

**EXECUTION VERSION**

**NINTH AMENDMENT DEED TO FUNDING 1 DEED OF CHARGE**

**29 MAY 2019**

**LANGTON FUNDING (NO. 1) LIMITED**  
**(as Funding 1)**

**CITICORP TRUSTEE COMPANY LIMITED**  
**(as Funding 1 Security Trustee, 2010-1 Issuer Security Trustee, 2010-1 Note Trustee, 2011-1 Issuer Security Trustee and 2011-1 Note Trustee)**

**LANGTON SECURITIES (2008-1) PLC**  
**(as 2011-1 Issuer and 2011-1 Funding 1 Start-Up Loan Provider)**

**LANGTON SECURITIES (2010-1) PLC**  
**(as 2010-1 Issuer and 2010-1 Funding 1 Start-Up Loan Provider)**

**LANGTON MORTGAGES TRUSTEE (UK) LIMITED**  
**(as Mortgages Trustee)**

**SANTANDER UK PLC**  
**(as Seller, Cash Manager, Funding 1 Account Bank, Funding 1 Loan Provider, Secretarial Services Provider and Funding 1 Swap Provider)**

**and**

**STRUCTURED FINANCE MANAGEMENT LIMITED**  
**(as Mortgages Trustee Corporate Services Provider, Funding 1 Corporate Services Provider and Holdings Corporate Services Provider)**

**ALLEN & OVERY**

**Allen & Overy LLP**

0040068-0000465 ICM:24745877.6

## CONTENTS

<b>Clause</b>	<b>Page</b>
1. Interpretation .....	2
2. Representations and Warranties .....	2
3. Accession.....	2
4. Amendment .....	3
5. Consent and Direction .....	3
6. Application .....	4
7. Notices.....	4
8. Choice of Law .....	4
Signatories .....	4
<b>Schedule</b>	
1. Form of Amended and Restated Funding 1 Deed of Charge.....	7

**THIS NINTH AMENDMENT DEED TO THE FUNDING 1 DEED OF CHARGE** (this **Deed**) is made on 29 May 2019

**BETWEEN:**

- (1) **LANGTON FUNDING (NO. 1) LIMITED**, a private limited company incorporated under the laws of England and Wales (registered number 6432610), whose registered office is at c/o Structured Finance Management Limited, 35 Great St. Helen's, London EC3A 6AP (**Funding 1**);
- (2) **CITICORP TRUSTEE COMPANY LIMITED** (registered number 0235914) acting through its offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacities as **Funding 1 Security Trustee**, Issuer Security Trustee in respect of the security granted by the 2010-1 Issuer and the 2011-1 Issuer (each as defined below) (the **2010-1 Issuer Security Trustee** and the **2011-1 Issuer Security Trustee**, respectively) in each case pursuant to the relevant Issuer Deed of Charge (the **2010-1 Issuer Deed of Charge** and the **2011-1 Issuer Deed of Charge**, respectively) and the note trustee with respect to the Notes issued by the 2010-1 Issuer and the 2011-1 Issuer (the **2010-1 Note Trustee** and the **2011-1 Note Trustee**, respectively) in each case pursuant to the relevant Note Trust Deed (the **2010-1 Note Trust Deed** and the **2011-1 Note Trust Deed**, respectively);
- (3) **LANGTON SECURITIES (2010-1) PLC**, a public limited company incorporated in England and Wales with limited liability (registered number 7381471), whose registered office is 35 Great St. Helen's, London EC3A 6AP (the **2010-1 Issuer** and the **2010-1 Funding 1 Start-Up Loan Provider**);
- (4) **LANGTON SECURITIES (2008-1) PLC**, a public limited company incorporated in England and Wales (registered number 6432564), whose registered office is 35 Great St. Helen's, London EC3A 6AP (the **2011-1 Issuer** and the **2011-1 Funding 1 Start-Up Loan Provider**);
- (5) **SANTANDER UK PLC**, a public limited company incorporated under the laws of England and Wales (registered number 2294747), whose registered office is at 2 Triton Square, Regent's Place, London NW1 3AN (acting in its capacities as **Seller, Cash Manager, Funding 1 Account Bank, Funding 1 Loan Provider, Secretarial Services Provider** and **Funding 1 Swap Provider**);
- (6) **INTERTRUST MANAGEMENT LIMITED**, a private limited company incorporated under the laws of England and Wales (registered number 03853947), whose registered office is at 35 Great St. Helen's, London EC3A 6AP (acting in its capacities as the **Funding 1 Corporate Services Provider, Mortgages Trustee Corporate Services Provider** and **Holdings Corporate Services Provider**); and
- (7) **LANGTON MORTGAGES TRUSTEE (UK) LIMITED**, a private limited company incorporated under the laws of England and Wales (registered number 07210539), whose registered office is at 2 Triton Square, Regent's Place, London NW1 3AN (in its capacity as **Mortgages Trustee**).

