

EXECUTION VERSION

ISSUER DEED OF CHARGE

1 OCTOBER 2010

BETWEEN

LANGTON SECURITIES (2010-1) PLC
(the Issuer)

SANTANDER UK PLC
(the Issuer Cash Manager, the Issuer Account Bank, the Issuer Start-Up Loan Provider and the Secretarial Services Provider)

CITICORP TRUSTEE COMPANY LIMITED
(the Issuer Security Trustee and the Note Trustee)

CITIBANK, N.A., London Branch
(the Principal Paying Agent, the Registrar and the Agent Bank)

STRUCTURED FINANCE MANAGEMENT LIMITED
(the Issuer Corporate Services Provider)

ALLEN & OVERY

Allen & Overy LLP

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THIS DEED is dated 1 October 2010

and made **BETWEEN**:

- (1) **LANGTON SECURITIES (2010-1) PLC**, a company incorporated in England and Wales with limited liability (registered number 7381471), and having its registered office at 35 Great St. Helen's, London EC3A 6AP (the **Issuer**);
- (2) **SANTANDER UK PLC**, a public limited company incorporated in England and Wales with limited liability (registered number 2294747), whose registered office is at 2 Triton Square, Regent's Place, London NW1 3AN (acting in its capacities as the **Issuer Cash Manager, Issuer Account Bank, Issuer Start-Up Loan Provider and Secretarial Services Provider**);
- (3) **CITICORP TRUSTEE COMPANY LIMITED**, acting through its offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Issuer Security Trustee**, which expression includes such company and all other persons or companies for the time being acting as security trustee or security trustees under this Deed);
- (4) **CITICORP TRUSTEE COMPANY LIMITED**, acting through its offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Note Trustee**, which expression includes such company and all other persons or companies for the time being acting as trustee or trustees for the Noteholders under the Note Trust Deed);
- (5) **CITIBANK, N.A., London Branch** whose London branch address is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Principal Paying Agent**);
- (6) **CITIBANK, N.A., London Branch** whose London branch address is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Registrar**);
- (7) **CITIBANK, N.A., London Branch** whose London branch address is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Agent Bank**);
- (8) **STRUCTURED FINANCE MANAGEMENT LIMITED** a company incorporated in England and Wales with limited liability (registered number 03853947), whose registered office is at 35 Great St. Helen's, London EC3A 6AP (acting in its capacity as the **Issuer Corporate Services Provider** appointed by the Issuer under the Issuer Corporate Services Agreement).

BACKGROUND:

- (A) On or about the date of this Deed, the Issuer will issue the Notes and the Issuer and the other parties will enter into the Issuer Transaction Documents in order to consummate the transactions described in the Prospectus.
- (B) The Issuer has agreed to provide the Issuer Security to secure the Issuer Secured Obligations.
- (C) The Issuer Security Trustee has agreed to hold the benefit of the Issuer Security on trust for the benefit of the Issuer Secured Creditors subject to the terms and conditions of this Deed.
- (D) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Construction

- (a) The issuer master definitions and construction schedule, signed by, amongst others, the parties to this Deed (as the same may be amended, restated, novated and/or supplemented from time to time with the consent of the parties to this Deed) (the **Issuer Master Definitions and Construction Schedule**) is expressly and specifically incorporated into this Deed and, accordingly, the expressions defined in the Issuer Master Definitions and Construction Schedule shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Deed, including the recitals hereto.
- (b) This Deed will be construed in accordance with the rules of construction set out in the Issuer Master Definitions and Construction Schedule.
- (c) The term **this Deed** means this Deed and any deed executed in accordance with, or expressed to be supplemental to, this Deed.
- (d) Any covenant of the Issuer under this Deed (other than a payment obligation) shall remain in force during the Issuer Security Period.
- (e) The terms of the other Issuer Transaction Documents are incorporated in this Deed to the extent required to give effect thereto and/or to ensure that any purported disposition contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1994 (the **LP(MP) Act**).
- (f) Unless the context otherwise requires, a reference to an Issuer Charged Property includes the proceeds of sale of that Issuer Charged Property.
- (g) The term **full title guarantee** will be construed in accordance with the LP(MP) Act but so that the covenants implied by the LP(MP) Act in respect of the Issuer Security do not include:
 - (i) the words "other than any charges, encumbrances or rights which that person does not and could not reasonably be expected to know about" in section 3(1)(b) of the LP(MP) Act; and
 - (ii) section 6(2) of the LP(MP) Act.

2. SECURITY TRUST

2.1 Declaration of Trust

The Issuer Security Trustee holds all of the covenants, undertakings, Security Interests and other rights and benefits made or given under this Deed and the other Issuer Transaction Documents on trust for itself and the other Issuer Secured Creditors upon and subject to the terms and conditions of this Deed.

3. CREATION OF ISSUER SECURITY

3.1 General

- (a) All the Issuer Security:
- (i) is created in favour of the Issuer Security Trustee for itself and as trustee on behalf of the other Issuer Secured Creditors;
 - (ii) is created over the present and future assets of the Issuer;
 - (iii) is security for the payment or discharge of the Issuer Secured Obligations; and
 - (iv) is made with full title guarantee, or in relation to any rights or assets situated in (A) Northern Ireland or governed by Northern Irish law, as beneficial owners and (B) Scotland or otherwise governed by Scots law, with absolute warrandice.
- (b) The term **all of its rights** as used in this Clause includes, unless the context requires otherwise:
- (i) the benefit of all covenants, undertakings, representations, warranties and indemnities;
 - (ii) all powers and remedies of enforcement and/or protection;
 - (iii) all rights to receive payment of all amounts assured or payable (or to become payable), all rights to serve notices and/or to make demands and all rights to take such steps as are required to cause payment to become due and payable; and
 - (iv) all causes and rights of action in respect of any breach and all rights to receive damages or obtain other relief in respect thereof,

in each case, in respect of the relevant Issuer Charged Property.

3.2 Contracts

The Issuer assigns absolutely, subject to a proviso for re-assignment on redemption (or, to the extent not assignable, charges by way of a first fixed charge) all of its rights, title and interest in respect of the Issuer Charged Documents.

3.3 Issuer Accounts

The Issuer assigns absolutely, subject to a proviso for re-assignment on redemption (or, to the extent not assignable, charges by way of a first fixed charge) all of its rights, title, benefit and interest in respect of:

- (a) any amount standing from time to time to the credit of the Issuer Accounts;
- (b) all interest paid or payable in relation to those amounts; and
- (c) all debts represented by those amounts.

3.4 **Authorised Investments**

The Issuer charges by way of a first fixed charge all of its rights, title and interest in respect of:

- (a) the Authorised Investments made or purchased from time to time by or on behalf of the Issuer (whether owned by it or held by any nominee on its behalf) using monies standing to the credit of the Issuer Accounts; and
- (b) all interest, monies and proceeds paid or payable in relation to those Authorised Investments.

3.5 **Miscellaneous**

The Issuer charges by way of a first fixed charge all of its rights, title and interest in respect of:

- (a) the benefit of all authorisations (statutory or otherwise) held in connection with its use of any Issuer Charged Property; and
- (b) any compensation which may be payable to it in respect of those authorisations.

3.6 **Floating charge**

- (a) The Issuer charges by way of a first floating charge all of its undertaking and all of its property and assets (including, without limitation, its uncalled capital) other than any property or assets at any time otherwise effectively charged or assigned by way of fixed charge or assignment under this **Clause 3** (but excepting from the foregoing exclusion all of the Issuer's undertaking, property and assets situated in Scotland or the rights to which are governed by Scots law, all of which are charged by the floating charge hereby created).
- (b) Except as provided below, the Issuer Security Trustee may, by notice to the Issuer, (and so far as permitted by applicable law), convert the floating charge created under this **Clause 3** into a fixed charge as regards any of the Issuer's assets subject to the floating charge specified in that notice, if:
 - (i) a Note Event of Default occurs;
 - (ii) the Issuer Security Trustee considers those assets or any part thereof to be in danger of being seized or sold under any form of distress, attachment, execution, diligence or other legal process or to be otherwise in jeopardy; and/or
 - (iii) a circumstance occurs which the Issuer Security Trustee considers to (or to be likely to) prejudice, imperil or threaten the Issuer Security.
- (c) Except as provided below, the floating charge created by this **Clause 3** will automatically (so far as permitted by applicable law) convert into a fixed charge as regards:
 - (i) all of the Issuer's assets subject to the floating charge, upon the service of a Note Acceleration Notice; and/or
 - (ii) any assets of the Issuer subject to the floating charge, if those assets (contrary to the covenants and undertakings contained in the Issuer Transaction Documents):
 - (A) are or become subject to a Security Interest in favour of any person other than the Issuer Security Trustee; or

- (B) are or become the subject of a sale, transfer or other disposition, immediately prior to that Security Interest arising or that sale, transfer or other disposition being made.
- (d) The floating charge created by this **Clause 3** may not be converted into a fixed charge solely by reason of:
- (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium, under Section 1A of the Insolvency Act 1986 or the Insolvency (Northern Ireland) Order 2002 (if appropriate).
- (e) The floating charge created by this **Clause 3** is a **qualifying floating charge** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986 and for the purpose of paragraph 15 of Schedule B1 to the Insolvency (Northern Ireland) Order 1989 (if appropriate).

4. ACKNOWLEDGEMENTS AND UNDERTAKINGS

4.1 Issuer Security

- (a) This Deed constitutes notice in writing to each Issuer Secured Creditor of the assignment or assignation of all of the Issuer's rights to the Issuer Charged Documents under **Clause 3.2** (Contracts).
- (b) By executing this Deed, each Issuer Secured Creditor acknowledges and consents to the assignment or assignation referred to in this **Clause 4.1** and the other Security Interests made or granted under this Deed and confirms that as of the date of this Deed it has not received from any other person notice of any assignment, assignation or charge of any Issuer Charged Property.
- (c) Immediately upon the execution of this Deed, the Issuer will deliver a notice of charge substantially in the form set out in **Schedule 2** (Form of Notice of Assignment and Charge) to Funding 1 and will use all reasonable endeavours to procure delivery to the Issuer Security Trustee on the date of this Deed of receipt from Funding 1 substantially in the form set out in **Schedule 3** (Form of Consent to Assignment and Charge).
- (d) Each Issuer Secured Creditor acknowledges the Issuer Security, and covenants to the Issuer Security Trustee not to do anything inconsistent with the Issuer Security or knowingly to prejudice that security or any of the Issuer Charged Property (or the Issuer Security Trustee's interest in those assets) provided that, subject to **Clause 5** (Restrictions on Exercise of Certain Rights), this Deed does not limit the rights of any of the Issuer Secured Creditors under the Issuer Transaction Documents.

4.2 Registration of Issuer Security

Within 21 calendar days of the date of creating the Issuer Security the Issuer undertakes to file (or to procure that a filing is made) with the Registrar of Companies pursuant to the provisions of Section 860 of the Companies Act 2006 a duly completed Form MG01 in respect of itself together with the required registration fee and an executed copy of this Deed.

4.3 **Transaction Documents**

Each Issuer Secured Creditor acknowledges that it is bound by, and deemed to have notice of, all of the provisions of the Issuer Transaction Documents as if it was a party to each Issuer Transaction Document.

4.4 **Payments to the Issuer**

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

4.5 **Exercise of rights under Issuer Charged Documents**

- (a) Subject to **Clause 8** and **Clause 12**, without prejudice to the rights of the Issuer Security Trustee after the security created under this Deed has become enforceable, the Issuer hereby authorises the Issuer Security Trustee (but without any obligation on the part of the Issuer Security Trustee to do so), prior to the security created by this Deed becoming enforceable, to exercise or direct the exercise, or refrain from exercising or directing the exercise of, all rights, powers, authorities, discretions and remedies of the Issuer under or in respect of the Issuer Charged Documents referred to in **Clause 3.2** (Contracts). For the avoidance of doubt, the Issuer Security Trustee shall not be required to have regard to the interests of the Issuer in the exercise or non-exercise or the direction or non-direction of the exercise of any such rights, powers, authorities, discretions and remedies or to comply with any direction given by the Issuer in relation thereto.
- (b) The Issuer shall not, without the prior written consent of the Issuer Security Trustee:
 - (i) permit any of the Issuer Charged Documents to which it is a party to become invalid or ineffective or the priority of the security interests created or evidenced thereby or pursuant thereto to be varied;
 - (ii) consent to any variation of, or exercise any powers of consent or waiver pursuant to, the terms of any of the Issuer Charged Documents; or
 - (iii) permit any party to any of the Issuer Charged Documents or any other person whose obligations form part of the Issuer Charged Property to be released from its obligations.

4.6 **New Issuer Secured Creditors**

- (a) In order to become a New Issuer Secured Creditor a creditor of the Issuer must enter into an Accession Deed in the form or substantially in the form set out in **Schedule 1** (Form of Accession Deed).
- (b) Each New Issuer Secured Creditor will be bound by the provisions of this Deed as if it contained covenants by each New Issuer Secured Creditor in favour of the Issuer Security Trustee and every other Issuer Secured Creditor to observe and be bound by all provisions of this Deed which apply to Issuer Secured Creditors.

5. RESTRICTIONS ON EXERCISE OF CERTAIN RIGHTS

5.1 Payments to Issuer Accounts

At all times prior to the release, re-assignment, retrocession and/or discharge under **Clause 18** (Release) of the Issuer Security, the Issuer will, save as otherwise provided in the Issuer Transaction Documents or unless the Issuer Security Trustee otherwise agrees in writing, procure that all amounts received by the Issuer under or in respect of the Issuer Transaction Documents will be credited to the Issuer Accounts in accordance with the terms of the Issuer Transaction Documents.

5.2 No withdrawals from Issuer Accounts

No payment, transfer and/or withdrawal may be made from any of the Issuer Accounts other than as expressly permitted under this Deed or the Issuer Cash Management Agreement or with the prior written consent of the Issuer Security Trustee.

5.3 No enforcement by Issuer Secured Creditors

- (a) Except as provided below, each of the Issuer Secured Creditors (other than, in the case of **paragraph (iii)** below, the Note Trustee and the Issuer Security Trustee) agrees with the Issuer and the Issuer Security Trustee that:
- (i) only the Issuer Security Trustee may enforce the Issuer Security in accordance with the terms and conditions of this Deed;
 - (ii) it will not take any steps or proceedings to procure the winding up, administration or liquidation of the Issuer; and
 - (iii) it will not take any other steps or action against the Issuer or the Issuer Charged Property for the purpose of recovering any of the Issuer Secured Obligations (including by exercising any rights of set-off) or enforcing any rights arising out of the Issuer Transaction Documents against the Issuer or take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer or the Issuer Charged Property.
- (b) If the Note Trustee has failed to serve a Note Acceleration Notice or to give directions to the Issuer Security Trustee to enforce the Issuer Security or the Issuer Security Trustee has failed to enforce the Issuer Security, in each case, within a reasonable period of time of becoming bound under the terms of the Conditions, the Note Trust Deed or this Deed, as the case may be, so to do and that failure is continuing or if there are no Notes outstanding, then each of the Issuer Secured Creditors (other than the Noteholders, to whom the provisions of **Condition 10** shall apply) will be entitled to take any steps and proceedings against the Issuer for the purpose of recovering any of the Issuer Secured Obligations or enforcing any rights arising out of the Issuer Transaction Documents as it considers necessary other than any steps or proceedings:
- (i) in respect of procuring the winding up, administration or liquidation of the Issuer; and/or
 - (ii) which would result in the breach by it of **Clause 6** (Payments out of the Issuer Accounts Prior to Acceleration) and/or **Clause 7** (Payments out of the Issuer Accounts Upon Acceleration) and/or any term of the other Issuer Transaction Documents.

5.4 **Limited recourse**

- (a) Each of the Issuer Secured Creditors hereby agrees that, notwithstanding any other provision of any Issuer Transaction Document, all obligations of the Issuer to each Issuer Secured Creditor in respect of the Issuer Secured Obligations owing to each Issuer Secured Creditor are limited in recourse as set out below:
- (i) in the event of non-payment of any sum due and payable to an Issuer Secured Creditor, its only remedy shall be enforcement of the Issuer Security in accordance with the provisions of this Deed and the other Issuer Transaction Documents; and
 - (ii) in the event that the net proceeds of enforcing and (as fully as practicable and over whatever time period the Issuer Security Trustee considers reasonably necessary) realising all the Issuer Security are (after application of the proceeds in accordance with the provisions of this Deed) insufficient to discharge in full the amount of any Issuer Secured Obligation owed to an Issuer Secured Creditor, the Issuer's obligation in respect of the unpaid amount shall be automatically extinguished and such Issuer Secured Creditor shall have no further claim against the Issuer in respect of such unpaid amount.
- (b) The provisions of this **Clause 5.4** shall survive the termination of this Deed.

5.5 **Amounts received by Issuer Secured Creditors**

Each Issuer Secured Creditor (other than the Issuer Security Trustee in respect of its own amounts) agrees that if any amount is received by it (including by way of set-off) in respect of any Issuer Secured Obligation owed to it other than in accordance with the provisions of this Deed, then an amount equal to the difference between the amount so received by it and the amount that it would have received had it been paid in accordance with the provisions of this Deed shall be received and held by it as trustee for the Issuer Security Trustee and shall be paid over to the Issuer Security Trustee immediately upon receipt so that such amount can be applied in accordance with the provisions of this Deed.

6. **PAYMENTS OUT OF THE ISSUER ACCOUNTS PRIOR TO ACCELERATION**

6.1 **Application**

No payment, transfer and/or withdrawal may be made from any of the Issuer Accounts:

- (a) at any time upon and after enforcement of the Issuer Security without the prior written consent of the Issuer Security Trustee; and/or
- (b) under this Clause at any time upon and after a Note Acceleration Notice has been served.

