf of

THE BANK OF NEW YORK MELLON, LONDON BRANCH

by:

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Name

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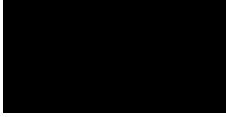
Agent Bank

EXECUTED

for and on behalf of

CITIBANK, N.A., LONDON BRANCH

by:



Name