**NOW THIS DEED WITNESSES AS FOLLOWS:**

**WHEREAS:**

- (A) Funding 1 has provided the Funding 1 Security Trustee with the benefit of the security described in the Funding 1 Deed of Charge to secure Funding 1's obligations to the Funding 1 Secured Creditors.
- (B) Funding 1, the Funding 1 Security Trustee and each of the Funding 1 Secured Creditors have each agreed to make certain amendments to the Funding 1 Deed of Charge.

- (C) Pursuant to the terms of a Funding 1 Loan Agreement (the **Agreement**) dated 29 May 2019 made between Funding 1 and the New Funding 1 Secured Creditor, the Funding 1 Loan Provider has agreed to grant to Funding 1 an uncommitted sterling loan facility (the **Funding 1 Loan Facility**) in an aggregate maximum amount of up to £1,000,000,000 or such other amount as may be notified by the Funding 1 Loan Provider to Funding 1 (the **Maximum Drawdown Amount**).
- (D) Funding 1 has agreed to use each advance made available to it by the Funding 1 Loan Provider pursuant to the Funding 1 Loan Agreement (an **Advance**), for the purpose of making a payment to the Seller to acquire an interest in the Trust Property (in accordance with Clause 4.2 of the Mortgages Trust Deed) thereby causing the Funding 1 Share to increase and the Seller Share to decrease.
- (E) Funding 1 has agreed to provide the Funding 1 Security Trustee with the benefit of the security described in the Funding 1 Deed of Charge to secure Funding 1's obligations to the Funding 1 Secured Creditors.
- (F) The terms of the Funding 1 Deed of Charge permit Funding 1 to secure its obligations to a New Funding 1 Secured Creditor thereunder.
- (G) The Funding 1 Loan Provider as a New Funding 1 Secured Creditor has agreed to enter into this Deed to accede to the provisions of the Funding 1 Deed of Charge

## 1. INTERPRETATION

- 1.1 The master definitions and construction schedule signed by, amongst others, the parties to this Deed and dated 25 January 2008 as amended and restated on 5 March 2008, on 17 June 2008, on 27 May 2010, on 1 October 2010, on 23 March 2011, on 23 December 2011, on 8 June 2012, on 29 April 2016 and 29 May 2019 (as the same may be amended, restated, varied, supplemented, replaced and/or novated from time to time with the consent of the parties (other than the Funding 1 Loan Provider) to the Funding 1 Deed of Charge) (the **Master Definitions and Construction Schedule**) is expressly and specifically incorporated into this Deed and, accordingly, the expressions defined in the Master Definitions and Construction Schedule (as so amended, restated, varied, supplemented, replaced and/or novated from time to time) shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Deed, including the Recitals hereto, and this Deed shall be construed in accordance with the interpretation provisions set out in clause 3 (*Interpretation and Construction*) of the Master Definitions and Construction Schedule.

## 2. REPRESENTATIONS AND WARRANTIES

The Funding 1 Loan Provider hereby represents and warrants to the Funding 1 Security Trustee and each of the Funding 1 Secured Creditors in respect of itself that as of the date of this Deed:

- (a) pursuant to the terms of the Funding 1 Agreement, Funding 1 agrees to pay to the New Funding 1 Secured Creditor the amounts (if any) specified in Clause 5 (Interest) of the Funding 1 Loan Agreement; and
- (b) the Agreement expressly provides that all amounts due from Funding 1 thereunder are to be secured by the Funding 1 Deed of Charge.

## 3. ACCESSION

In consideration of the Funding 1 Loan Provider being accepted as a Funding 1 Secured Creditor for the purposes of the Funding 1 Deed of Charge by the parties thereto as from the date of this Deed, the New Funding 1 Secured Creditor:

- (a) confirms that as from the date hereof, it intends to be a party to the Funding 1 Deed of Charge as a Funding 1 Secured Creditor;
- (b) undertakes to comply with and be bound by all of the provisions of the Master Definitions and Construction Schedule (as the same may be amended, varied or restated from time to time) and the Funding 1 Deed of Charge in its capacity as a Funding 1 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 Funding 1 Deed of Charge in its capacity as a Funding 1 Secured Creditor, as if it had been an original party thereto as provided in Clause 4.6 (New Funding 1 Secured Creditors) of the Funding 1 Deed of Charge; and
- (d) agrees that the Funding 1 Security Trustee shall be the Funding 1 Security Trustee of the Funding 1 Deed of Charge for all Funding 1 Secured Creditors upon and subject to the terms set out in the Funding 1 Deed of Charge.