6.2 **Priority of payments for Issuer Revenue Receipts – prior to service of a Note Acceleration Notice or service of an Intercompany Loan Acceleration Notice**

Notwithstanding the Issuer Security but subject to **Clause 6.1** (Application) and this **Clause 6.2**, the Issuer or the Issuer Cash Manager, on behalf of the Issuer, will withdraw funds standing to the credit of the Issuer Transaction Account and the Issuer GIC Account or apply amounts representing Issuer Revenue Receipts on each Interest Payment Date (or on another date in respect of certain payments identified therein made to satisfy certain liabilities of the type described therein if those payments are due on that other date) to be applied in accordance with the terms and conditions of the Issuer Cash Management Agreement in the order of priority (in each case, only to the extent that payments of a

higher order of priority have been made in full) as set out in **paragraph 3 of schedule 2** of the Issuer Cash Management Agreement provided that:

- (a) the aggregate of any amounts raised by the Issuer by way of the issuance of Notes on the Closing Date (in respect of the Class A1 Notes, the Class A2 Notes, the Class A3 Notes, the Class A4 Notes, the Class A5 Notes and the Class Z1 Notes) and on the Second Issue Closing Date (in respect of the Class A6 Notes, the Class A7 Notes, the Class A8 Notes, the Class A9 Notes, the Class A10 Notes and the Class Z2 Notes) and standing to the credit of the Issuer Transaction Account or the Issuer GIC Account will not be applied by the Issuer in accordance with such priority and such amounts will be advanced on or about the Closing Date (in respect of the Class A1 Notes, the Class A2 Notes, the Class A3 Notes, the Class A4 Notes, the Class A5 Notes and the Class Z1 Notes) and on the Second Issue Closing Date (in respect of the Class A6 Notes, the Class A7 Notes, the Class A8 Notes, the Class A9 Notes, the Class A10 Notes and the Class Z2 Notes) by the Issuer to Funding 1 pursuant to the Issuer Intercompany Loan Agreement; and
- (b) the aggregate of any amounts raised by the Issuer under the Issuer Start-Up Loan Agreement on the Closing Date (in respect of the Class A1 Notes, the Class A2 Notes, the Class A3 Notes, the Class A4 Notes, the Class A5 Notes and the Class Z1 Notes) and on the Second Issue Closing Date (in respect of the Class A6 Notes, the Class A7 Notes, the Class A8 Notes, the Class A9 Notes, the Class A10 Notes and the Class Z2 Notes) and standing to the credit of the Issuer Transaction Account or the Issuer GIC Account will not be applied by the Issuer in accordance with such priority and such amounts will be applied as set out in Clause 2 of the Issuer Start-Up Loan Agreement.

6.3 Priority of payments of Issuer Principal Receipts – prior to service of a Note Acceleration Notice or service of an Intercompany Loan Acceleration Notice

Notwithstanding the Issuer Security but subject to **Clause 6.1 (Application)** and this **Clause 6.3**, the Issuer or the Issuer Cash Manager, on behalf of the Issuer, will withdraw funds standing to the credit of the Issuer Transaction Account representing Issuer Principal Receipts on each Interest Payment Date to be applied in accordance with the terms and conditions of the Issuer Cash Management Agreement in the order of priority (in each case, only to the extent that payments of a higher order of priority have been made in full) as set out in **paragraph 4 of schedule 2** to the Issuer Cash Management Agreement provided that:

- (a) the aggregate of any amounts raised by the Issuer by way of the issuance of Notes on the Closing Date (in respect of the Class A1 Notes, the Class A2 Notes, the Class A3 Notes, the Class A4 Notes, the Class A5 Notes and the Class Z1 Notes) and on the Second Issue Closing Date (in respect of the Class A6 Notes, the Class A7 Notes, the Class A8 Notes, the Class A9 Notes, the Class A10 Notes and the Class Z2 Notes) and standing to the credit of the Issuer Transaction Account or the Issuer GIC Account will not be applied by the Issuer in accordance with such priority and such amounts will be advanced on or about the Closing Date (in respect of the Class A1 Notes, the Class A2 Notes, the Class A3 Notes, the Class A4 Notes, the Class A5 Notes, and Class Z1 Notes) and on the Second Issue Closing Date (in respect of the Class A6 Notes, the Class A7 Notes, the Class A8 Notes, the Class A9 Notes, the Class A10 Notes and the Class Z2 Notes) by the Issuer to Funding 1 pursuant to the Issuer Intercompany Loan Agreement; and
- (b) the aggregate of any amounts raised by the Issuer under the Issuer Start-Up Loan Agreement on the Closing Date (in respect of the Class A1 Notes, the Class A2 Notes, the Class A3 Notes, the Class A4 Notes, the Class A5 Notes and the Class Z1 Notes) and on the Second Issue Closing Date (in respect of the Class A6 Notes, the Class A7 Notes, the Class A8

Notes, the Class A9 Notes, the Class A10 Notes and the Class Z2 Notes) and standing to the credit of the Issuer Transaction Account or the Issuer GIC Account will not be applied by the Issuer in accordance with such priority and such amounts will be applied as set out in Clause 2 of the Issuer Start-Up Loan Agreement.

6.4 **Authorised Investments**

- (a) Notwithstanding the Issuer Security but subject to **Clause 6.1 (Application)**, the Issuer or the Issuer Cash Manager, on behalf of the Issuer, may withdraw amounts standing to the credit of the Issuer Accounts from time to time for the purpose of acquiring Authorised Investments in accordance with the terms of the Issuer Bank Account Agreement and the Issuer Cash Management Agreement. All amounts received in respect of any Authorised Investments (including any amounts received as a result of a disposal under **paragraph (b)** below) will be deposited into the Issuer Transaction Account.
- (b) Notwithstanding the Issuer Security, the Issuer or the Issuer Cash Manager, on behalf of the Issuer, may sell or redeem or otherwise dispose of any Authorised Investments on any day prior to the enforcement of the Issuer Security subject to the terms and conditions of this Deed and the Issuer Cash Management Agreement.
- (c) Following the service of a Note Acceleration Notice, the Issuer Security Trustee may, deposit any and all amounts from time to time received or recovered by it, in respect of the Issuer Charged Property or from the realisation or enforcement of the Issuer Security, in a retention account for so long as, and on the terms which, it considers appropriate pending application of all amounts in respect thereof in accordance with **Clause 7**.

6.5 **Enforcement When Not All Amounts Due and Payable**

If the Issuer Security Trustee enforces the Issuer Security at a time when either no amounts or not all amounts owing in respect of the Issuer Secured Obligations have become due and payable, the Issuer Security Trustee (or a Receiver) may, for so long as no such amounts or not all such amounts have become due and payable, pay any monies referred to in this **Clause 6** into, and retain such monies in, an interest-bearing account (a **retention account**) to be held by it as security and applied by it in accordance with this **Clause 6** as and when any of the amounts referred to therein become due and payable.

7. **PAYMENTS OUT OF THE ISSUER ACCOUNTS UPON ACCELERATION**

7.1 **Payment of Issuer Revenue Receipts - after service of a Note Acceleration Notice but prior to the service of an Intercompany Loan Acceleration Notice**

- (a) From and including the time when a Note Acceleration Notice has been served on the Issuer, but prior to the service of an Intercompany Loan Acceleration Notice, the Issuer Cash Manager on an Interest Payment Date or, if the Issuer Security has also been enforced, the Issuer Security Trustee (or any Receiver) on such date(s) as the Issuer Security Trustee shall determine will apply all Issuer Revenue Receipts and all other amounts received or recovered by the Issuer Security Trustee (or any Receiver) for the benefit of the Issuer Secured Creditors in respect of the Issuer Secured Obligations in accordance with **Clause 6.2 (Priority of payments for Issuer Revenue Receipts – prior to service of a Note Acceleration Notice or service of an Intercompany Loan Acceleration Notice)**, as if:
 - (i) any reference in the Issuer Pre-Acceleration Revenue Priority of Payments in the Issuer Cash Management Agreement to an amount payable by the Issuer which is not an Issuer Secured Obligation were deleted;

- (ii) **Clause 6.2** (Priority of payments for Issuer Revenue Receipts – prior to service of a Note Acceleration Notice or service of an Intercompany Loan Acceleration Notice) and the Issuer Pre-Acceleration Revenue Priority of Payments were expressed to be subject to the provisions of **Clause 6.5** (Enforcement When Not All Amounts Due and Payable); and
 - (iii) in addition to the amounts due to the Issuer Security Trustee under item (a) of the Issuer Pre-Acceleration Revenue Priority of Payments, Issuer Revenue Receipts will be applied to pay amounts due to any Receiver appointed by the Issuer Security Trustee together with interest and any amount in respect of VAT thereon, and to provide for any amounts due or to become due to the Receiver during the following Interest Period.
- (b) Following the service of a Note Acceleration Notice, at the written request of the Issuer Security Trustee, the Issuer Cash Manager shall cease to act as an agent for the Issuer and shall instead act as an agent of the Issuer Security Trustee with respect to the provision of the services pursuant to the Issuer Cash Management Agreement.

7.2 Priority of payments of Issuer Principal Receipts – after service of a Note Acceleration Notice but prior to the service of an Intercompany Loan Acceleration Notice

- (a) Following the service of a Note Acceleration Notice but prior to the service of an Intercompany Loan Acceleration Notice on Funding 1, the Issuer Cash Manager on an Interest Payment Date, or if the Issuer Security has been enforced, the Issuer Security Trustee (or a Receiver appointed on its behalf) on such date(s) as the Issuer Security Trustee shall determine will apply Issuer Principal Receipts received by the Issuer or, as the case may be, received or recovered by the Issuer Security Trustee (or a Receiver appointed on its behalf) following the enforcement of the Issuer Security in the following manner (the **Issuer Post-Acceleration Principal Priority of Payments**):
- (i) without priority among them but in proportion to the respective amounts due, to pay amounts due and payable in respect of principal (if any) on such Interest Payment Date:
 - (A) on the Class A1 Notes;
 - (B) on the Class A2 Notes;
 - (C) on the Class A3 Notes;
 - (D) on the Class A4 Notes;
 - (E) on the Class A5 Notes;
 - (F) on the Class A6 Notes;
 - (G) on the Class A7 Notes;
 - (H) on the Class A8 Notes;
 - (I) on the Class A9 Notes; and
 - (J) on the Class A10 Notes;

- (ii) without priority among them but in proportion to the respective amounts due, to pay amounts due and payable in respect of principal (if any) on such Interest Payment Date:
 - (A) on the Class Z1 Notes; and
 - (B) on the Class Z2 Notes.

7.3 Priority of payments of Issuer Principal Receipts and Issuer Revenue Receipts – after service of an Intercompany Loan Acceleration Notice

- (a) Following the service of an Intercompany Loan Acceleration Notice on Funding 1 all amounts received by the Issuer Cash Manager or, following the enforcement of the Issuer Security, all amounts received or recovered by the Issuer Security Trustee (or a Receiver appointed on its behalf) shall be applied in accordance with the order of priorities set out in paragraph (b) below (known as the **Issuer Post-Enforcement Priority of Payments**).
- (b) When, following the service of an Intercompany Loan Acceleration Notice on Funding 1, amounts are received by the Issuer Cash Manager or, following the enforcement of the Issuer Security, amounts are (subject to Clause 6.4(c) above in the case of the Issuer Security Trustee) received or recovered by the Issuer Security Trustee, the Issuer Cash Manager or the Issuer Security Trustee, as applicable, will apply amounts received or recovered following acceleration of the Issuer Intercompany Loan and/or enforcement of the Issuer Security as follows (in each case, only to the extent that payments of a higher order of priority have been paid in full):
 - (i) without priority among them but in proportion to the respective amounts due, to pay amounts due (including remuneration) to:
 - (A) the Issuer Security Trustee and any Receiver appointed by the Issuer Security Trustee together with interest and any amount in respect of VAT on those amounts and any amounts then due or to become due to the Issuer Security Trustee and the Receiver under the provisions of this Deed;
 - (B) the Note Trustee together with interest and any amount in respect of VAT on those amounts and any amounts then due or to become due and payable to the Note Trustee under the provisions of the Note Trust Deed; and
 - (C) the Agent Bank, the Paying Agent and the Registrar together with interest and any amount in respect of VAT on those amounts and any costs, charges, liabilities and expenses then due or to become due and payable to them under the provisions of the Paying Agent and Agent Bank Agreement;
 - (ii) without priority among them but in proportion to the respective amounts due, towards payment of amounts (together with any amount in respect of VAT on those amounts) due and payable to the Issuer Cash Manager under the Issuer Cash Management Agreement, to the Issuer Corporate Services Provider under the Issuer Corporate Services Agreement and to the Issuer Account Bank under the Issuer Bank Account Agreement;
 - (iii) without priority among them but in proportion to the amounts due, to pay:
 - (A) interest due or overdue and to repay principal on the Class A1 Notes;

- (B) interest due or overdue and to repay principal on the Class A2 Notes;
 - (C) interest due or overdue and to repay principal on the Class A3 Notes;
 - (D) interest due or overdue and to repay principal on the Class A4 Notes;
 - (E) interest due or overdue and to repay principal on the Class A5 Notes;
 - (F) interest due or overdue and to repay principal on the Class A6 Notes;
 - (G) interest due or overdue and to repay principal on the Class A7 Notes;
 - (H) interest due or overdue and to repay principal on the Class A8 Notes;
 - (I) interest due or overdue and to repay principal on the Class A9 Notes;
 - (J) interest due or overdue and to repay principal on the Class A10 Notes;
- (iv) without priority among them but in proportion to the amounts due, to pay:
- (A) interest due or overdue on, and to repay principal of, the Class Z1 Notes;
 - (B) interest due or overdue on, and to repay principal of, the Class Z2 Notes;
and
- (v) to pay interest due or overdue on, and to repay principal of, and other amounts owing to the Issuer Start-up Loan Provider under the Issuer Start-up Loan Agreement; and
- (vi) the balance (if any) to the Issuer.

8. ENFORCEMENT BY THE ISSUER SECURITY TRUSTEE

8.1 General enforcement

- (a) Subject to **Clause 8.2 (Administrative Receiver)**, the Issuer Security Trustee will not, and will not be bound to, take any steps, institute any proceedings, exercise its rights, powers, discretions, authorities, duties, and/or functions and/or to take any other action under or in connection with any of the Issuer Transaction Documents (including, without limitation, enforcing the Issuer Security) unless the Issuer Security Trustee:
- (i) has been indemnified and/or secured to its satisfaction against all liabilities, cost, charges, expenses, losses and claims to which it may render itself liable or which it may incur by so doing and, for this purpose, the Issuer Security Trustee may demand, prior to taking any such action, that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so to indemnify it; and
 - (ii) is directed to do so by:
 - (A) the Note Trustee (subject to and in accordance with the provisions of the Note Trust Deed); or
 - (B) if there are no Notes outstanding, the Issuer Secured Creditor that ranks in highest priority of payment as set out in **Clause 7.3** (other than the Note

Trustee and the Issuer Security Trustee) to whom amounts are then owing, provided that where there is more than one such Issuer Secured Creditor ranking *pari passu*, such Issuer Secured Creditor to whom the greatest amount is then owing by the Issuer,

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

- (b) The Issuer Security Trustee shall not be liable to any Issuer Secured Creditor for any action it may take in accordance with any instructions received pursuant to **paragraph (a)** above. The Issuer Security Trustee shall be entitled to seek clarification from the relevant Instructing Party with regard to such instructions and may in its discretion elect not to act pending receipt of such clarification to its satisfaction from such relevant Instructing Party and shall not be liable to any person for any loss occasioned thereby.
- (c) Upon being directed by the Note Trustee to enforce the Issuer Security in accordance with **paragraph (a)** above, the Issuer Security Trustee will notify the Issuer, the Seller and the Issuer Secured Creditors of such direction.

8.2 **Administrative Receiver**

- (a) Notwithstanding any term of this Deed, subject to **paragraph (b)** below, the Issuer Security Trustee must enforce the Issuer Security by appointing an administrative receiver in respect of the Issuer if it has actual notice of:
 - (i) an application for the appointment of an administrator in respect of the Issuer; or
 - (ii) the giving of a notice of intention to appoint an administrator in respect of the Issuer, and
 - (iii) the Issuer Security Trustee shall be indemnified and/or secured to its satisfaction in accordance with the provisions of this Deed,and that appointment shall take effect not later than the final day by which it must take effect in order to prevent an administration proceeding.
- (b) The Issuer Security Trustee is not liable for any failure to appoint or delay in appointing an administrative receiver in respect of the Issuer, save in the case of its own gross negligence, wilful default or fraud and, for the avoidance of doubt:
 - (i) nothing in this **Clause 8.2** shall be construed so as to impose on the Issuer Security Trustee any obligation to indemnify any administrative receiver appointed by it pursuant to this **Clause 8.2** except to the extent of (and from) the cash and assets comprising the Issuer Security held by the Issuer Security Trustee at such time; and
 - (ii) the Issuer Security Trustee shall have no liability if, having used its reasonable endeavours, it is unable to find a person who is willing to be appointed as an administrative receiver on the terms as to indemnification referred to in **paragraph (b)(i)** above.

- (c) The Issuer Security Trustee shall not be liable to any Issuer Secured Creditor for any action it may take in accordance with **paragraph (a)** above.
- (d) The Issuer hereby waives any claims against the Issuer Security Trustee in respect of any appointment made pursuant to this **Clause 8.2**.