#### **4. AMENDMENT**

With effect as of 29 May 2019 (the **Effective Date**), the Funding 1 Deed of Charge (as amended by the First Accession and Amendment Deed, the Second Accession and Amendment Deed, the Third Accession and Amendment Deed, the Fourth Accession and Amendment Deed, the Fifth Accession and Amendment Deed, the Sixth Amendment Deed and the Seventh Amendment Deed) shall be read as set out in Schedule 1.

#### **5. CONSENT AND DIRECTION**

- 5.1 Each of the parties hereto (other than the Funding 1 Security Trustee, the 2010-1 Issuer Security Trustee, the 2011-1 Issuer Security Trustee, the 2010-1 Note Trustee and the 2011-1 Note Trustee) acknowledges and agrees that each of the Funding 1 Security Trustee, the 2010-1 Issuer Security Trustee, the 2011-1 Issuer Security Trustee, the 2010-1 Note Trustee and the 2011-1 Note Trustee has entered into this Deed and agreed to the terms thereof pursuant to, and in accordance with, extraordinary resolutions dated 29 May 2019 from the holders of all of the Principal Amount Outstanding of the Notes. Further, each of the parties hereto (other than the Funding 1 Security Trustee, the 2010-1 Issuer Security Trustee, the 2011-1 Issuer Security Trustee, the 2010-1 Note Trustee and the 2011-1 Note Trustee) consents to its entering into this Deed and agreeing to the terms thereof.

- 5.2 Pursuant to clause 12.1 of each of the 2010-1 Issuer Deed of Charge and the 2011-1 Issuer Deed of Charge, the 2010-1 Issuer Security Trustee and the 2011-1 Issuer Security Trustee respectively hereby concur with the Funding 1 Security Trustee and the other Funding 1 Secured Creditors in making the amendments to the Funding 1 Deed of Charge set out in Clause 2 and hereby direct the Funding 1 Security Trustee to concur with Funding 1 and the other Funding 1 Secured Creditors in making such amendments to the Funding 1 Deed of Charge by entering into this Deed.
- 5.3 Pursuant to clause 12.1 of the Funding 1 Deed of Charge, the Funding 1 Security Trustee hereby concurs with the Funding 1 Secured Creditors in making the amendments to the Funding 1 Deed of Charge set out in Clause 2 and consents to such amendments to the Funding 1 Deed of Charge by entering into this Deed.

**6. APPLICATION**

Prior to and following enforcement of the Funding 1 Security all amounts at any time held by Funding 1, the Cash Manager or the Funding 1 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 Funding 1 Deed of Charge.

**7. NOTICES**

Any notice or communication to be given to the 2010-1 Issuer and the 2011-1 Issuer under or in connection with this Deed, the Funding 1 Deed of Charge or the Master Definitions and Construction Schedule shall be given in the manner and at the times set out in the Funding 1 Deed of Charge.

**8. CHOICE OF LAW**

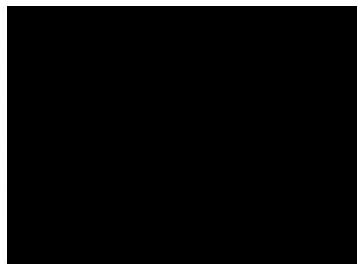
This Deed and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

**DULY EXECUTED AND DELIVERED AS A DEED** by each of the parties hereto or on its behalf on the date which first appears above.

**SIGNATORIES**

**Funding 1**

**EXECUTED as a DEED by** )  
**LANGTON FUNDING (NO. 1) LIMITED** )  
 )  
 per pro Intertrust Directors 1 Limited, as Director )  
 )  
 per pro Intertrust Directors 2 Limited, as Director )



**Funding 1 Security Trustee, 2010-1 Issuer Security Trustee, 2010-1 Note Trustee, 2011-1 Issuer Security Trustee and 2011-1 Note Trustee**

**EXECUTED** as a **DEED** by )  
**CITICORP TRUSTEE COMPANY LIMITED** )  
acting by its duly authorised attorney )  
in the presence of )



Witness' signature:



Name:

Address:

**2010-1 Issuer and 2010-1 Funding 1 Start-Up Loan Provider**

**EXECUTED** as a **DEED** by )  
**LANGTON SECURITIES (2010-1) PLC** )  
acting by its duly authorised attorney )  
in the presence of )

Witness' signature:

Name:

Address:

**2011-1 Issuer and 2011-1 Funding 1 Start-Up Loan Provider**

**EXECUTED** as a **DEED** by )  
**LANGTON SECURITIES (2008-1) PLC** )  
per pro Intertrust Directors 1 Limited, a Director )  
per pro Intertrust Directors 2 Limited, a Director )

**Funding 1 Security Trustee, 2010-1 Issuer Security Trustee, 2010-1 Note Trustee, 2011-1 Issuer Security Trustee and 2011-1 Note Trustee**

**EXECUTED** as a **DEED** by )  
**CITICORP TRUSTEE COMPANY LIMITED** )  
acting by its duly authorised attorney )  
in the presence of )

Witness' signature:

Name:

Address:

**2010-1 Issuer and 2010-1 Funding 1 Start-Up Loan Provider**

**EXECUTED** as a **DEED** by )  
**LANGTON SECURITIES (2010-1) PLC** )  
acting by its duly authorised attorney )  
in the presence of )

Witness' signature:

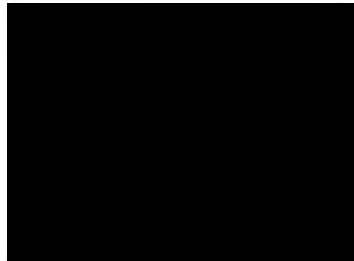
Name:

Address:



**2011-1 Issuer and 2011-1 Funding 1 Start-Up Loan Provider**

**EXECUTED** as a **DEED** by )  
**LANGTON SECURITIES (2008-1) PLC** )  
per pro Intertrust Directors 1 Limited, as Director )  
per pro Intertrust Directors 2 Limited, as Director )





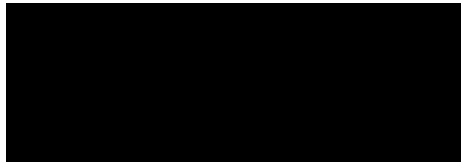
**Seller, Cash Manager, Funding 1 Account Bank, Funding 1 Loan Provider, Secretarial Services Provider and Funding 1 Swap Provider**

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

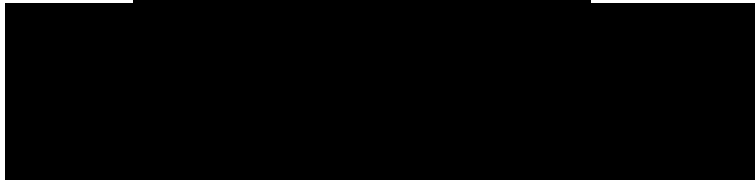


in the presence of

Witness' signature:



Name:



Address:

**Mortgages Trustee Corporate Services Provider, Funding 1 Corporate Services Provider and Holdings Corporate Services Provider**

**EXECUTED as a DEED by** )  
**INTERTRUST MANAGEMENT** )  
**LIMITED** )  
by two authorised signatories )

**Mortgages Trustee**

**EXECUTED as a DEED by** )  
**LANGTON MORTGAGES TRUSTEE (UK)** )  
**LIMITED** )  
)  
per pro Intertrust Directors 1 Limited, as Director )  
)  
per pro Intertrust Directors 2 Limited, as Director )

**Seller, Cash Manager, Funding 1 Account Bank, Funding 1 Loan Provider, Secretarial Services Provider and Funding 1 Swap Provider**

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

in the presence of

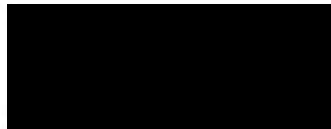
Witness' signature:

Name:

Address:

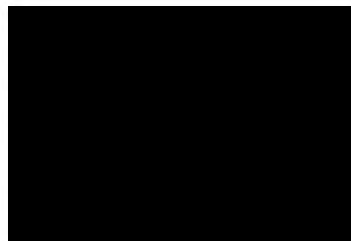
**Mortgages Trustee Corporate Services Provider, Funding 1 Corporate Services Provider and Holdings Corporate Services Provider**