9. ENFORCEMENT OF ISSUER SECURITY

9.1 General

- (a) For the purposes of all powers implied by statute, the Issuer Secured Obligations are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the 1925 Act and Section 20 of the 1881 Act (restricting the power of sale) and Section 93 of the 1925 Act and Section 17 of the 1881 Act (restricting the right of consolidation) do not apply to the Security Interests comprised in the Issuer Security.

9.2 Note Event of Default

The Issuer Security will become immediately enforceable upon the service of a Note Acceleration Notice or, if there are no Notes outstanding, upon failure by the Issuer to pay any other Issuer Secured Obligation on its due date (subject to any applicable grace period).

9.3 Privileges

The Issuer Security Trustee and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the 1925 Act on mortgagees and receivers duly appointed under the 1925 Act, except that Section 103 of the 1925 Act and Section 20 of the 1881 Act does not apply.

9.4 Power of sale

The power of sale and other powers conferred by Section 101 of the 1925 Act and Section 19 of the 1881 Act, as extended and varied by this Deed, will be immediately exercisable at any time after the Issuer Security has become enforceable.

9.5 Extension of the 1925 Act

- (a) The statutory powers of leasing conferred on the Issuer Security Trustee are extended so as to authorise the Issuer Security Trustee to lease, make agreements for leases, accept surrenders of leases and grant options as the Issuer Security Trustee may think fit and without the need to comply with any provision of Section 99 or 100 of the 1925 Act and Section 18 or 3 of the 1911 Act.
- (b) The statutory powers of sale and the other powers conferred on the Issuer Security Trustee by Section 101(1) and (2) of the 1925 Act or by Section 19 of the 1881 Act and Section 4(1) of the 1911 Act are extended so as to authorise the Issuer Security Trustee (upon such terms as the Issuer Security Trustee may think fit and in accordance with the terms of this Deed) to:
 - (i) make demand in the name of the other Issuer Secured Creditors or in its own right for any monies and liabilities in respect of the Issuer Charged Property; and

- (ii) do all or any of the things or exercise all or any of the powers referred to in **Clause 11 (Powers of Receiver)** as if each of them was expressly conferred on the Issuer Security Trustee by this Deed.

9.6 Mortgagee in possession

- (a) Neither the Issuer Security Trustee nor any Receiver will be liable, by reason of the Issuer Security or entering into possession of an Issuer Charged Property, to account as mortgagee or security holder in possession or for any loss on realisation or for any default or omission for which a mortgagee or security holder in possession might be liable.
- (b) Each of the Issuer Security Trustee, the other Issuer Secured Creditors and any Receiver will not take any action (other than, in the case of the other Issuer Secured Creditors, with the Issuer Security Trustee's prior written consent) which would be likely to lead to the Issuer Security Trustee or the other Issuer Secured Creditors becoming a mortgagee or security holder in possession in respect of any Issuer Charged Property.

9.7 Protection of third parties

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

- (a) whether the Issuer Secured Obligations remain outstanding or have become payable;
- (b) whether any power which the Issuer Security Trustee or that Receiver is purporting to exercise has become exercisable or is being properly exercised; or
- (c) how any money paid to the Issuer Security Trustee or to that Receiver is to be applied,

and the protections afforded to purchasers from a mortgagee by Section 104 and 107 of the 1925 Act and Sections 21 and 22 of the 1881 Act and to persons dealing with an administrative receiver by Section 42(3) of the Insolvency Act 1986 will apply.

9.8 Contingencies

If the Issuer Security is enforced at a time when no amount is due in respect of the Issuer Secured Obligations or any of the Issuer Secured Obligations are contingent or future, the Issuer Security Trustee or any Receiver may pay the proceeds of any recoveries effected by it into any interest-bearing account to be held by it as security and applied in accordance with the terms and conditions of this Deed and the Issuer Cash Management Agreement.

9.9 Disposal of Issuer Charged Property

Notwithstanding the foregoing provisions of this **Clause 9**, if a Note Acceleration Notice is served on the Issuer other than due to a default in payment of any amount due in respect of any Notes, the Issuer Security Trustee will not be entitled to dispose of all or part of the Issuer Charged Property unless either:

- (a) the Issuer provides the Issuer Security Trustee with a certificate signed by 2 of its directors certifying that a sufficient amount would be realised to allow payment in full of all amounts owing to the Rated Noteholders after payment of all other claims ranking in priority to amounts due in respect of the Rated Notes in accordance with the Issuer Post-Enforcement Priority of Payments; or

- (b) the Issuer Security Trustee has been advised by an independent investment bank or other independent financial adviser (which advice and/or opinion shall be conclusive and binding) selected by the Issuer Security Trustee (and if the Issuer Security Trustee is unable to obtain such advice having made reasonable efforts to do so this **Clause 9.9** shall not apply) that, in its opinion, the cash flow prospectively receivable by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts due in respect of the Rated Notes after payment of all other claims ranking in priority to amounts due under the Rated Notes in accordance with the Issuer Post-Enforcement Priority of Payments and the resulting shortfall would be greater than the shortfall resulting from a disposal of the assets, or the Issuer Security Trustee considers in its discretion that not to effect such disposal would place the Issuer Charged Property in jeopardy; and
- (c) the Issuer Security Trustee shall not be bound to make the determination contained in **Clause 9.9(b)** above unless the Issuer Security Trustee shall have been indemnified and/or secured to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

The fees and expenses of the aforementioned financial adviser or such other professional adviser selected by the Issuer Security Trustee shall be paid by Issuer.

10. RECEIVER

10.1 Appointment of Receiver

- (a) Except as provided below, the Issuer Security Trustee may appoint any one or more persons to be a Receiver of all or any part of the Issuer Charged Property if the Issuer Security has become enforceable.
- (b) Any appointment under **paragraph (a)** above may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the 1925 Act or Section 24 of the 1881 Act) does not apply to this Deed.
- (d) The Issuer Security Trustee is not entitled to appoint a Receiver solely as a result of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium,

under Section 1A of the Insolvency Act 1986 or the Insolvency (Northern Ireland) Order 2002 (if appropriate).

10.2 Removal

The Issuer Security Trustee may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated. The Issuer Security Trustee may apply to the court for an order removing an administrative receiver.

10.3 Remuneration

The Issuer Security Trustee may fix the remuneration of any Receiver appointed by it and the maximum rate specified in Section 109(6) of the 1925 Act or Section 24 of the 1881 Act will not apply. The Issuer will pay the remuneration of any Receiver in accordance with the terms and in the manner agreed from time to time between the relevant Receiver and the Issuer Security Trustee, subject to the terms and conditions of this Deed.

10.4 Agent of the Issuer

- (a) A Receiver will be deemed to be the agent of the Issuer for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the 1925 Act or the 1881 Act or the 1911 Act. The Issuer alone is responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver.
- (b) If a liquidator of the Issuer is appointed, the Receiver will act as principal and not as agent of the Issuer Security Trustee.
- (c) The Issuer Security Trustee will not incur any liability (either to the Issuer or to any other person) by reason of the appointment of a Receiver.

10.5 Relationship with Issuer Security Trustee

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after the Issuer Security becomes enforceable be exercised by the Issuer Security Trustee in relation to any Issuer Charged Property without first appointing a Receiver and notwithstanding the appointment of a Receiver.

11. POWERS OF RECEIVER

11.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause in addition to those conferred on it by any law; this includes:
 - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986 or the Insolvency (Northern Ireland) Order 1989 (if appropriate); and
 - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the 1925 Act, or the 1881 Act and the 1911 Act (if appropriate), the Insolvency Act 1986 and the Insolvency (Northern Ireland) Order 1989 (if appropriate).
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

11.2 Possession

A Receiver may take immediate possession of, get in and collect any Issuer Charged Property.

11.3 **Carry on business**

A Receiver may carry on any business of the Issuer in any manner he thinks fit.

11.4 **Employees**

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (b) A Receiver may discharge any person appointed by the Issuer.

11.5 **Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Issuer Charged Property either in priority to the Issuer Security or otherwise and generally on any terms and for whatever purpose which he thinks fit.

11.6 **Sale of assets**

- (a) A Receiver may sell, exchange, convert into money and realise any Issuer Charged Property by public auction or private contract and generally in any manner and on any terms which he thinks fit.
- (b) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.
- (c) Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Issuer.

11.7 **Leases**

A Receiver may let any Issuer Charged Property for any term and at any rent (with or without a premium) which he thinks fit and may accept a surrender of any lease or tenancy of any Issuer Charged Property on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

11.8 **Compromise**

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Issuer or relating in any way to any Issuer Charged Property, provided that, any such claim has priority to or ranks *pari passu* with this Deed.

11.9 **Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Issuer Charged Property which he thinks fit.

11.10 **Receipts**

A Receiver may give a valid receipt for any monies and execute any assurance or thing which may be proper or desirable for realising any Issuer Charged Property.

11.11 Subsidiaries

A Receiver may form a Subsidiary of the Issuer and transfer to that Subsidiary any Issuer Charged Property.

11.12 Delegation

A Receiver may delegate his powers in accordance with this Deed.

11.13 Lending

A Receiver may lend money or advance credit to any customer of the Issuer.

11.14 Protection of assets

A Receiver may:

- (a) effect any repair or insurance and do any other act which the Issuer might do in the ordinary conduct of its business to protect or improve any Issuer Charged Property;
- (b) commence and/or complete any building operation; and
- (c) apply for and maintain any planning permission, building regulation approval or any other authorisation,

in each case as he thinks fit.

11.15 Uncalled capital

A Receiver may call up or require the directors of the Issuer to call up any uncalled capital of the Issuer.

11.16 Payment of expenses

A Receiver may pay and discharge, out of the profits and income of the Issuer Charged Property and any monies made by it in carrying on the business of the Issuer, the expenses incurred by it in connection with the carrying on and management of that business or in the exercise of any of the powers conferred by this Clause or otherwise in respect of the Issuer Charged Property and all other expenses which it shall think fit to pay and will apply the residue of those profits and income in accordance with the terms and conditions of this Deed.

11.17 Other powers

A Receiver may:

- (a) do all other acts and things which he may consider desirable or necessary for realising any Issuer Charged Property or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- (b) exercise in relation to any Issuer Charged Property all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Issuer Charged Property; and
- (c) use the name of the Issuer for any of the above purposes.

12. MODIFICATION, AUTHORISATION, WAIVER, AND CONSENT

12.1 Modification

- (a) Subject to **paragraphs (b) and (c)** below, the Issuer Security Trustee may without the consent or sanction of the Issuer Secured Creditors (except where they are a party to the relevant Issuer Transaction Document the subject of such modification, where the consent of such party will be required) concur (or direct the Funding 1 Security Trustee to concur) with any person in making or giving its consent to any modification to any Issuer Transaction Document only if so directed by (i) the Note Trustee, so long as there are any Notes outstanding, or (ii) all of the other Issuer Secured Creditors, if there are no Notes outstanding.
- (b) Subject to paragraph (d) below, the Issuer Security Trustee shall, without any consent or sanction of the Issuer Secured Creditors (except where they are a party to the relevant Issuer Transaction Document the subject of such modification, where the consent of such party will be required) be required to concur with the Issuer or any other person in making or giving its consent to any modification to any Issuer Transaction Document that is requested by Funding 1 (or the Cash Manager on its behalf) or the Issuer (or the Issuer Cash Manager on its behalf) provided that Funding 1 (or the Cash Manager on its behalf) or the Issuer (or the Issuer Cash Manager on its behalf) has certified to the Issuer Security Trustee in writing that such modification is required in order to accommodate:
- (i) New Intercompany Loan Agreements to be advanced to Funding 1 or any Further Funding Companies or the amendment of any existing Intercompany Loans and/or the issue of New Issuer Notes or Further Securities by New Issuers or the Issuer;
 - (ii) New Funding 1 Start-Up Loan Agreements and/or new Issuer Start-Up Loan Agreements of Funding 1 or any Further Funding Companies (as the case may be) and any New Issuer (as the case may be) or the amendment or increase in size of any existing Funding 1 Start-up Loan Agreement or Issuer Start-up Loan Agreement;
 - (iii) the addition of New Issuer Secured Creditors, New Funding 1 Secured Creditors or secured creditors of any New Issuer or any Further Funding Company;
 - (iv) the accession of New Beneficiaries to the Mortgages Trust Deed;
 - (v) the issue (directly or indirectly) of debt by Funding 1 and/or any Further Funding Company (other than as referred to in **paragraphs (i) and (ii)** above);
 - (vi) the sale of New Loan Types and their Related Security to the Mortgages Trustee;
 - (vii) the creation and issue of Further Notes carrying the same terms and conditions in all respects (or in all respects except for the first Interest Period) as, and so that the same shall be consolidated and form a single series and rank *pari passu* with, any class of the existing Notes, subject to the conditions set out in Condition 16.1;
 - (viii) the creation and issue of New Notes which may rank *pari passu* with the Class A Notes or the Class Z Notes or after the Class A Notes but ahead of the Class Z Notes or after the Class Z Notes and which may have terms and conditions which differ from the Notes and which do not form a single series with the Class A Notes or the Class Z Notes provided that the conditions set out in Condition 16.1(a), (c), (d) and (e) are satisfied;

- (ix) changes to the Funding 1 Reserve Required Amount, the Issuer Reserve Fund Required Amount or the Issuer Liquidity Reserve Required Amount or the manner in which each of such amounts are funded; and/or
- (x) changes to the Asset Trigger Events and Non-Asset Trigger Events;
- (c) The Issuer Security Trustee shall only be required to agree or consent to the modifications set out in **paragraph (b)** above if the Issuer Security Trustee is satisfied that:
 - (i) in respect of the matters set out in **paragraphs (b)(i), (b)(iv) and (b)(vi)** above, Funding 1, the Cash Manager the Issuer and/or the Issuer Cash Manager has certified to the Issuer Security Trustee that the conditions precedent to:
 - (A) Loan Tranches being made available to Funding 1 (as set out in Clause 2.1 of the Intercompany Loan Terms and Conditions);
 - (B) the assignment of New Loans to the Mortgages Trustee (as set out in Clause 4 (Sale and Purchase of New Portfolios, Product Switch and Further Advances) of the Mortgage Sale Agreement);
 - (C) the inclusion of a New Beneficiary of the Mortgages Trust (as set out in Clause 17 (New Beneficiary of the Mortgages Trust) of the Mortgages Trust Deed),

have been satisfied; and

- (ii) in respect of the matters listed in **paragraphs (b)(i) to (b)(x)**, the Issuer Security Trustee has received written confirmation from each of the Rating Agencies that the relevant modifications will not result in a reduction, qualification or withdrawal of the then current ratings of the Rated Notes (if any) (it being acknowledged that none of the Rating Agencies has any obligation to provide such confirmation at any time and that, pursuant to Condition 15, the confirmation of one of the Rating Agencies may be sufficient for such purpose).
- (d) Each Issuer Secured Creditor hereby acknowledges that the Issuer Security Trustee is required to make the modifications set out in **paragraph (b)** above (subject to **paragraph (c)**), and each Issuer Secured Creditor further acknowledges that such modifications may adversely affect the amount of monies available to the Issuer to meet the Issuer Secured Obligations. Each Issuer Secured Creditor agrees that such modifications shall be binding on it and unless the Issuer Security Trustee otherwise agrees, notice thereof shall be given by the Cash Manager to the Issuer Secured Creditors as soon as practicable after the modifications have been made.
- (e) Each of the Issuer Secured Creditors agrees from time to time to do and perform such other and further acts and execute and deliver any and all such other documents and instruments (to the extent the Issuer Security Trustee and/or the Note Trustee is a party thereto, in form and substance satisfactory to each of the Issuer Security Trustee and the Note Trustee, as applicable) as may be required by law or necessary to give effect to the intent and purpose of this **Clause 12.1 (Modification)**.

12.2 Authorisation or waiver

The Issuer Security Trustee shall waive or authorise (or direct the Funding 1 Security Trustee to waive or authorise) (without prejudice to its rights in respect of any further or other breach) any

breach or proposed breach by the Issuer or any other person (or in the case of a direction to the Funding 1 Security Trustee, by Funding 1 or any other person) of any of the covenants or provisions of any Issuer Transaction Document only if so directed by (a) the Note Trustee so long as there are any Notes outstanding, or (b) all of the other Issuer Secured Creditors, if there are no Notes outstanding.

12.3 Requests for consent or approval

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

- (a) if any Issuer Transaction Document specifies that the Issuer Security Trustee is required to give its consent or approval to that event, matter or thing if certain specified conditions are satisfied in relation to that event, matter or thing, then the Issuer Security Trustee will give its consent or approval to that event, matter or thing upon being satisfied that those specified conditions have been satisfied; and
- (b) in any other case, the Issuer Security Trustee shall give its consent or approval to that event, matter or thing only if so directed by (a) the Note Trustee so long as there are any Notes outstanding or (b) all of the other Issuer Secured Creditors, if there are no Notes outstanding.

12.4 Binding on Issuer Secured Creditors

Any modification, authorisation, waiver, consent or approval provided under this Clause 12 will be binding on all of the Issuer Secured Creditors.

12.5 Additional terms and conditions

Any modification, authorisation, waiver, consent or approval provided under this Clause 12 may be made or given on such terms and subject to such conditions (if any) as directed by (a) the Note Trustee so long as there are any Notes outstanding, or (b) all of the other Issuer Secured Creditors, if there are no Notes outstanding.

12.6 Notice to Issuer Secured Creditors

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

- (a) the Noteholders in accordance with the Conditions; and
- (b) each of the other Issuer Secured Creditors in accordance with this Deed,

in each case, of any modification, authorisation, waiver, consent or approval made under this Clause 12.