**EXECUTED as a DEED by** )  
**INTERTRUST MANAGEMENT** )  
**LIMITED** )  
by two authorised signatories )



**Mortgages Trustee**

**EXECUTED as a DEED by** )  
**LANGTON MORTGAGES TRUSTEE (UK)** )  
**LIMITED** )  
per pro Intertrust Directors 1 Limited, as Director )  
per pro Intertrust Directors 2 Limited, as Director )



**SCHEDULE 1**

**FORM OF AMENDED AND RESTATED FUNDING 1 DEED OF CHARGE**

**FORM OF AMENDED AND RESTATED FUNDING 1 DEED OF CHARGE**

**AMENDED AND RESTATED FUNDING 1 DEED OF CHARGE**

**DATED 29 MAY 2019**

**LANGTON FUNDING (NO. 1) LIMITED**  
**(as Funding 1)**

**and**

**LANGTON SECURITIES (2010-1) PLC**  
**(as 2010-1 Issuer and 2010-1 Funding 1 Start-Up Loan Provider)**

**and**

**LANGTON SECURITIES (2008-1) PLC**  
**(as 2011-1 Issuer and 2011-1 Funding 1 Start-Up Loan Provider)**

**and**

**CITICORP TRUSTEE COMPANY LIMITED**  
**(as Funding 1 Security Trustee, 2010-1 Issuer Security Trustee, 2010-1 Note Trustee, 2011-1 Issuer Security Trustee and 2011-1 Note Trustee)**

**and**

**LANGTON MORTGAGES TRUSTEE (UK) LIMITED**  
**(as Mortgages Trustee)**

**and**

**SANTANDER UK PLC**  
**(as Seller, Cash Manager, Funding 1 Account Bank, Funding 1 Loan Provider, Secretarial Services Provider and Funding 1 Swap Provider)**

**and**

**INTERTRUST MANAGEMENT LIMITED**  
**(as Funding 1 Corporate Services Provider, Mortgages Trustee Corporate Services Provider and Holdings Corporate Services Provider)**

**ALLEN & OVERY**

**Allen & Overy LLP**

## CONTENTS

Clause	Page
1. Interpretation .....	2
2. Security Trust .....	3
3. Creation of Funding 1 Security .....	3
4. Acknowledgements and Undertakings .....	6
5. Restrictions on Exercise of Certain Rights .....	8
6. Payments out of Funding 1 Accounts Prior to Acceleration .....	9
7. Payments out of Funding 1 Accounts Upon Acceleration.....	12
8. Enforcement by the Funding 1 Security Trustee .....	12
9. Enforcement of Funding 1 Security .....	14
10. Receiver.....	17
11. Powers of Receiver.....	18
12. Modification, Authorisation, Waiver and Consent.....	20
13. Remuneration and Indemnification of the Funding 1 Security Trustee.....	25
14. Supplement to Trustee Acts.....	27
15. Funding 1 Security Trustee's Liability .....	32
16. Funding 1 Security Trustee Contracting with Funding 1 .....	33
17. Eligibility and Disqualification; New Funding 1 Security Trustee .....	33
18. Funding 1 Security Trustee's Retirement and Removal .....	34
19. Funding 1 Security Trustee's Powers to be Additional.....	35
20. Additional Provisions Regarding the Funding 1 Security Trustee .....	35
21. Funding 1 Security Power of Attorney.....	37
22. Further Assurances .....	38
23. Additional Provisions Relating to Funding 1 Security .....	38
24. Set-off.....	41
25. Release.....	41
26. Funding 1 Representations .....	42
27. Evidence of Indebtedness .....	44
28. Rights Cumulative.....	44
29. Severability.....	44
30. Counterparts .....	44
31. Notices.....	45
32. Assignment.....	46
33. Language .....	46
34. Law and Jurisdiction.....	46
35. Contracts (Rights of Third Parties) Act 1999 and Contract (Third Party Rights) (Scotland) Act 2017 .....	47
36. Effectiveness of Execution .....	48
Signatories.....	48

**Schedule**

1.	Form of Notice of Assignment and Charge.....	51
2.	Form of Consent to Assignment and Charge.....	52
3.	Form of Accession Deed .....	53
4.	Funding 1 Priority of Payments.....	57
	Part 1    Funding 1 Pre-Acceleration Revenue Priority of Payments .....	57
	Part 2    Funding 1 Pre-Acceleration Principal Priorities of Payments .....	61
	Part 3    Funding 1 Post-Acceleration Priority of Payments.....	67
5.	Form of Funding 1 Security Power of Attorney.....	70

**THIS AMENDED AND RESTATED FUNDING 1 DEED OF CHARGE** (this **Deed**) is dated 29 May 2019

**BETWEEN**

- (1) **LANGTON FUNDING (NO. 1) LIMITED**, a private limited company incorporated under the laws of England and Wales (registered number 6432610), whose registered office is at c/o Intertrust Management Limited, 35 Great St. Helen's, London EC3A 6AP (**Funding 1**);
- (2) **LANGTON SECURITIES (2010-1) PLC**, a company incorporated in England and Wales with limited liability (registered number 7381471), whose registered office is 35 Great St. Helen's, London EC3A 6AP (the **2010-1 Issuer** and the **2010-1 Funding 1 Start-Up Loan Provider**);
- (3) **LANGTON SECURITIES (2008-1) PLC**, a public limited company incorporated in England and Wales (registered number 6432564), whose registered office is 35 Great St. Helen's, London EC3A 6AP (the **Issuer** and the **2011-1 Funding 1 Start-Up Loan Provider**);
- (4) **CITICORP TRUSTEE COMPANY LIMITED** (registered number 0235914), acting through its offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacities as **Funding 1 Security Trustee**, Issuer Security Trustee in respect of the security granted by the 2010-1 Issuer and the 2011-1 Issuer (each as defined below) (the **2010-1 Issuer Security Trustee** and the **2011-1 Issuer Security Trustee**, respectively) in each case pursuant to the relevant Issuer Deed of Charge (the **2010-1 Issuer Deed of Charge** and the **2011-1 Issuer Deed of Charge**, respectively) and the note trustee with respect to the Notes issued by the 2010-1 Issuer and the 2011-1 Issuer (the **2010-1 Note Trustee** and the **2011-1 Note Trustee**, respectively) in each case pursuant to the relevant Note Trust Deed (the **2010-1 Note Trust Deed** and the **2011-1 Note Trust Deed**, respectively);
- (5) **SANTANDER UK PLC**, a public limited company incorporated under the laws of England and Wales (registered number 2294747), whose registered office is at 2 Triton Square, Regent's Place, London NW1 3AN (acting in its capacities as **Seller, Cash Manager, Funding 1 Account Bank, Funding 1 Loan Provider, Secretarial Services Provider** and **Funding 1 Swap Provider**);
- (6) **INTERTRUST MANAGEMENT LIMITED**, a private limited company incorporated under the laws of England and Wales (registered number 03853947), whose registered office is at 35 Great St. Helen's, London EC3A 6AP (acting in its capacities as the **Funding 1 Corporate Services Provider, Mortgages Trustee Corporate Services Provider** and **Holdings Corporate Services Provider**); and
- (7) **LANGTON MORTGAGES TRUSTEE (UK) LIMITED**, (registered number 07210539) a private limited company incorporated under the laws of England and Wales, whose registered office is at 2 Triton Square, Regent's Place, London NW1 3AN (in its capacity as **Mortgages Trustee**).

**BACKGROUND:**

- (A) The Issuer has agreed to make available: (i) Loan Tranches to Funding 1 pursuant to the terms of the Issuer Intercompany Loan Agreement of even date herewith, and (ii) the Advance pursuant to the Funding 1 Start-Up Loan Agreement of even date herewith.
- (B) The Cash Manager has agreed to provide certain cash management services to Funding 1 on the terms set out in the Cash Management Agreement.

- (C) The Account Bank has agreed to provide certain banking services to Funding 1 on the terms set out in the Funding 1 Bank Account Agreement and the Funding 1 Guaranteed Investment Contract.
- (D) The Funding 1 Swap Provider has agreed to provide the Funding 1 Swap to Funding 1 on the terms set out in the Funding 1 Swap Agreement.
- (E) The Funding 1 Corporate Services Provider has agreed to provide certain corporate services to Funding 1 on the terms set out in the Funding 1 Corporate Services Agreement.
- (F) The Secretarial Services Provider has agreed to provide certain secretarial services to Funding 1 on the terms set out in the Secretarial Services Agreement.
- (G) Funding 1 has agreed to provide security in respect of Funding 1's obligations under the Funding 1 Agreements to which it is a party, subject to and in accordance with the terms thereof and hereof.
- (H) Funding 1 has agreed to provide the Funding 1 Security Trustee with the benefit of the security described in this Deed to secure Funding 1's obligations under the Funding 1 Agreements, upon and subject to the terms hereof. The Funding 1 Security Trustee shall hold such security on trust for the benefit of the Funding 1 Secured Creditors.
- (I) Pursuant to the terms of the Issuer Deed of Charge, the Issuer will grant security to the Issuer Security Trustee (as security trustee for the Issuer Secured Creditors) in and to all of its right, title, interest and benefit, present and future, under this Deed to secure the Issuer's obligations to the Issuer Secured Creditors upon and subject to the terms thereof.