13. ADDITIONAL PROVISIONS REGARDING THE ISSUER SECURITY TRUSTEE

13.1 Incorporation of Note Trust Deed provisions

- (a) Without prejudice to the other provisions of this Deed and except as set out below, the following Clauses of the Note Trust Deed are incorporated in and will apply, *mutatis mutandis*, to this Deed (and for that purpose references in that Clause to "these presents" or to "this Deed" will be construed as references to this Issuer Deed of Charge and references in that Clause to "the Note Trustee" will be construed as references to the Issuer Security Trustee):

- (i) **clause 16** (Remuneration and Indemnification of the Note Trustee);
 - (ii) **clause 17** (Supplement to Trustee Acts);
 - (iii) **clause 18** (Note Trustee's liability);
 - (iv) **clause 19** (Note Trustee Contracting with the Issuer);
 - (v) **clause 23** (Eligibility and Disqualification; New Note Trustee);
 - (vi) **clause 24** (Note Trustee's Retirement and Removal); and
 - (vii) **clause 25** (Note Trustee's Powers to be Additional).
- (b) **Clause 16** (Remuneration and Indemnification of the Note Trustee) of the Note Trust Deed will be amended so that:
- (i) the last sentence of **clause 16.1** is deleted and replaced by the following:

"Such remuneration shall accrue from day to day and be payable up to and including the date when the Issuer Security Period has expired and the Issuer Security Trustee has released, reassigned and/or discharged the Issuer Charged Property from the Issuer Security as provided under this Deed."; and
 - (ii) each of the references to the Note Trustee in **clauses 16.5, 16.6 and 16.7** include a reference to any Receiver appointed by the Issuer Security Trustee.
- (c) The following words shall be added to the end of **clause 16.9** before the final full stop:
- " , provided that if the Issuer Security Trustee is required to appoint an administrative receiver pursuant to **Clause 8.2** (Administrative receiver) of the Issuer Deed of Charge, the Issuer Security Trustee agrees that it is adequately indemnified and secured in respect of such appointment by virtue of its rights against the Issuer under the Issuer Deed of Charge and the security that it has in respect of such rights but otherwise without limitation to its right of indemnity and/or security under this Deed."

13.2 **No transfer of obligations**

Notwithstanding anything else in this Deed, the Issuer Security Trustee does not assume and will not be obliged to perform any obligations of any other party.

13.3 **No obligation to insure**

The Issuer Security Trustee shall not be under any obligation to insure in respect of any of the Issuer Charged Property or to require any other person to maintain any such insurance and shall have no liability to any person for not so doing.

13.4 **Additional Issuer Security Trustee provisions**

- (a) The Issuer Security Trustee shall be under no obligation to monitor or supervise the functions of the Issuer Cash Manager under the Issuer Cash Management Agreement or any other Issuer Transaction Document or of any other person under or pursuant to any of the Issuer Transaction Documents.

- (b) The Issuer shall provide to the Issuer Security Trustee such information as it shall reasonably request in writing to enable it to perform its functions as Issuer Security Trustee under the Issuer Transaction Documents including providing it with information relating to amounts due by the Issuer to any third party creditors, which it shall be entitled to rely on without liability to any person.
- (c) The Issuer Security Trustee shall not be liable to the Issuer or any Issuer Secured Creditor for acting on the request, direction or instruction of the Note Trustee.
- (d) The Issuer Security Trustee may provide information to the Funding 1 Security Trustee under the Funding 1 Deed of Charge and to the Note Trustee under the Note Trust Deed.
- (e) The Issuer Security Trustee shall be entitled to rely on any certificate addressed to it whether in its capacity as Issuer Security Trustee under this Deed, as Funding 1 Security Trustee under the Funding 1 Deed of Charge or as Note Trustee under the Note Trust Deed and may rely on information provided to it in any such capacity by any party to any Transaction Document.
- (f) The Issuer Security Trustee, if not the same as the Note Trustee and/or the Funding 1 Security Trustee, shall provide the Note Trustee and the Funding 1 Security Trustee with any information that either or both of them reasonably require.
- (g) The Issuer Security Trustee, if not the same as the Funding 1 Security Trustee and/or the Note Trustee, shall notify the Note Trustee and/or the Funding 1 Security Trustee of any breach of any provisions of this Deed or the Issuer Transaction Documents any event of which it has knowledge which would or may result in this Deed or the Issuer Security created thereby becoming enforceable.
- (h) Nothing in this Deed shall preclude the Funding 1 Security Trustee, the Note Trustee and the Funding 1 Security Trustee from exchanging information.
- (i) The Issuer Security Trustee may rely (without investigation or further inquiry) on documents provided by the Issuer, the Issuer Cash Manager, the Agent Bank, the Paying Agent, the Registrar, the Issuer Account Bank, the Issuer Corporate Services Provider, the Secretarial Services Provider, the Rating Agencies and the advice of consultants and advisers and shall not be liable for any loss or damage arising as a result of such reliance.
- (j) The Issuer Security Trustee is not required to monitor whether a Note Event of Default has occurred or compliance by the Issuer with the Issuer Transaction Documents.
- (k) The Issuer Security Trustee will be taken not to have knowledge of the occurrence of a Note Event of Default unless the Issuer Security Trustee has received written notice stating that a Note Event of Default has occurred.
- (l) The Issuer Security Trustee may rely (without investigation or further inquiry) on any instructions or directions given to it by the Note Trustee as being given on behalf of the relevant class of Noteholders without inquiry about compliance with the Note Trust Deed and shall not be liable for any loss or damage arising as a result of such reliance.
- (m) The Issuer Security Trustee has no duties or responsibilities except those expressly set out in this Issuer Deed of Charge or the Issuer Transaction Documents.
- (n) Any action taken by the Issuer Security Trustee under this Issuer Deed of Charge or any of the Transaction Documents binds all of the Issuer Secured Creditors.

- (o) Each Issuer Secured Creditor must make its own independent investigations, without reliance on the Issuer Security Trustee, as to the affairs of the Issuer and whether or not to request that the Issuer Security Trustee take any particular course of action under any Issuer Transaction Document.
- (p) The Issuer Security Trustee in a capacity other than as Issuer Security Trustee can exercise its rights and powers as such as if it were not acting as the Issuer Security Trustee.
- (q) The Issuer Security Trustee and its affiliates may engage in any kind of business with the Issuer or any of the Issuer Secured Creditors as if it were not the Issuer Security Trustee and may receive consideration for services in connection with any Issuer Transaction Document or otherwise without having to account to the Issuer Secured Creditors.
- (r) The Issuer Security Trustee has no liability under or in connection with this Issuer Deed of Charge or any other Transaction Document, whether to an Issuer Secured Creditor or otherwise, (1) other than to the extent to which the liability is able to be satisfied in accordance with this Issuer Deed of Charge out of the property held by it on trust under this Issuer Deed of Charge, and (2) it is actually indemnified and/or secured for the liability, unless such liability has arisen due to its or any of its officers', employees' or advisers' fraud, negligence, wilful misconduct or breach of the terms of this Issuer Deed of Charge.
- (s) The Issuer Security Trustee is not responsible for any deficiency which may arise because it is liable to Tax in respect of the proceeds of Issuer Security.

13.5 The Trustee

- (a) Citicorp Trustee Company Limited (the **Initial Trustee**) is acting as Note Trustee under the Note Trust Deed and as Funding 1 Security Trustee under the Funding 1 Deed of Charge and as Issuer Security Trustee under this Deed (and while doing so the Initial Trustee and any successor which acts in all such capacities are referred to in this **Clause 13.5** as the **Trustee**). No entity may act as a trustee in any such capacity unless it is also the Trustee in all such capacities or unless the Trustee agrees otherwise or unless the Trustee resigns its office as trustee in one or more of such capacities. In any capacity as Trustee, the Trustee will not be liable to any Noteholder for any loss which it may suffer by reason of any conflict which may arise between the interests of such Noteholder and any other person to whom the Trustee owes duties as a result of the Trustee acting in all such capacities.
- (b) Neither the Initial Trustee nor any of its successors has any responsibility to Noteholders, the Issuer Secured Creditors or the Funding 1 Secured Creditors for the validity, sufficiency or enforceability of the Issuer Security and the Funding 1 Security (which the Initial Trustee has not investigated) and shall accept such title and interest as any chargor or mortgagor has without responsibility for investigating the same or any defect there may be therein. Neither the Initial Trustee nor any of its successors are responsible for monitoring the performance by any person of its obligations to the Issuer, Funding 1 or any other person and each may assume until it has actual knowledge to the contrary that such obligations are being duly performed.

14. ISSUER POWER OF ATTORNEY

Immediately upon execution of this Deed, the Issuer will execute and deliver to the Issuer Security Trustee the Issuer Security Power of Attorney. The Issuer Security Trustee confirms that the Issuer Security Trustee may but is not obliged to exercise the powers conferred under the Issuer Security Power of Attorney if:

- (a) the Issuer Security has become enforceable;
- (b) it considers such action necessary for the protection or preservation of the Attorney's (as defined in the Issuer Security Power of Attorney) interests and rights in and to the Issuer Charged Property; and/or
- (c) it considers such action ought to be done under the covenants, undertakings and provisions contained in this Deed on or at any time after the service of a Note Acceleration Notice,

in each such case subject to the provisions of this Deed.

15. FURTHER ASSURANCES

The Issuer must, at its own expense, take whatever action the Issuer Security Trustee or a Receiver may require for:

- (a) creating, perfecting or protecting any security intended to be created by this Deed; or
- (b) facilitating the realisation of any Issuer Charged Property, or the exercise of any right, power or discretion exercisable, by the Issuer Security Trustee or any Receiver or any of its delegates or sub-delegates in respect of any Issuer Charged Property.

This includes:

- (i) the execution of any transfer, conveyance, assignment, assignation or assurance of any property, whether to the Issuer Security Trustee or to its nominee; or
 - (ii) the giving of any notice, order or direction and the making of any registration,
- which, in any such case, the Issuer Security Trustee may think expedient.

16. ADDITIONAL PROVISIONS RELATING TO THE ISSUER SECURITY

16.1 Continuing Security

The Issuer Security will remain in force as continuing security for the Issuer Secured Obligations notwithstanding any settlement of account or the existence at any time of a credit balance on any Issuer Account or other account or any other act, event or matter.

16.2 No merger

The Issuer Security is in addition to, and will not be merged in, or in any way exclude or prejudice any other Security Interest or other right which the Issuer Security Trustee or any other Issuer Secured Creditor may now or at any time have (or would apart from the Issuer Security have) as regards the Issuer or any other person in respect of the Issuer Secured Obligations.

16.3 Avoidance of security or payment

- (a) If an amount paid to the Issuer Security Trustee, the Noteholders or any of the other Issuer Secured Creditors under an Issuer Transaction Document is capable of being avoided or reduced by virtue of any provisions or enactments relating to bankruptcy, insolvency or liquidation for the time being in force or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.

- (b) Any settlement, discharge or release between the Issuer and the Issuer Security Trustee (or any Receiver) will be conditional upon no security or payment granted or made to the Issuer Security Trustee (or any Receiver, as the case may be) by the Issuer or any other person being avoided or reduced by virtue of any provisions or enactments relating to bankruptcy, insolvency or liquidation for the time being in force.
- (c) If any security or payment is avoided or reduced in the circumstances described in **paragraph (a) or (b)** above, then the Issuer Security Trustee (or any Receiver, as the case may be) will be entitled to recover the value or amount of such security or payment from the Issuer as if the relevant settlement, discharge or release had not occurred.

16.4 Retention of Issuer Security

- (a) If the Issuer Security Trustee has grounds for believing that the Issuer may be unable to pay its debts as they fall due as at the date of any payment made by the Issuer to the Issuer Security Trustee, the Noteholders or any of the other Issuer Secured Creditors, then the Issuer Security Trustee may retain the Issuer Security until the expiry of a period of (subject to **paragraph (b)** below) one month plus the statutory period within which any assurance, security, guarantee or payment can be avoided or invalidated after the payment and discharge in full of all Issuer Secured Obligations notwithstanding any release, settlement, discharge or arrangement which may be given or made by the Issuer Security Trustee on, or as a consequence of, such payment or discharge of liability.
- (b) If, at any time within the period referred to in **paragraph (a)** above, any person presents a petition, or files documents with a court or any registrar for the winding-up or administration of the Issuer or any analogous proceedings are commenced by or against the Issuer, the Issuer Security Trustee may continue to retain the Issuer Security for such further period as it may determine and the Issuer Security will be deemed to continue to be held as security for the payment and discharge to the Issuer Security Trustee of all of the Issuer Secured Obligations.

16.5 Change of name, etc.

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

16.6 Negative pledge

The Issuer shall not, save for the Issuer Security, or with the prior written consent of the Issuer Security Trustee, or unless otherwise permitted under any of the Issuer Transaction Documents, create or permit to subsist any Security Interest whatsoever, however created or arising (unless arising by operation of law) over any of its property, assets or undertakings present or future (including any uncalled capital) or any interest, estate, right, title or benefit therein or use, invest or dispose of, including by way of sale or the grant of any Security Interest of whatsoever nature or otherwise deal with, or agree or attempt or purport to sell or otherwise dispose of (in each case whether by one or a series of transactions) or grant any option or right to acquire any such property, assets or undertaking present or future.

17. SET-OFF

- (a) The Issuer Security Trustee may at any time following a Note Event of Default (without notice and notwithstanding any settlement of account or other matter):

- (i) combine or consolidate all or any existing accounts of the Issuer whether in its own name or jointly with others and held by it or any Issuer Secured Creditor;
 - (ii) set-off or transfer all or any part of any credit balance or any sum standing to the credit of any account referred to in **paragraph (i)** above (whether or not the same is due to the Issuer from the Issuer Security Trustee or relevant Issuer Secured Creditor and whether or not the credit balance and the account in debit or the Issuer Secured Obligations are expressed in the same currency) in or towards satisfaction of any of the Issuer Secured Obligations; and/or
 - (iii) in its discretion, estimate the amount of any liability of the Issuer which is contingent or unascertained and set-off such estimated amount.
- (b) No amount will be payable by the Issuer Security Trustee to the Issuer unless and until all Issuer Secured Obligations have been ascertained and fully repaid or discharged.

18. RELEASE

18.1 Upon discharge of Issuer Secured Obligations

At the end of the Issuer Security Period, the Issuer Security Trustee will, at the cost of the Issuer, take whatever action is necessary to release or re-assign the Issuer Charged Property from the Issuer Security to, or to the order of, the Issuer.

18.2 Authorised Investments

Upon the Issuer or the Issuer Cash Manager on its behalf making a disposal of an Authorised Investment charged under this Deed and provided that the proceeds of such disposal are paid into the Issuer Transaction Account in accordance with the terms of this Deed and the Issuer Cash Management Agreement, such Authorised Investment will be deemed to be released from the Issuer Security the Issuer Security Trustee will, at the request and cost of the Issuer take whatever action is necessary to release that Authorised Investment from the Issuer Security.

18.3 Issuer Accounts

For the avoidance of doubt, all amounts which the Issuer Cash Manager (on behalf of the Issuer and following service of a Note Acceleration Notice if the Issuer Cash Manager is appointed as agent of the Issuer Security Trustee, the Issuer Security Trustee or its appointee) is permitted to withdraw from the Issuer Transaction Account pursuant to **Clause 6.2** (Priority of payments for Issuer Revenue Receipts – prior to service of a Note Acceleration Notice or service of an Intercompany Loan Acceleration Notice) and **Clause 6.3** (Priority of payments of Issuer Principal Receipts – prior to service of a Note Acceleration Notice or service of an Intercompany Loan Acceleration Notice) will be deemed to be released from the Issuer Security upon the relevant withdrawal provided that, where the relevant amount is transferred to another Issuer Account, it will become subject to the Issuer Security in respect of that other Issuer Account.

18.4 Release under the Funding 1 Deed of Charge

If there is any release of security under the terms of the Funding 1 Deed of Charge, then the assets which are the subject of that release and formerly part of the Issuer Charged Property will automatically be released from the Issuer Security.

18.5 No liability for loss

The Issuer Security Trustee will not be liable to the Issuer or any other person for any loss, costs, claims or liabilities arising in connection with its acting upon a request made under this Clause and/or any release made under this Clause.

19. ISSUER REPRESENTATIONS

19.1 Title

The Issuer represents to the Issuer Security Trustee that it is the beneficial owner of the Issuer Charged Property and the Issuer Charged Property is free of any Security Interests (except for those created by or under this Deed) and any other rights or interests (including any licences) in favour of third parties.

19.2 No restriction

The Issuer represents to the Issuer Security Trustee that, as at the Closing Date (in respect of the Class A1 Notes, the Class A2 Notes, the Class A3 Notes, the Class A4 Notes, the Class A5 Notes, and the Class Z1 Notes) and as at the Second Issue Closing Date (in respect of the Class A6 Notes, the Class A7 Notes, the Class A8 Notes, the Class A9 Notes, the Class A10 Notes and the Class Z2 Notes), none of its property, assets and/or undertaking are or will be subject to any restriction (whether contractual or otherwise) that may render the Security Interests granted by the Issuer under this Deed ineffective or which otherwise prohibit the grant of such Security Interests.

19.3 Steps taken

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

19.4 Issuer Charged Documents

The Issuer represents to the Issuer Security Trustee that:

- (a) each Issuer Charged Document is its legally binding, valid, and enforceable obligation;
- (b) it is not in default of any of its obligations under any Issuer Charged Document;
- (c) there is no prohibition on assignment in any Issuer Charged Document; and
- (d) its entry into and performance of this Deed will not conflict with any term of any Issuer Charged Document.

19.5 Nature of security

The Issuer represents to the Issuer Security Trustee that this Deed creates those Security Interests it purports to create and is not liable to be amended or otherwise set aside on its liquidation or administration or otherwise, except that Security Interests expressed to be fixed may take effect as a floating charge security.

19.6 Centre of main interests and establishment

- (a) The Issuer represents to the Issuer Security Trustee that its "centre of main interests" for the purposes of the Insolvency Regulation and the UNCITRAL Implementing Regulations is in England and it does not have any "establishment" (as defined in the Insolvency Regulation and the UNCITRAL Implementing Regulations) other than in England.
- (b) The Issuer undertakes to conduct its business and affairs such that, at all relevant times, its "centre of main interests" for the purposes of the Insolvency Regulation and the UNCITRAL Implementing Regulations will be and remain in England and it will not have any "establishment" (as defined in the Insolvency Regulation and the UNCITRAL Implementing Regulations) other than in England.

19.7 Independent Director

The Issuer represents and warrants to the Issuer Security Trustee that it shall procure that, at all times, it shall retain at least one Independent Director (as defined in the Issuer Corporate Services Agreement).

19.8 Times for making representations

- (a) The representations set out in this Deed (including in this Clause) are made on the date of this Deed.
- (b) Unless a representation is expressed to be given at a specific date, each representation under this Deed is deemed to be repeated by the Issuer on each date during the Issuer Security Period.
- (c) When a representation is repeated, it is applied to the circumstances existing at the time of repetition.

20. EVIDENCE OF INDEBTEDNESS

- (a) In any action, proceedings or claim relating to this Deed or the Issuer Security, any statement (which will contain information in reasonable detail in support thereof) as to:
 - (i) any amount due to any Issuer Secured Creditor;
 - (ii) all or any part of the Issuer Secured Obligations; or
 - (iii) any amounts which have been notified to the Issuer Security Trustee as being amounts due to any Issuer Secured Creditor,

in each case, which is certified as being correct by an officer of the Issuer Security Trustee in the case only of amounts due to the Issuer Security Trustee for its own account or an officer of the relevant Issuer Secured Creditor in any other case will be conclusive evidence that such amount is in fact due and payable.

- (b) Each Issuer Secured Creditor (other than the Issuer Security Trustee) shall, upon request, provide to the Issuer Security Trustee information regarding the Issuer Secured Obligations that are owed to it, provided that such Issuer Secured Creditor is satisfied (acting reasonably) that adequate confidentiality arrangements are in place between it and the Issuer Security Trustee with regard to the provision of such information and such information shall be binding on the Issuer Security Trustee.

21. RIGHTS CUMULATIVE

The respective rights of the Issuer Security Trustee and any Receiver under this Deed:

- (a) may be exercised as often as necessary;
- (b) are cumulative and not exclusive of its rights under the general law; and
- (c) may be waived only in writing and specifically.

Delay in exercising or non-exercise of any right is not a waiver of that right.

22. SEVERABILITY

If a term of this Deed is or becomes illegal, invalid or unenforceable in any jurisdiction, that will not affect:

- (a) the legality, validity or enforceability in that jurisdiction of any other term of this Deed; or
- (b) the legality, validity or enforceability in any other jurisdiction of that or any other term of this Deed.

23. COUNTERPARTS

This Deed may be executed and delivered in any number of counterparts (including by facsimile), all of which, taken together, shall constitute one and the same deed and any party may enter into the same by executing and delivering a counterpart (including by facsimile).

This Deed (in relation to any rights or assets situated in Scotland or otherwise governed by Scots law) shall be fully effective and binding on the Issuer upon at least one copy of this Deed having been executed and delivered by the Issuer, notwithstanding that this Deed has not then been executed and delivered by any other party hereto or that such other party has executed or executes or has delivered or delivers a counterpart of this Deed.

24. NOTICES

24.1 In writing

Any communication in connection with this Deed must be in writing and, unless otherwise stated, may be given in person, by post or by fax. Unless it is agreed to the contrary, any consent or agreement required under this Deed must be given in writing.

24.2 Party details

The contact details of each party to this Deed for all communications in connection with this Deed are those set out below:

- (a) **Issuer:** 35 Great St. Helen's, London EC3A 6AP
- For the attention of: The Directors
- Telephone: +44 (0)207 398 6300
- Facsimile: +44 (0)20 7398 6325

- (b) **Issuer Cash Manager:** Santander UK plc
For the attention of: the Company Secretary
Facsimile: +44 (0) 20 7756 5627
- (c) **Issuer Account Bank:** Santander UK plc
For the attention of: the Company Secretary
Facsimile: +44 (0) 20 7756 5627
- (d) **Issuer Start-Up Loan Provider:** Santander UK plc
For the attention of: the Company Secretary
Facsimile: +44 (0) 20 7756 5627
- (e) **Secretarial Services Provider:** Santander UK plc
For the attention of: the Company Secretary
Facsimile: +44 (0) 20 7756 5627
- (f) **Note Trustee:** Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB
For the attention of: Agency and Trust
Telephone: +44 (0)20 7500 5309
Facsimile: +44 (0)20 7500 5877
- (g) **Issuer Security Trustee:** Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB
For the attention of: Agency and Trust
Telephone: +44 (0)20 7500 5309
Facsimile: +44 (0)20 7500 5877
- (h) **Agent Bank:** Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB
For the attention of: Ratefix Desk
Telephone: 00 353 1622 4321
Facsimile: 00 353 1622 2201
- (i) **Registrar:** Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB
For the attention of: Registrar Desk
Telephone: 00 353 1622 4683
Facsimile: 00 353 1622 2201
- (j) **Principal Paying Agent:** Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB
For the attention of: MTN Paying Agency
Telephone: 00 353 1622 2267
Facsimile: 00 353 1622 2210

- (k) **Issuer Corporate Services**
Provider: 35 Great St. Helen's, London EC3A 6AP
- For the attention of: The Directors
Telephone: +44 (0)207 398 6300
Facsimile: +44 (0)207 398 6325

24.3 **Changes**

Any party may change its contact details by giving five London Business Days' notice to the other parties.

24.4 **Effectiveness**

- (a) Except as provided below, any notice in connection with this Deed will be deemed to be given as follows:
- (i) if delivered in person, at the time of the delivery;
 - (ii) if posted, five days after being deposited in the post, postage prepaid, in a correctly addressed envelope; and
 - (iii) if by fax, when received in legible form.
- (b) A communication given under **paragraph (a)** above but received on a non-working day or after business hours in the place of receipt will only be deemed to be given on the next working day in that place.

25. **ASSIGNMENT AND TRANSFER**

The Issuer Secured Creditors may not assign, encumber or transfer all or any part of its rights or benefits and/or transfer its obligations under this Deed without the prior written consent of the Issuer Security Trustee.

If there is any change in the identity of the Issuer Security Trustee pursuant to the terms of this Deed, the Issuer Secured Creditors shall execute such documents and take such actions as the new Issuer Security Trustee and the outgoing Issuer Security Trustee (as the case may be) may reasonably require for the purpose of vesting in the new Issuer Security Trustee the rights and obligations of the outgoing Issuer Security Trustee and releasing the outgoing Issuer Security Trustee (as the case may be) from its future obligations under this Deed.

26. **LANGUAGE**

- (a) Any notice given in connection with this Deed must be in English.
- (b) Any other document provided in connection with this Deed must be:
- (i) in English; or
 - (ii) accompanied by a certified English translation. In this case, the English translation prevails unless the document is a statutory or other official document.

27. LAW AND JURISDICTION

27.1 Governing Law

This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, English law, provided that any terms of this Deed which are (a) particular to Northern Irish law shall be governed by, and any non-contractual obligations arising out of or in connection therewith, shall be construed in accordance with, the laws of Northern Ireland and (b) particular to Scots law and any non-contractual obligations arising out of or in connection therewith, shall be construed in accordance with the laws of Scotland.

27.2 Submission to jurisdiction

The Issuer irrevocably agrees for the benefit of the Issuer Security Trustee and the other Issuer Secured Creditors that the English courts have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Deed (including a dispute relating to any non-contractual obligations arising out of or in connection with this Deed) and accordingly submits to the exclusive jurisdiction of the English courts. The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Issuer Security Trustee and the other Issuer Secured Creditors may take any suit, action or proceeding arising out of or in connection with this Deed (together referred to as **Proceedings**) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

27.3 Waiver of trial by jury

Each party waives any right it may have to a jury trial of any claim or cause of action in connection with any Issuer Transaction Document or any transaction contemplated by any Issuer Transaction Document. This deed may be filed as a written consent to trial by court.

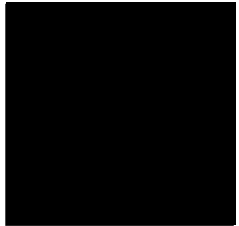
28. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these presents except and to the extent (if any) that this Deed expressly provides for such Act to apply to any of its terms, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

THIS DEED has been executed as a deed by each of the parties and delivered on the date stated at the beginning of this Deed.

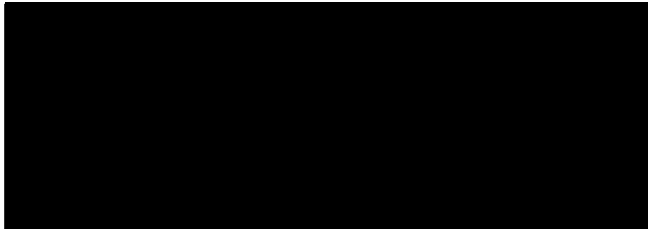
The Issuer

EXECUTED as a DEED by)
LANGTON SECURITIES (2010-1) PLC)
acting by its attorney)



in the presence of:)

Witness's signature)
Name)
Address)



The Issuer Security Trustee

EXECUTED as a DEED by)
CITICORP TRUSTEE COMPANY)
LIMITED)
acting by two directors)

Director:)

Director:)

The Note Trustee

EXECUTED as a DEED by)
CITICORP TRUSTEE COMPANY)
LIMITED)
acting by two directors)

Director:)

Director:)

28. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these presents except and to the extent (if any) that this Deed expressly provides for such Act to apply to any of its terms, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

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The Issuer

EXECUTED as a DEED by)
LANGTON SECURITIES (2010-1) PLC)
acting by its attorney)

in the presence of:)

Witness's signature)
Name)
Address)

The Issuer Security Trustee

EXECUTED as a DEED by)
CITICORP TRUSTEE COMPANY)
LIMITED)
acting by two directors)

Director)

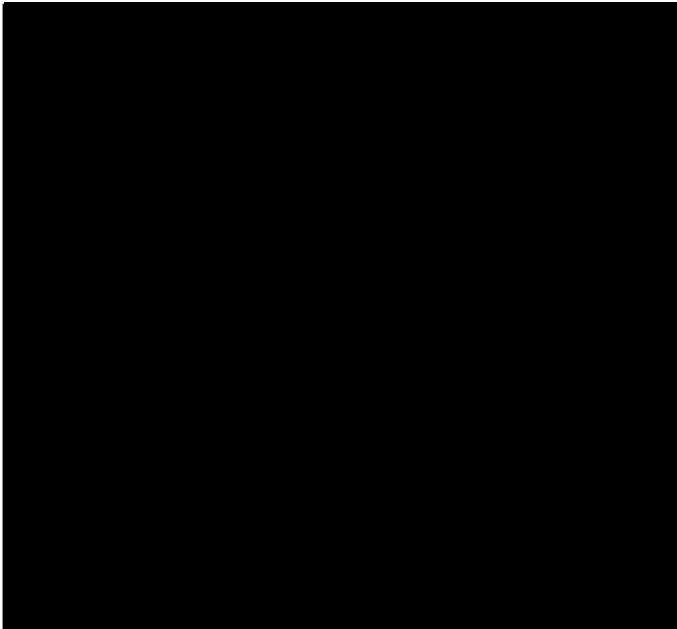
Director)

The Note Trustee

EXECUTED as a DEED by)
CITICORP TRUSTEE COMPANY)
LIMITED)
acting by two directors)

Director)

Director)



**Principal Paying Agent, Agent Bank,
and Registrar**

**EXECUTED as a DEED by
CITIBANK, N.A., LONDON BRANCH**

acting by:

in the presence of:

Witness's signature

Name

Address

**The Issuer Cash Manager, the Issuer Account Bank,
the Issuer Start-Up Loan Provider and
the Secretarial Services Provider**

**EXECUTED as a DEED by
SANTANDER UK PLC**

acting by its duly authorised attorney

By:

Name:

in the presence of:

Witness's signature

Name

Address

**Principal Paying Agent, Agent Bank,
and Registrar**

**EXECUTED as a DEED by
CITIBANK, N.A., LONDON BRANCH**)

acting by:)

in the presence of:)

Witness's signature)

Name
Address

**The Issuer Cash Manager, the Issuer Account Bank,
the Issuer Start-Up Loan Provider and
the Secretarial Services Provider**

**EXECUTED as a DEED by
SANTANDER UK PLC**)

acting by its duly authorised attorney)

By:
Name:

in the presence of:

Witness's signature)

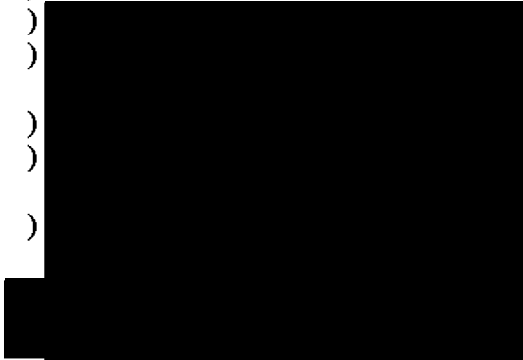
Name
Address

The Issuer Corporate Services Provider

EXECUTED as a **DEED** by)
STRUCTURED FINANCE)
MANAGEMENT LIMITED)
acting by one director and)
the Company Secretary)

Director:)

Secretary:)



SCHEDULE 1

FORM OF ACCESSION DEED

THIS DEED is made on []

BETWEEN

- (1) **LANGTON SECURITIES (2010-1) PLC**, a company incorporated in England and Wales with limited liability (registered number 7381471), and having its registered office at 35 Great St Helen's, London EC3A 6AP (the **Issuer**);
- (2) **CITICORP TRUSTEE COMPANY LIMITED**, acting through its offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Issuer Security Trustee**, which expression includes such company and all other persons or companies for the time being acting as security trustee or security trustees under the Issuer Deed of Charge);
- (3) **CITICORP TRUSTEE COMPANY LIMITED**, acting through its offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Note Trustee**, which expression includes such company and all other persons or companies for the time being acting as trustee or trustees for the Noteholders under the Note Trust Deed);
- (4) **CITIBANK N.A., LONDON BRANCH**, a national association acting through its London offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Principal Paying Agent**);
- (5) **CITIBANK N.A., LONDON BRANCH**, a national association acting through its London offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Registrar**);
- (6) **CITIBANK N.A., LONDON BRANCH**, a national association acting through its London offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Agent Bank**);
- (7) **SANTANDER UK PLC**, a public limited company incorporated in England and Wales with limited liability (registered number 2294747), and having its registered office at 2 Triton Square, Regent's Place, London NW1 3AN (acting in its capacities as the **Issuer Cash Manager**, the **Issuer Account Bank**, the **Issuer Start-Up Loan Provider** and the **Secretarial Services Provider**);
- (8) **STRUCTURED FINANCE MANAGEMENT LIMITED**, a company incorporated in England and Wales, with limited liability (registered number 3853947), and having its registered office at 35 Great St. Helen's, London EC3A 6AP (acting in its capacity as the **Issuer Corporate Services Provider**); and
- (9) [*Any other additional Issuer Secured Creditor*] (the "**New Issuer Secured Creditor**").

NOW THIS DEED WITNESSES AS FOLLOWS

WHEREAS

- (A) Pursuant to the terms of a [*describe agreement*] (the "**Agreement**") dated [●] made between the Issuer and the New Issuer Secured Creditor, the Issuer has agreed to [*describe nature of the obligations of the Issuer under the Agreement*].

- (B) The Issuer has agreed to provide the Issuer Security Trustee with the benefit of the security described in the Issuer Deed of Charge to secure the Issuer's obligations to the Issuer Secured Creditors.
- (C) The terms of the Issuer Deed of Charge permit the Issuer to secure its obligations to a New Issuer Secured Creditor thereunder.
- (D) The New Issuer Secured Creditor has agreed to enter into this Deed to accede to the provisions of the Issuer Deed of Charge.
- (E) The Issuer Secured Creditors have agreed to enter into this Deed to, among other things, acknowledge and agree to such accession and to permit any consequential changes to the Issuer Priority of Payments as are required and any other amendment as may be required to give effect to this Deed.

1. INTERPRETATION

The issuer master definitions and construction schedule signed by, amongst others, the parties to the Issuer Deed of Charge and dated 1 October 2010 (as the same may be amended, restated and/or supplemented from time to time with the consent of the parties thereto) (the **Issuer Master Definitions and Construction Schedule**) is expressly and specifically incorporated into this Deed and, accordingly, the expressions defined in the Issuer Master Definitions and Construction Schedule (as so amended, restated and/or supplemented) shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Deed, including the recitals thereto.

2. REPRESENTATIONS AND WARRANTIES

The New Issuer Secured Creditor hereby represents and warrants to the Issuer Security Trustee and each of the Issuer Secured Creditors in respect of itself that as of the date of this Deed:

- (a) pursuant to the terms of the Agreement, the Issuer has agreed to pay to the New Issuer Secured Creditor the amount (if any) [*describe in relation to the Agreement*]; and
- (b) the Agreement expressly provides that all amounts due from the Issuer thereunder are to be secured by the Issuer Deed of Charge.