**IT IS AGREED** as follows:

## **1. INTERPRETATION**

### **1.1 Construction**

- (a) The master definitions and construction schedule signed by, amongst others, the parties to this Deed and dated 25 January 2008 as amended and restated on 5 March 2008, on 17 June 2008, on 27 May 2010, on 1 October 2010, on 23 March 2011, on 23 December 2011, on 8 June 2012, on 29 April 2016 and on 29 May 2019 (as the same may be amended, restated, varied, supplemented, replaced and/or novated from time to time with the consent of the parties to this Deed) (the **Master Definitions and Construction Schedule**) and, accordingly, the expressions defined in the Master Definitions and Construction Schedule (as so amended, varied 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.
- (b) This Deed will be construed in accordance with the rules of construction set out in the Master Definitions and Construction Schedule.
- (c) If there is any conflict between the provisions of the Master Definitions and Construction Schedule and the provisions of this Deed, the provisions of this Deed will prevail.
- (d) The term **this Deed** means this Deed and any deed executed in accordance with, or expressed to be supplemental to, this Deed.
- (e) Any covenant of Funding 1 under this Deed (other than a payment obligation) shall remain in force during Funding 1 Security Period.



- (f) The terms of the other Transactions 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 1989.
- (g) Unless the context otherwise requires, a reference to a Funding 1 Charged Property includes the proceeds of sale of that Funding 1 Charged Property.
- (h) 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 Funding 1 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 Funding 1 Security Trustee holds all of the covenants, undertakings, Security Interests and other rights and benefits made or given under this Deed and the other Funding 1 Agreements on trust for itself and the other Funding 1 Secured Creditors upon and subject to the terms and conditions of this Deed.

## 3. CREATION OF FUNDING 1 SECURITY

### 3.1 General

- (a) All Funding 1 Security:
  - (i) is created in favour of the Funding 1 Security Trustee for itself and as trustee on behalf of the other Funding 1 Secured Creditors;
  - (ii) is created over the present and future assets of Funding 1;
  - (iii) is security for the payment or discharge of Funding 1 Secured Obligations; and
  - (iv) is made with full title guarantee (or, in relation to any rights or assets situated in Northern Ireland or otherwise governed by Northern Irish law, as beneficial owner, or, in relation to any rights or assets situated in 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 Funding 1 Charged Property.

### **3.2 Trust Property**

Funding 1 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, interest and benefit in the Trust Property (including, without limitation, all Scottish Trust Property, present and future, comprised in the Trust Property).

### **3.3 Contracts**

Funding 1 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 in respect of Funding 1 Agreements.

### **3.4 Funding 1 Accounts**

Funding 1 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 in respect of:

- (a) any amount standing from time to time to the credit of Funding 1 Bank Accounts;
- (b) all interest paid or payable in relation to those amounts; and
- (c) all debts represented by those amounts.

### **3.5 Authorised Investments**

Funding 1 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 Funding 1 (whether owned by it or held by any nominee on its behalf) using monies standing to the credit of Funding 1 Accounts; and
- (b) all interest, monies and proceeds paid or payable in relation to those Authorised Investments.

### **3.6 Miscellaneous**

Funding 1 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 Funding 1 Charged Property; and
- (b) any compensation which may be payable to it in respect of those authorisations.

### 3.7 Floating charge

- (a) Funding 1 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 3.7 (but excepting from the foregoing exclusion all of Funding 1'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 Funding 1 Security Trustee may, by notice to Funding 1 (and so far as permitted by applicable law), convert the floating charge created under this Clause 3.7 into a fixed charge as regards any of Funding 1's assets subject to the floating charge specified in that notice, if:
  - (i) an Intercompany Loan Event of Default is outstanding;
  - (ii) the Funding 1 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 Funding 1 Security Trustee considers to (or to be likely to) prejudice, imperil or threaten Funding 1 Security.
- (c) Except as provided below, the floating charge created by this Clause 3.7 will automatically (so far as permitted by applicable law) convert into a fixed charge as regards:
  - (i) all of Funding 1's assets subject to the floating charge, upon the service of an Intercompany Loan Acceleration Notice; and/or
  - (ii) any assets of Funding 1 subject to the floating charge, if those assets (contrary to the covenants and undertakings contained in Funding 1 Agreements):
    - (A) are or become subject to a Security Interest in favour of any person other than the Funding 1 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 3.7 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 the Insolvency Act 2000 or the Insolvency (Northern Ireland) Order 2002 (if appropriate).
- (e) The floating charge created by this Clause 3.7 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 Funding 1 Security**