3. ACCESSION

In consideration of the New Issuer Secured Creditor being accepted as an Issuer Secured Creditor for the purposes of the Issuer Deed of Charge by the parties thereto as from the date of this Deed, the New Issuer Secured Creditor:

- (a) confirms that as from [*date*], it intends to be a party to the Issuer Deed of Charge as an Issuer Secured Creditor;
- (b) undertakes to comply with and be bound by all of the provisions of the Master Definitions and Construction Schedule and the Issuer Master Definitions and Construction Schedule (as the same may be amended, restated, novated and/or supplemented from time to time) and the Issuer Deed of Charge in its capacity as an Issuer Secured Creditor, as if it had been an original party thereto;
- (c) undertakes to perform comply with and be bound by all of the provisions of the Issuer Deed of Charge in its capacity as an Issuer Secured Creditor, as if it had been an original party

thereto as provided in **Clause 4.6** (New Issuer Secured Creditors) of the Issuer Deed of Charge; and

- (d) agrees that the Issuer Security Trustee shall be the Issuer Security Trustee of the Issuer Deed of Charge for all Issuer Secured Creditors upon and subject to the terms set out in the Issuer Deed of Charge.

4. SCOPE OF THE ISSUER DEED OF CHARGE

The Issuer, the New Issuer Secured Creditor and the Issuer Security Trustee hereby agree that for relevant purposes under the Issuer Deed of Charge, the Issuer Master Definitions and Construction Schedule and the Master Definitions and Construction Schedule:

- (a) the Agreement shall be treated as an Issuer Transaction Document; and
- (b) the New Issuer Secured Creditor shall be treated as an Issuer Secured Creditor.

5. [AMENDMENT TO THE ISSUER PRIORITY OF PAYMENTS]

The Issuer Secured Creditors agree to amend and restate the Issuer Priority of Payments in accordance with **Appendix 1** hereto.]

6. APPLICATION

Prior to and following enforcement of the Issuer Security all amounts at any time held by the Issuer, the Issuer Cash Manager or the Issuer Security Trustee in respect of the security created under this Deed shall be held and/or applied by such person subject to and in accordance with the relevant provisions of the Issuer Cash Management Agreement or the Issuer Deed of Charge.

7. NOTICES AND DEMANDS

Any notice or communication to be given to the New Issuer Secured Creditor under or in connection with this Deed, the Issuer Deed of Charge, the Issuer Master Definitions and Construction Schedule and the Master Definitions and Construction Schedule shall be given in the manner and at the times set out in **Clause 24** (Notices) of the Issuer Deed of Charge to the addresses given in this Clause or at such other address as the recipient may have notified to the other parties hereto and/or thereto in writing.

The address referred to in this **Clause 7** for the New Issuer Secured Creditor is:

[]
For the attention of: []
Telephone: []
Facsimile: []

or such other address and/or numbers as the New Issuer Secured Creditor may notify to the parties to the Issuer Deed of Charge in accordance with the provisions thereof.

SCHEDULE 2

FORM OF NOTICE OF ASSIGNMENT AND CHARGE

From: Langton Securities (2010-1) plc (the **Issuer**)
To: Langton Funding (No.1) Limited (**Funding 1**)
Copy: Citicorp Trustee Company Limited (the **Issuer Security Trustee**)

[●] 2010

Dear Sirs,

We hereby give you notice that by a deed of charge dated 1 October 2010 and made between the Issuer, the Issuer Security Trustee and others (the **Issuer Deed of Charge**), the Issuer assigned and charged to the Issuer Security Trustee all of its right, title, interest and benefit, present and future, in, to and under the Issuer Intercompany Loan Agreement dated 1 October 2010 and the Funding 1 Deed of Charge (each as defined in the Master Definitions and Construction Schedule signed on the date hereof by, *inter alios*, the Issuer and Funding 1).

You are authorised and instructed henceforth to deal with the Issuer Security Trustee in relation to our rights (but not our obligations) under the Issuer Intercompany Loan Agreement and the Funding 1 Deed of Charge without further reference to us.

This notice is irrevocable. Please acknowledge receipt of this notice to the Issuer Security Trustee on the attached Consent to Charge.

Yours faithfully,

.....
For and on behalf of
Langton Securities (2010-1) plc
acting by its attorney

8. CHOICE OF LAW

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

DULY EXECUTED AND DELIVERED AS A DEED by each of the parties hereto or on its behalf on the date appearing on page 1.

The Issuer

EXECUTED as a DEED by)
LANGTON SECURITIES (2010-1) PLC)
acting by its attorney)

in the presence of:

Witness's signature

Name:
Address

The Issuer Security Trustee

EXECUTED as a DEED by)
CITICORP TRUSTEE)
COMPANY LIMITED)
acting by two directors)

Director:)

Director:)

The Note Trustee

EXECUTED as a DEED by)
CITICORP TRUSTEE COMPANY)
LIMITED)
acting by two directors)
)

Director:)
)
Director:)

The Principal Paying Agent, the Registrar and the Agent Bank

EXECUTED as a DEED by)
CITIBANK, N.A., LONDON BRANCH)
acting by)
)
)
in the presence of:)
)
Witness's signature)

Name

Address

**The Issuer Cash Manager, the Issuer Account Bank,
the Issuer Start-Up Loan Provider and
the Secretarial Services Provider**

EXECUTED as a DEED by)
SANTANDER UK PLC)
acting by its duly authorised attorney)

By:

Name:

in the presence of:)
)
Witness's signature)

Name

Address

The Issuer Corporate Services Provider

EXECUTED as a DEED by)
STRUCTURED FINANCE)
MANAGEMENT LIMITED)
acting by two directors)

Director

Director

Secretarial Services Provider

EXECUTED as a DEED by)
SANTANDER UK PLC)
acting by its duly authorised attorney)
By:

Name:

in the presence of:)
)
Witness's signature)

Name

Address

New Issuer Secured Creditor

EXECUTED as a DEED by)
[])
acting by two)
directors/a director and the secretary)

Director

Director/Secretary

SCHEDULE 3

FORM OF CONSENT TO ASSIGNMENT AND CHARGE

From: Langton Funding (No.1) Limited

To: Citicorp Trustee Company Limited (the Issuer Security Trustee)
Langton Securities (2010-1) plc (the Issuer)

[●] 2010

Dear Sirs,

We hereby acknowledge receipt of the notice of assignment and charge dated [●] 2010 relating to the Issuer Deed of Charge (as defined therein) as adequate notice of the charge described therein.

We agree to deal only with the Issuer Security Trustee in relation to the Issuer's rights (but not its obligations) under the Issuer Intercompany Loan Agreement and the Funding 1 Deed of Charge referred to, and as defined in, such notice without any reference to the Issuer.

We have not received from any other person any notice of charge of or any interest in the Issuer Intercompany Loan Agreement or the Funding 1 Deed of Charge.

Yours faithfully,

.....
SFM Directors Limited, as Director
For and on behalf of
Langton Funding (No.1) Limited

SCHEDULE 4

FORM OF ISSUER SECURITY POWER OF ATTORNEY

THIS POWER OF ATTORNEY is made on 1 October 2010 by **LANGTON SECURITIES (2010-1) PLC** (registered number 7381471) whose registered office is 35 Great St. Helen's, London EC3A 6AP (the **Principal**).

WHEREAS:

- (1) By virtue of a deed of charge (the **Issuer Deed of Charge**) dated 1 October 2010 between, *inter alios*, the Principal, the Issuer Security Trustee, the Note Trustee, the Agent Bank, the Principal Paying Agent, the Registrar, the Issuer Cash Manager, the Issuer Account Bank, the Issuer Corporate Services Provider and the Secretarial Services Provider (each as referred to therein) provision was made for the execution by the Principal of this Power of Attorney.
- (2) Words and phrases in this Power of Attorney shall (save where expressed to the contrary) have the same meanings respectively as the words and phrases in the Issuer Deed of Charge.

NOW THIS POWER OF ATTORNEY WITNESSETH:

1. The Principal hereby irrevocably and by way of security for the performance of the covenants, conditions, obligations and undertakings on the part of the Principal contained in the Issuer Deed of Charge appoints Citicorp Trustee Company Limited and any other person or persons for the time being the security trustee or security trustees of and under the Issuer Deed of Charge (the **Attorney**) and any receiver (including any administrative receiver) and any manager (the **Receiver**) and/or administrator (the **Administrator**) appointed from time to time by the Attorney or on its behalf its true and lawful attorney for and in the Principal's name or otherwise jointly and severally to do any act, matter or thing which the Attorney, Receiver or Administrator considers in each case bona fide necessary for the protection or preservation of the Attorney's interests and rights in and to the Issuer Charged Property or which ought to be done under the covenants, undertakings and provisions contained in the Issuer Deed of Charge, in each such case, on or at any time after the service of a Note Acceleration Notice or in any other circumstances where the Attorney has become entitled to take the steps referred to in **Clauses 9.4 (Power of sale) to 9.9 (Disposal of Issuer Charged Property)** (inclusive) of the Issuer Deed of Charge including (without limitation) any or all of the following:
 - (a) to do every act or thing which the Attorney, Receiver or Administrator may deem to be necessary, proper or expedient for fully and effectually vesting, transferring or assigning the Issuer Security and/or the Issuer Charged Property or any part thereof and/or the Principal's estate, right, title, benefit and/or interest therein or thereto in or to the Attorney and its successors in title or other person or persons entitled to the benefit thereof in the same manner and as fully and effectually in all respects as the Principal could have done; and
 - (b) the power by writing under its hand by an officer of the Attorney (including every Receiver appointed under the Issuer Deed of Charge) from time to time to appoint a substitute attorney (each a **Substitute**) who shall have power to act on behalf of the Principal as if that Substitute shall have been originally appointed Attorney by this Power of Attorney and/or to revoke any such appointment at any time without assigning any reason therefor.
2. In favour of the Attorney, any Receiver and/or Administrator and/or Substitute, or a person dealing with any of them and the successors and assigns of such a person, all acts done and documents executed or signed by the Attorney, a Receiver, an Administrator or a Substitute in the purported exercise of any power conferred by this Power of Attorney shall for all purposes be valid and binding on the Principal and its successors and assigns.

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

IN WITNESS WHEREOF this Power of Attorney has been executed and delivered as a deed by the Principal the day and year first before written.

EXECUTED as a DEED by)
LANGTON SECURITIES (2010-1) PLC)
 acting by its attorney)

in the presence of

Witness's signature

Name:
 Address:

EXECUTION VERSION

SUPPLEMENTAL ISSUER DEED OF CHARGE

23 DECEMBER 2011

BETWEEN

LANGTON SECURITIES (2010-1) PLC
(the Issuer)

SANTANDER UK PLC
(the Issuer Cash Manager, the Issuer Account Bank, the Issuer Start-Up Loan Provider and the
Secretarial Services Provider)

CITICORP TRUSTEE COMPANY LIMITED
(the Issuer Security Trustee and the Note Trustee)

CITIBANK, N.A., London Branch
(the Principal Paying Agent, the Registrar and the Agent Bank)

STRUCTURED FINANCE MANAGEMENT LIMITED
(the Issuer Corporate Services Provider)

ALLEN & OVERY

Allen & Overy LLP

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THIS SUPPLEMENTAL ISSUER DEED OF CHARGE is dated 23 December 2011

and made **BETWEEN**:

- (1) **LANGTON SECURITIES (2010-1) PLC**, a company incorporated in England and Wales with limited liability (registered number 7381471), and having its registered office at 35 Great St. Helen's, London EC3A 6AP (the **Issuer**);
- (2) **SANTANDER UK PLC**, a public limited company incorporated in England and Wales with limited liability (registered number 2294747), whose registered office is at 2 Triton Square, Regent's Place, London NW1 3AN (acting in its capacities as the **Issuer Cash Manager, Issuer Account Bank, Issuer Start-Up Loan Provider and Secretarial Services Provider**);
- (3) **CITICORP TRUSTEE COMPANY LIMITED**, acting through its offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Issuer Security Trustee**, which expression includes such company and all other persons or companies for the time being acting as security trustee or security trustees under this Deed);
- (4) **CITICORP TRUSTEE COMPANY LIMITED**, acting through its offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Note Trustee**, which expression includes such company and all other persons or companies for the time being acting as trustee or trustees for the Noteholders under the Note Trust Deed);
- (5) **CITIBANK, N.A., London Branch** whose London branch address is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Principal Paying Agent**);
- (6) **CITIBANK, N.A., London Branch** whose London branch address is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Registrar**);
- (7) **CITIBANK, N.A., London Branch** whose London branch address is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Agent Bank**);
- (8) **STRUCTURED FINANCE MANAGEMENT LIMITED** a company incorporated in England and Wales with limited liability (registered number 03853947), whose registered office is at 35 Great St. Helen's, London EC3A 6AP (acting in its capacity as the **Issuer Corporate Services Provider** appointed by the Issuer under the Issuer Corporate Services Agreement).

BACKGROUND:

- (A) Pursuant to the deed of charge dated 1 October 2010 between the parties hereto (the **Original Issuer Deed of Charge** as the same may be further amended, restated and/or supplemented from time to time with the consent of the parties to this Supplemental Issuer Deed of Charge, including without limitation on the date hereof), the Issuer issued the Notes on 1 October 2010 and 12 October 2010, pursuant to the Note Trust Deed dated 1 October 2010 and the other parties entered into the Issuer Transaction Documents dated 1 October 2010 and the Second Issue Intercompany Loan Confirmation dated 12 October 2010 in order to consummate the transactions described in the Prospectus relating to the Notes.
- (B) Pursuant to the Original Issuer Deed of Charge:
 1. the Issuer agreed to provide the Issuer Security to secure the Issuer Secured Obligations; and

2. the Issuer Security Trustee agreed to hold the benefit of the Issuer Security on trust for the benefit of the Issuer Secured Creditors.
- (C) The parties hereto wish to hereby supplement and amend the Original Issuer Deed of Charge as set out herein.
- (D) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Construction

- (a) The issuer master definitions and construction schedule, signed on 1 October 2010 by, amongst others, the parties to the Original Issuer Deed of Charge (as amended and restated on 23 March 2011 as the same may be further amended, restated and/or supplemented from time to time with the consent of the parties to this Supplemental Issuer Deed of Charge, including without limitation on the date hereof) (the **Issuer Master Definitions and Construction Schedule**) is expressly and specifically incorporated into this Supplemental Issuer Deed of Charge and, accordingly, the expressions defined in the Issuer Master Definitions and Construction Schedule shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Supplemental Issuer Deed of Charge, including the recitals hereto.
- (b) This Supplemental Issuer Deed of Charge will be construed in accordance with the rules of construction set out in the Issuer Master Definitions and Construction Schedule.

2. ACKNOWLEDGEMENTS

- (a) The Issuer confirms that the assignment (and, to the extent not assignable, charge by way of a first fixed charge) of each of the Issuer Charged Documents pursuant to the Original Issuer Deed of Charge applies to such Issuer Charged Document as amended, varied, supplemented, restated and/ or novated from time to time (including without limitation on the date hereof pursuant to the Repurchase Amendment Documents).
- (b) The Issuer confirms to the Issuer Security Trustee (for itself and as trustee on behalf of the other Issuer Secured Creditors) that the Issuer Security remains in full force and effect as security for the Issuer Secured Obligations (including without limitation all monies, obligations and liabilities and all other amounts, due, owing, payable or owed by the Issuer to the Issuer Secured Creditors under and pursuant to the Repurchase Amendment Documents).
- (c) Each of the Issuer Secured Creditors acknowledges and agrees with the Issuer Security Trustee that the Issuer Security Trustee has agreed to give or has given its consent to the modifications to the Issuer Transaction Documents pursuant to the Repurchase Amendment Documents in accordance with Clause 12.1(b) (Modification) of the Original Issuer Deed of Charge.
- (d) Each of the Issuer Secured Creditors acknowledges that it is bound by, and deemed to have notice of, all of the provisions of the Issuer Transaction Documents (as amended, varied, supplemented, restated and/ or novated from time to time including without limitation on the

date hereof pursuant to the Repurchase Amendment Documents) as if it was a party to each Issuer Transaction Document.

3. AMENDMENTS TO ORIGINAL ISSUER DEED OF CHARGE

The parties hereby agree that, on and from the date hereof:

- (a) the first paragraph of Clause 6.2 of the Original Issuer Deed of Charge shall be amended so as to read as follows:

"Notwithstanding the Issuer Security but subject to Clause 6.1 (Application) and this Clause 6.2, the Issuer or the Issuer Cash Manager, on behalf of the Issuer, will withdraw funds standing to the credit of the Issuer Transaction Account and the Issuer GIC Account, or apply amounts, representing Issuer Revenue Receipts (but, for the avoidance of doubt, excluding amounts to be applied in accordance with Clause 6.6 on the Repurchase Date) on each Interest Payment Date (or on another date in respect of certain payments identified therein made to satisfy certain liabilities of the type described therein if those payments are due on that other date) to be applied in accordance with the terms and conditions of the Issuer Cash Management Agreement in the order of priority (in each case, only to the extent that payments of a higher order of priority have been made in full) as set out in paragraph 3 of Schedule 2 of the Issuer Cash Management Agreement provided that:";

- (b) the first paragraph of Clause 6.3 of the Original Issuer Deed of Charge shall be amended so as to read as follows:

"Notwithstanding the Issuer Security but subject to Clause 6.1 (Application) and this Clause 6.3, the Issuer or the Issuer Cash Manager, on behalf of the Issuer, will withdraw funds standing to the credit of the Issuer Transaction Account, or apply amounts, representing Issuer Principal Receipts (but, for the avoidance of doubt, excluding amounts to be applied in accordance with Clause 6.6 on the Repurchase Date) on each Interest Payment Date to be applied in accordance with the terms and conditions of the Issuer Cash Management Agreement in the order of priority (in each case, only to the extent that payments of a higher order of priority have been made in full) as set out in paragraph 4 of Schedule 2 to the Issuer Cash Management Agreement provided that:"; and

- (c) a new Clause 6.6 shall be inserted into the Original Issuer Deed of Charge immediately after Clause 6.5 of the Original Issuer Deed of Charge in the following form:

"6.6 Notwithstanding the Issuer Security but subject to Clause 6.1 (Application) and this Clause 6.6, the Issuer or the Issuer Cash Manager, on behalf of the Issuer, will withdraw funds standing to the credit of the Issuer Transaction Account in an amount equal to that received by the Issuer from Funding 1 on the Repurchase Date in prepayment of principal and interest under the Issuer Intercompany Loan Agreement to be applied in accordance with paragraph 5 of Schedule 2 to the Issuer Cash Management Agreement. The Issuer or the Issuer Cash Manager, on behalf of the Issuer, will withdraw funds standing to the credit of the Issuer Reserve Fund in excess of the Issuer Reserve Fund Reduced Amount to be applied in accordance with paragraph 6 of Schedule 2 to the Issuer Cash Management Agreement".

4. SUPPLEMENTAL

This Supplemental Issuer Deed of Charge is supplemental to the Original Issuer Deed of Charge. Save as expressly amended by this Supplemental Issuer Deed of Charge, the Original Issuer Deed of Charge shall remain in full force and effect and the security created thereunder and all of the other

rights, powers, obligations and immunities comprised therein and arising pursuant thereto shall remain in full force and effect notwithstanding this Supplemental Issuer Deed of Charge. The Original Issuer Deed of Charge and this Supplemental Issuer Deed of Charge shall henceforth be read and construed as one document and references in the Original Issuer Deed of Charge to "this Deed" shall be read as references to the Original Issuer Deed of Charge as supplemented and amended by this Supplemental Issuer Deed of Charge.

5. REGISTRATION OF ISSUER SECURITY

Within 21 calendar days of the date of this Supplemental Issuer Deed of Charge the Issuer undertakes to file (or to procure that a filing is made) with the Registrar of Companies pursuant to the provisions of Section 860 of the Companies Act 2006 a duly completed Form MG01 in respect of itself together with the required registration fee and an executed copy of this Supplemental Issuer Deed of Charge.

6. COUNTERPARTS

This Supplemental Issuer Deed of Charge may be executed and delivered in any number of counterparts (including electronically and by facsimile), all of which, taken together, shall constitute one and the same deed and any party may enter into the same by executing and delivering a counterpart (including electronically and by facsimile).

This Supplemental Issuer Deed of Charge (in relation to any rights or assets situated in Scotland or otherwise governed by Scots law) shall be fully effective and binding on the Issuer upon at least one copy of this Supplemental Issuer Deed of Charge having been executed and delivered by the Issuer, notwithstanding that this Supplemental Issuer Deed of Charge has not then been executed and delivered by any other party hereto or that such other party has executed or executes or has delivered or delivers a counterpart of this Supplemental Issuer Deed of Charge.

7. NOTICES

Any notice or communication to be given under or in connection with this Deed, the Issuer Deed of Charge, the Issuer Master Definitions and Construction Schedule and the Master Definitions and Construction Schedule shall be given in the manner and at the times set out in Clause 24 (Notices) of the Original Issuer Deed of Charge.

8. LAW AND JURISDICTION

8.1 Governing Law

This Supplemental Issuer Deed of Charge and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, English law, provided that any terms of this Supplemental Issuer Deed of Charge which are (a) particular to Northern Irish law shall be governed by, and any non-contractual obligations arising out of or in connection therewith, shall be construed in accordance with, the laws of Northern Ireland and (b) particular to Scots law, and any non-contractual obligations arising out of or in connection therewith, shall be construed in accordance with the laws of Scotland.

8.2 Submission to jurisdiction

The Issuer irrevocably agrees for the benefit of the Issuer Security Trustee and the other Issuer Secured Creditors that the English courts have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Supplemental Issuer Deed of Charge (including a dispute relating to any non-contractual obligations arising out of or in connection with this Supplemental

Issuer Deed of Charge) and accordingly submits to the exclusive jurisdiction of the English courts. The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Issuer Security Trustee and the other Issuer Secured Creditors may take any suit, action or proceeding arising out of or in connection with this Supplemental Issuer Deed of Charge (together referred to as **Proceedings**) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

8.3 Waiver of trial by jury

Each party waives any right it may have to a jury trial of any claim or cause of action in connection with any Issuer Transaction Document or any transaction contemplated by any Issuer Transaction Document. This Supplemental Issuer Deed of Charge may be filed as a written consent to trial by court.

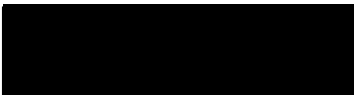
9. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to this Supplemental Issuer Deed of Charge has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these presents except and to the extent (if any) that this Supplemental Issuer Deed of Charge expressly provides for such Act to apply to any of its terms, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

THIS SUPPLEMENTAL ISSUER DEED OF CHARGE has been executed as a deed by each of the parties and delivered on the date stated at the beginning of this Deed.

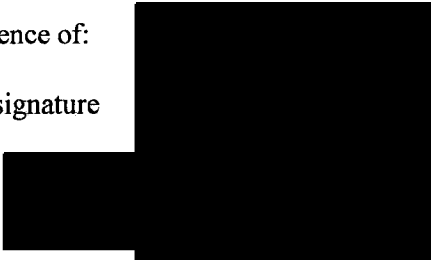
The Issuer

EXECUTED as a DEED by)
LANGTON SECURITIES (2010-1) PLC)
acting by its attorney)



in the presence of:)

Witness's signature)
Name)
Address)



The Issuer Security Trustee

EXECUTED as a DEED by)
CITICORP TRUSTEE COMPANY)
LIMITED)
acting by two directors)

Director:)

Director:)

The Note Trustee

Issuer Deed of Charge) and accordingly submits to the exclusive jurisdiction of the English courts. The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Issuer Security Trustee and the other Issuer Secured Creditors may take any suit, action or proceeding arising out of or in connection with this Supplemental Issuer Deed of Charge (together referred to as **Proceedings**) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

8.3 Waiver of trial by jury

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THIS SUPPLEMENTAL ISSUER DEED OF CHARGE has been executed as a deed by each of the parties and delivered on the date stated at the beginning of this Deed.

The Issuer

EXECUTED as a DEED by)
LANGTON SECURITIES (2010-1) PLC)
acting by its attorney)

in the presence of:)

Witness's signature)
Name)
Address)

The Issuer Security Trustee

EXECUTED as a DEED by)
CITICORP TRUSTEE COMPANY)
LIMITED)
acting by ~~two directors~~ *its duly authorised*)
attorney)
~~Directors~~)

~~Director~~)

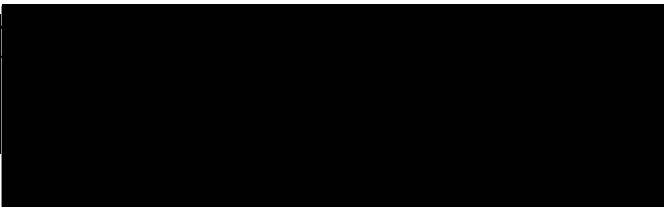
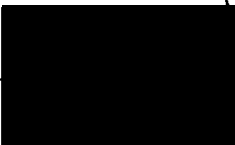
The Note Trustee

WITNESS :

EXECUTED as a DEED by)
CITICORP TRUSTEE COMPANY)
LIMITED)
acting by ~~two directors~~ its duly authorised)
attorney)
Director.)

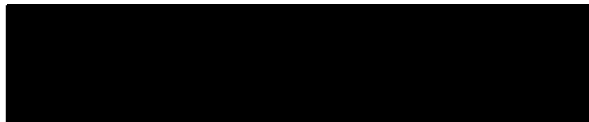


~~Directors~~
WITNESSED BY:)



Principal Paying Agent, Agent Bank,
and Registrar

EXECUTED as a DEED by)
CITIBANK, N.A., LONDON BRANCH)



acting by:

in the presence of:

Witness's signature)



Name Agency and Trust
Address Global Transaction Services
Citigroup Centre
Canada Square,
Canary Wharf
London E14 5LB

**The Issuer Cash Manager, the Issuer Account Bank,
the Issuer Start-Up Loan Provider and
the Secretarial Services Provider**

EXECUTED as a DEED by)
SANTANDER UK PLC)
acting by its duly authorised attorney)

By:
Name:

in the presence of:

Witness's signature)

Name
Address

EXECUTED as a DEED by)
CITICORP TRUSTEE COMPANY)
LIMITED)
acting by two directors)
Director:)
Director:)

**Principal Paying Agent, Agent Bank,
and Registrar**

EXECUTED as a DEED by)
CITIBANK, N.A., LONDON BRANCH)
acting by:)
in the presence of:)
Witness's signature)

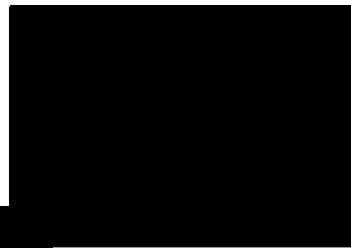
Name
Address

**The Issuer Cash Manager, the Issuer Account Bank,
the Issuer Start-Up Loan Provider and
the Secretarial Services Provider**

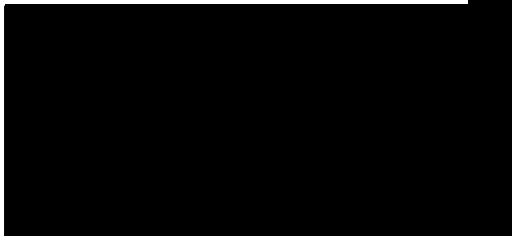
EXECUTED as a DEED by)
SANTANDER UK PLC)
acting by its duly authorised attorney)
By:)
Name:)



in the presence of:)
Witness's signature)



Name
Address

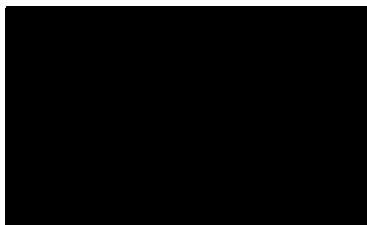


The Issuer Corporate Services Provider

EXECUTED as a DEED by)
STRUCTURED FINANCE)
MANAGEMENT LIMITED)
acting by one director and)
the Company Secretary)

Director:)

Secretary:)



EXECUTION VERSION

SECOND SUPPLEMENTAL ISSUER DEED OF CHARGE

8 JUNE 2012

BETWEEN

LANGTON SECURITIES (2010-1) PLC
(the Issuer)

SANTANDER UK PLC
**(the Issuer Cash Manager, the Issuer Account Bank, the Issuer Start-Up Loan Provider and the
Secretarial Services Provider)**

CITICORP TRUSTEE COMPANY LIMITED
(the Issuer Security Trustee and the Note Trustee)

CITIBANK, N.A., London Branch
(the Principal Paying Agent, the Registrar and the Agent Bank)

STRUCTURED FINANCE MANAGEMENT LIMITED
(the Issuer Corporate Services Provider)

ALLEN & OVERY

Allen & Overy LLP

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THIS SECOND SUPPLEMENTAL ISSUER DEED OF CHARGE is dated 8 June 2012

and made **BETWEEN**:

- (1) **LANGTON SECURITIES (2010-1) PLC**, a company incorporated in England and Wales with limited liability (registered number 7381471), and having its registered office at 35 Great St. Helen's, London EC3A 6AP (the **Issuer**);
- (2) **SANTANDER UK PLC**, a public limited company incorporated in England and Wales with limited liability (registered number 2294747), whose registered office is at 2 Triton Square, Regent's Place, London NW1 3AN (acting in its capacities as the **Issuer Cash Manager**, the **Issuer Account Bank**, the **Issuer Start-Up Loan Provider** and the **Secretarial Services Provider**);
- (3) **CITICORP TRUSTEE COMPANY LIMITED**, acting through its offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Issuer Security Trustee**, which expression includes such company and all other persons or companies for the time being acting as security trustee or security trustees under this Deed);
- (4) **CITICORP TRUSTEE COMPANY LIMITED**, acting through its offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Note Trustee**, which expression includes such company and all other persons or companies for the time being acting as trustee or trustees for the Noteholders under the Note Trust Deed);
- (5) **CITIBANK, N.A., London Branch** whose London branch address is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Principal Paying Agent**);
- (6) **CITIBANK, N.A., London Branch** whose London branch address is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Registrar**);
- (7) **CITIBANK, N.A., London Branch** whose London branch address is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as the **Agent Bank**);
- (8) **STRUCTURED FINANCE MANAGEMENT LIMITED** a company incorporated in England and Wales with limited liability (registered number 03853947), whose registered office is at 35 Great St. Helen's, London EC3A 6AP (acting in its capacity as the **Issuer Corporate Services Provider** appointed by the Issuer under the Issuer Corporate Services Agreement).

BACKGROUND:

- (A) Pursuant to the deed of charge dated 1 October 2010 between the parties hereto as supplemented on 23 December 2011 pursuant to the First Supplemental Issuer Deed of Charge (the **Original Issuer Deed of Charge** as the same may be further amended, restated and/or supplemented from time to time with the consent of the parties to this Second Supplemental Issuer Deed of Charge, including without limitation on the date hereof), the Issuer issued the Notes on 1 October 2010 and 12 October 2010 pursuant to the Note Trust Deed dated 1 October 2010 and the other parties entered into the Issuer Transaction Documents dated 1 October 2010 and the Second Issue Intercompany Loan Confirmation dated 12 October 2010 in order to consummate the transactions described in the Prospectus relating to the Notes.
- (B) Pursuant to the Original Issuer Deed of Charge the Issuer agreed to provide the Issuer Security to secure the Issuer Secured Obligations and the Issuer Security Trustee agreed to hold the benefit of the Issuer Security on trust for the benefit of the Issuer Secured Creditors.

- (C) The parties hereto wish to hereby supplement and amend the Original Issuer Deed of Charge as set out herein.
- (D) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Construction

- (a) The issuer master definitions and construction schedule, signed on 1 October 2010 by, amongst others, the parties to the Original Issuer Deed of Charge (as amended and restated on 23 March 2011 and on 23 December 2011 and on 8 June 2012 as the same may be further amended, restated and/or supplemented from time to time with the consent of the parties to this Second Supplemental Issuer Deed of Charge) (the **Issuer Master Definitions and Construction Schedule**) is expressly and specifically incorporated into this Second Supplemental Issuer Deed of Charge and, accordingly, the expressions defined in the Issuer Master Definitions and Construction Schedule shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Second Supplemental Issuer Deed of Charge, including the recitals hereto.
- (b) This Second Supplemental Issuer Deed of Charge will be construed in accordance with the rules of construction set out in the Issuer Master Definitions and Construction Schedule.

2. ACKNOWLEDGEMENTS

- (a) The Issuer confirms that the assignment (and, to the extent not assignable, charge by way of a first fixed charge) of each of the Issuer Charged Documents pursuant to the Original Issuer Deed of Charge applies to such Issuer Charged Document as amended, varied, supplemented, restated and/ or novated from time to time (including without limitation on the date hereof).
- (b) The Issuer confirms to the Issuer Security Trustee (for itself and as trustee on behalf of the other Issuer Secured Creditors) that the Issuer Security remains in full force and effect as security for the Issuer Secured Obligations (including without limitation all monies, obligations and liabilities and all other amounts, due, owing, payable or owed by the Issuer to the Issuer Secured Creditors under and pursuant to the Issuer Transaction Documents as amended, varied, supplemented, restated and/ or novated from time to time including without limitation on the date hereof).
- (c) Each of the Issuer Secured Creditors acknowledges and agrees with the Issuer Security Trustee that the Issuer Security Trustee has agreed to give or has given its consent to the modifications to the Issuer Transaction Documents pursuant to such Issuer Transaction Documents as amended, varied, supplemented, restated and/ or novated on the date hereof in accordance with Clause 12.1(b) (Modification) of the Original Issuer Deed of Charge.
- (d) Each of the Issuer Secured Creditors acknowledges that it is bound by, and deemed to have notice of, all of the provisions of the Issuer Transaction Documents (as amended, varied, supplemented, restated and/ or novated from time to time including without limitation on the date hereof) as if it was a party to each Issuer Transaction Document.

3. AMENDMENTS TO ORIGINAL ISSUER DEED OF CHARGE

The parties hereby agree that effective as of 18 June 2012:

- (a) the first paragraph of Clause 6.2 of the Original Issuer Deed of Charge shall be amended so as to read as follows:

"Notwithstanding the Issuer Security but subject to Clause 6.1 (Application) and this Clause 6.2, the Issuer or the Issuer Cash Manager, on behalf of the Issuer, will withdraw funds standing to the credit of the Issuer Transaction Account and the Issuer GIC Account or apply amounts representing Issuer Revenue Receipts on each Interest Payment Date (or on another date in respect of certain payments identified therein made to satisfy certain liabilities of the type described therein if those payments are due on that other date) to be applied in accordance with the terms and conditions of the Issuer Cash Management Agreement in the order of priority (in each case, only to the extent that payments of a higher order of priority have been made in full) as set out in paragraph 3 of Schedule 2 of the Issuer Cash Management Agreement provided that:";

- (b) the first paragraph of Clause 6.3 of the Original Issuer Deed of Charge shall be amended so as to read as follows:

"Notwithstanding the Issuer Security but subject to Clause 6.1 (Application) and this Clause 6.3, the Issuer or the Issuer Cash Manager, on behalf of the Issuer, will withdraw funds standing to the credit of the Issuer Transaction Account or apply amounts representing Issuer Principal Receipts on each Interest Payment Date to be applied in accordance with the terms and conditions of the Issuer Cash Management Agreement in the order of priority (in each case, only to the extent that payments of a higher order of priority have been made in full) as set out in paragraph 4 of Schedule 2 to the Issuer Cash Management Agreement provided that:"; and

- (c) Clause 6.6 of the Original Issuer Deed of Charge shall be deleted in its entirety;
- (d) Clause 12.1 of the Original Issuer Deed of Charge shall be amended as set out in Schedule 1 of this Second Supplemental Issuer Deed of Charge; and
- (e) Clause 28 of the Original Issuer Deed of Charge shall be amended so as to read as follows:

"A person who is not a party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these presents except and to the extent (if any) that this Deed expressly provides for such Act to apply to any of its terms including, without limitation, for any replacement Issuer Swap Provider or Funding 1 Swap Provider in respect of their respective rights pursuant to Clause 12.1(b)(xi) (Modification, Authorisation, Waiver and Consent), but this does not affect any right or remedy of a third party which exists or is available apart from that Act."

4. SUPPLEMENTAL

This Second Supplemental Issuer Deed of Charge is supplemental to the Original Issuer Deed of Charge. Save as expressly amended by this Second Supplemental Issuer Deed of Charge, the Original Issuer Deed of Charge shall remain in full force and effect and the security created thereunder and all of the other rights, powers, obligations and immunities comprised therein and arising pursuant thereto shall remain in full force and effect notwithstanding this Second Supplemental Issuer Deed of Charge. The Original Issuer Deed of Charge and this Second Supplemental Issuer Deed of Charge shall henceforth be read and construed as one document and

references in the Original Issuer Deed of Charge to "this Deed" shall be read as references to the Original Issuer Deed of Charge as supplemented and amended by this Second Supplemental Issuer Deed of Charge.

5. REGISTRATION OF ISSUER SECURITY

Within 21 calendar days of the date of this Second Supplemental Issuer Deed of Charge the Issuer undertakes to file (or to procure that a filing is made) with the Registrar of Companies pursuant to the provisions of Section 860 of the Companies Act 2006 a duly completed Form MG01 in respect of itself together with the required registration fee and an executed copy of this Second Supplemental Issuer Deed of Charge.

6. COUNTERPARTS

This Second Supplemental Issuer Deed of Charge may be executed and delivered in any number of counterparts (including electronically and by facsimile), all of which, taken together, shall constitute one and the same deed and any party may enter into the same by executing and delivering a counterpart (including electronically and by facsimile).

This Second Supplemental Issuer Deed of Charge (in relation to any rights or assets situated in Scotland or otherwise governed by Scots law) shall be fully effective and binding on the Issuer upon at least one copy of this Second Supplemental Issuer Deed of Charge having been executed and delivered by the Issuer, notwithstanding that this Second Supplemental Issuer Deed of Charge has not then been executed and delivered by any other party hereto or that such other party has executed or executes or has delivered or delivers a counterpart of this Second Supplemental Issuer Deed of Charge.

7. NOTICES

Any notice or communication to be given under or in connection with this Second Supplemental Issuer Deed of Charge, the Issuer Deed of Charge, the Issuer Master Definitions and Construction Schedule and the Master Definitions and Construction Schedule shall be given in the manner and at the times set out in Clause 24 (Notices) of the Original Issuer Deed of Charge.

8. LAW AND JURISDICTION

8.1 Governing Law

This Second Supplemental Issuer Deed of Charge and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, English law, provided that any terms of this Second Supplemental Issuer Deed of Charge which are (a) particular to Northern Irish law shall be governed by, and any non-contractual obligations arising out of or in connection therewith, shall be construed in accordance with, the laws of Northern Ireland and (b) particular to Scots law, and any non-contractual obligations arising out of or in connection therewith, shall be construed in accordance with the laws of Scotland.

8.2 Submission to jurisdiction

The Issuer irrevocably agrees for the benefit of the Issuer Security Trustee and the other Issuer Secured Creditors that the English courts have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Second Supplemental Issuer Deed of Charge (including a dispute relating to any non-contractual obligations arising out of or in connection with this Second Supplemental Issuer Deed of Charge) and accordingly submits to the exclusive jurisdiction of the English courts. The Issuer waives any objection to the courts of England on the grounds that they

are an inconvenient or inappropriate forum. The Issuer Security Trustee and the other Issuer Secured Creditors may take any suit, action or proceeding arising out of or in connection with this Second Supplemental Issuer Deed of Charge (together referred to as **Proceedings**) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

8.3 Waiver of trial by jury

Each party waives any right it may have to a jury trial of any claim or cause of action in connection with any Issuer Transaction Document or any transaction contemplated by any Issuer Transaction Document. This Second Supplemental Issuer Deed of Charge may be filed as a written consent to trial by court.

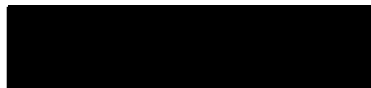
9. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

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THIS SECOND SUPPLEMENTAL ISSUER DEED OF CHARGE has been executed as a deed by each of the parties and delivered on the date stated at the beginning of this Deed.

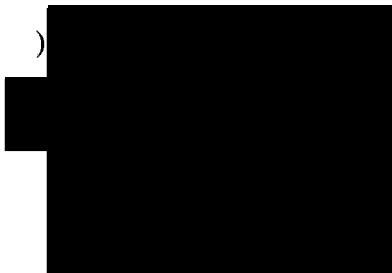
The Issuer

EXECUTED as a **DEED** by)
LANGTON SECURITIES (2010-1) PLC)
acting by its attorney)



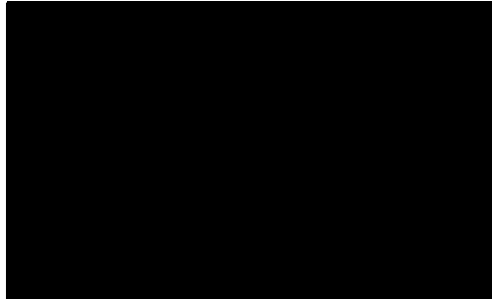
in the presence of:)

Witness's signature)
Name)
Address)



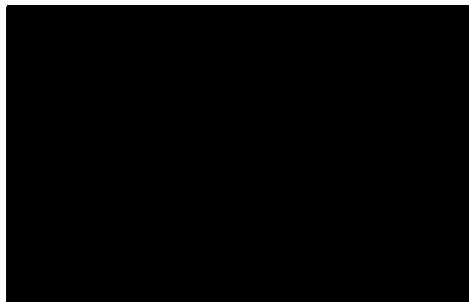
The Issuer Security Trustee

EXECUTED as a DEED by)
CITICORP TRUSTEE COMPANY)
LIMITED)
acting by two directors)
Director:)
Director:)



The Note Trustee

EXECUTED as a DEED by)
CITICORP TRUSTEE COMPANY)
LIMITED)
acting by two directors)
Director:)
Director:)



**Principal Paying Agent, Agent Bank,
and Registrar**

EXECUTED as a DEED by)
CITIBANK, N.A., LONDON BRANCH)
acting by:)
in the presence of:)
Witness's signature)

Name
Address

The Issuer Security Trustee

EXECUTED as a DEED by)
CITICORP TRUSTEE COMPANY)
LIMITED)
acting by two directors)
Director:)
Director:)

The Note Trustee

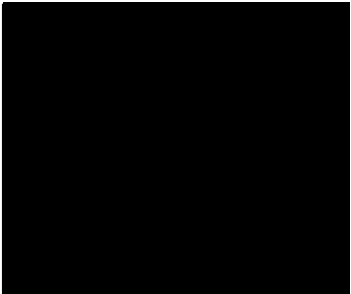
EXECUTED as a DEED by)
CITICORP TRUSTEE COMPANY)
LIMITED)
acting by two directors)
Director:)
Director:)

**Principal Paying Agent, Agent Bank,
and Registrar**

EXECUTED as a DEED by)
CITIBANK, N.A., LONDON BRANCH)
acting by:)
in the presence of:)
Witness's signature)



Name
Address



**The Issuer Cash Manager, the Issuer Account Bank,
the Issuer Start-Up Loan Provider and
the Secretarial Services Provider**

EXECUTED as a **DEED** by)
SANTANDER UK PLC)
acting by its duly authorised attorney)
By:)
Name:)

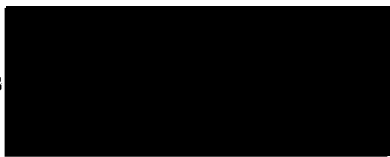


in the presence of:



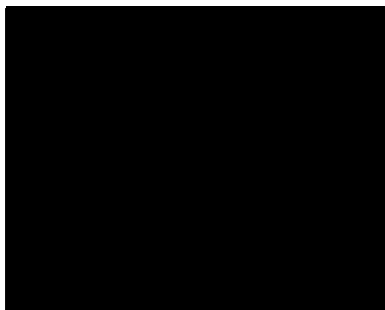
Witness's signature)

Name
Address



The Issuer Corporate Services Provider

EXECUTED as a **DEED** by)
STRUCTURED FINANCE)
MANAGEMENT LIMITED)
acting by its authorised signatories)
Director:)
~~Secretary:~~)
Director:)



SCHEDULE 1

AMENDED CLAUSE 12.1 OF THE ISSUER DEED OF CHARGE

12.1 Modification

- (a) Subject to **paragraphs (b) and (c)** below, the Issuer Security Trustee may without the consent or sanction of the Issuer Secured Creditors (except where they are a party to the relevant Issuer Transaction Document the subject of such modification, where the consent of such party will be required) concur (or direct the Funding 1 Security Trustee to concur) with any person in making or giving its consent to any modification to any Issuer Transaction Document only if so directed by (i) the Note Trustee, so long as there are any Notes outstanding, or (ii) all of the other Issuer Secured Creditors, if there are no Notes outstanding.
- (b) Subject to paragraph (d) below, the Issuer Security Trustee shall, without any consent or sanction of the Issuer Secured Creditors (except where they are a party to the relevant Issuer Transaction Document the subject of such modification, where the consent of such party will be required) be required to concur with the Issuer or any other person in making or giving its consent to any modification to any Issuer Transaction Document that is requested by Funding 1 (or the Cash Manager on its behalf) or the Issuer (or the Issuer Cash Manager on its behalf) provided that Funding 1 (or the Cash Manager on its behalf) or the Issuer (or the Issuer Cash Manager on its behalf) has certified to the Issuer Security Trustee in writing that such modification is required in order to accommodate:
- (i) New Intercompany Loan Agreements to be advanced to Funding 1 or any Further Funding Companies or the amendment of any existing Intercompany Loans and/or the issue of New Issuer Notes or Further Securities by New Issuers or the Issuer;
 - (ii) New Funding 1 Start-Up Loan Agreements and/or new start-up loan agreement of any Further Funding Company or any New Issuer (as the case may be) or the amendment or increase in size of any existing Funding 1 Start-up Loan Agreement or the Issuer Start-Up Loan Agreement or such new start-up loan agreement;
 - (iii) the addition of New Issuer Secured Creditors, New Funding 1 Secured Creditors or secured creditors of any New Issuer or any Further Funding Company;
 - (iv) the accession of New Beneficiaries to the Mortgages Trust Deed;
 - (v) the issue (directly or indirectly) of debt by Funding 1 and/or any Further Funding Company (other than as referred to in **paragraphs (i) and (ii)** above);
 - (vi) the sale of New Loan Types and their Related Security to the Mortgages Trustee;
 - (vii) the creation and issue of Further Notes carrying the same terms and conditions in all respects (or in all respects except for the first Interest Period) as, and so that the same shall be consolidated and form a single series and rank *pari passu* with, any class of the existing Notes, subject to the conditions set out in Condition 16.1;

- (viii) the creation and issue of New Notes which may rank *pari passu* with the Class A Notes or the Class Z Notes or after the Class A Notes but ahead of the Class Z Notes or after the Class Z Notes and which may have terms and conditions which differ from the Notes and which do not form a single series with the Class A Notes or the Class Z Notes provided that the conditions set out in Condition 16.1(a), (c), (d) and (e) are satisfied;
 - (ix) changes to the Funding 1 Reserve Required Amount, the Issuer Reserve Fund Required Amount or the Issuer Liquidity Reserve Fund Required Amount or equivalent amount in respect of any Further Funding Company and/or New Issuer or to the manner in which each of such amounts are funded;
 - (x) changes to the Asset Trigger Events and Non-Asset Trigger Events; and/or
 - (xi) the novation of any Issuer Swap Agreement to a replacement Issuer Swap Provider (provided that all conditions to the novation which are set out in the relevant Issuer Swap Agreement have been or will be satisfied upon that novation) or the novation of any Funding 1 Swap to a replacement Funding 1 Swap Provider (provided that all conditions to the novation which are set out in the Funding 1 Swap Agreement have been or will be satisfied upon that novation).
- (c) The Issuer Security Trustee shall only be required to agree or consent to the modifications set out in **paragraph (b)** above if the Issuer Security Trustee is satisfied that:
- (i) in respect of the matters set out in **paragraphs (b)(i), (b)(iv), (b)(vi) and (b)(xi)** above, Funding 1, the Cash Manager the Issuer and/or the Issuer Cash Manager has certified to the Issuer Security Trustee that the conditions precedent to:
 - (A) Loan Tranches being made available to Funding 1 (as set out in Clause 2.1 of the Intercompany Loan Terms and Conditions);
 - (B) the assignment of New Loans to the Mortgages Trustee (as set out in Clause 4 (Sale and Purchase of New Portfolios, Product Switch and Further Advances) of the Mortgage Sale Agreement);
 - (C) the inclusion of a New Beneficiary of the Mortgages Trust (as set out in Clause 17 (New Beneficiary of the Mortgages Trust) of the Mortgages Trust Deed);
 - (D) the novation of any Issuer Swap Agreement to a replacement Issuer Swap Provider as set out in the relevant Issuer Swap Agreement and/or the novation of any Funding 1 Swap to a replacement Funding 1 Swap Provider as set out in the Funding 1 Swap Agreement,
- have been satisfied; and
- (ii) in respect of the matters listed in **paragraphs (b)(i) to (b)(x)**, the Issuer Security Trustee has received written confirmation from each of the Rating Agencies that the relevant modifications will not result in a reduction, qualification or withdrawal of the then current ratings of the Rated Notes (if any) (it being acknowledged that none of the Rating Agencies has any obligation to provide such confirmation at any time and that, pursuant to Condition 15, the confirmation of one of the Rating Agencies may be sufficient for such purpose).

- (d) The Issuer Security Trustee shall, without any consent or sanction of the Issuer Secured Creditors (except where they are a party to the relevant Issuer Transaction Document the subject of such modification, where the consent of such party will be required) be required to concur with the Issuer or any other person in making or giving its consent to any modification to any Issuer Transaction Document that is requested by Funding 1 (or the Cash Manager on its behalf) or the Issuer (or the Issuer Cash Manager on its behalf) provided that Funding 1 (or the Cash Manager on its behalf) or the Issuer (or the Issuer Cash Manager on its behalf) has (i) certified to the Issuer Security Trustee in writing that such modification is required in order to accommodate changes to the Funding 1 Interest Payment Date from the 18th day of March, June, September and December in each calendar year (or, if such day is not a Business Day, the next succeeding Business Day) to the 18th day of each month in each year or any other day in each month of each year specified in such certificate (or, if such day is not a Business Day, the next succeeding Business Day) in respect of any Loan Tranche and; (ii) specified the effective date for such modifications in such certificate, including without limitation:
- (i) to the definitions of Funding 1 Interest Payment Date and Funding 1 Interest Period;
 - (ii) any amounts payable on any Funding 1 Interest Payment Date or to be reserved for any amount payable on any future Funding 1 Interest Payment Date in accordance with the Funding 1 Priority of Payments;
 - (iii) in respect of the reference rate for the calculation of interest due on any Intercompany Loan and/or its method of calculation or the instalments of principal payable under any Intercompany Loan Agreement;
 - (iv) in respect of the rates for calculating the amounts payable under and the periods for payment and the dates for payment under the Funding 1 Swap Agreement;
 - (v) any amounts payable on any Interest Payment Date (other than in relation to the Notes without the prior consent or sanction of the relevant Noteholders) or to be reserved for any amount payable on any future Interest Payment Date in accordance with the Issuer Priority of Payments; and
 - (vi) in respect of the rates for calculating the amounts payable under and the periods for payment under and the dates for payment under the Issuer Swap Agreements.
- (e) Each Issuer Secured Creditor hereby acknowledges that the Issuer Security Trustee is required to make the modifications set out in **paragraph (b)** above (subject to **paragraph (c)** and **paragraph (d)** above, and each Issuer Secured Creditor further acknowledges that such modifications may adversely affect the amount of monies available to the Issuer to meet the Issuer Secured Obligations. Each Issuer Secured Creditor agrees that such modifications shall be binding on it and unless the Issuer Security Trustee otherwise agrees, notice thereof shall be given by the Cash Manager to the Issuer Secured Creditors as soon as practicable after the modifications have been made.
- (f) Each of the Issuer Secured Creditors agrees from time to time to do and perform such other and further acts and execute and deliver any and all such other documents and instruments (to the extent the Issuer Security Trustee and/or the Note Trustee is a party thereto, in form and substance satisfactory to each of the Issuer Security Trustee and the Note Trustee, as applicable) as may be required by law or necessary to give effect to the intent and purpose of this **Clause 12.1** (Modification).