- (a) This Deed constitutes notice in writing to each Funding 1 Secured Creditor of the assignment or assignation of all of Funding 1's rights to the Funding 1 Agreements under Clause 3.3 (Contracts).
- (b) By executing this Deed, each Funding 1 Secured Creditor acknowledges and consents to the assignment or assignation referred to in this Clause 4.1 (Funding 1 Security) 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 Funding 1 Charged Property.
- (c) Immediately upon the execution of this Deed, Funding 1 will deliver a notice of assignment substantially in the form set out in Schedule 1 (Form of Notice of Assignment and Charge) hereto to each of the addressees named in the notice and will use all reasonable endeavours to procure that delivery to the Funding 1 Security Trustee on the date of this Deed of receipts from the addressees of that notice substantially in the form attached to the notice.
- (d) Each Funding 1 Secured Creditor acknowledges the Funding 1 Security, and covenants to the Funding 1 Security Trustee not to do anything inconsistent with the Funding 1 Security or knowingly to prejudice that security or any of the Funding 1 Charged Property (or the Funding 1 Security Trustee's interest in those assets) provided that, subject to Clause 5 (Restrictions on Exercise of Certain Rights) hereto, this Deed does not limit the rights of any of Funding 1 Secured Creditors under the Funding 1 Agreements.
- (e) Without prejudice to the generality of Clause 4.1(a), Funding 1 hereby intimates and gives notice to the Mortgages Trustee as trustee under and in terms of the Mortgages Trust Deed of the assignment in security made in terms of Clause 3.2 (Trust Property) and the Mortgages Trustee by its execution of this Deed as such trustee immediately subsequent to the execution hereof by Funding 1 confirms that as at the date hereof it has received no intimation of any other dealing with the Funding 1 Share or any other rights, title, interest or benefit in the Trust Property except in accordance with the Funding 1 Agreements.

### **4.2 Registration of Funding 1 Security**

Within 21 calendar days of the date of creating the Funding 1 Security, Funding 1 undertakes to file (or to procure that a filing is made) with the Registrar of Companies of England and Wales pursuant to the provisions of Chapter I of Part XII of the Companies Act 1985 a duly completed Form 395 in respect of itself together with the required registration fee and an executed copy of this Deed.

### **4.3 Funding 1 Agreements**

Each Funding 1 Secured Creditor acknowledges that it is bound by, and deemed to have notice of, all of the provisions of the Funding 1 Agreements as if it was a party to each Funding 1 Agreement.

### **4.4 Payments to Funding 1**

Notwithstanding the Funding 1 Security but subject as provided otherwise in this Deed, each of the parties acknowledges that each Funding 1 Secured Creditor and each other party to any Funding 1 Agreement may continue to make all payments becoming due to Funding 1 under any Funding 1 Agreement in the manner envisaged by that document until receipt of written notice from the Funding 1 Security Trustee or any Receiver requiring payments to be made otherwise.

#### **4.5 Exercise of rights under Funding 1 Agreements**

- (a) Subject to Clause 8 (Enforcement by the Funding 1 Security Trustee) and Clause 12 (Modification, Authorisation, Waiver and Consent), without prejudice to the rights of the Funding 1 Security Trustee after the security created under this Deed has become enforceable, Funding 1 hereby authorises the Funding 1 Security Trustee (but without any obligation on the part of the Funding 1 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 Funding 1 under or in respect of the Funding 1 Agreements referred to in Clause 3.3 (Contracts).
- (b) For the avoidance of doubt, the Funding 1 Security Trustee shall not be required to have regard to the interests of Funding 1 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 Funding 1 in relation thereto.
- (c) Funding 1 shall not, without the prior written consent of the Funding 1 Security Trustee:
  - (i) permit any of the Funding 1 Agreements 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 Funding 1 Agreements; or
  - (iii) permit any party to any of the Funding 1 Agreements or any other person whose obligations form part of the Funding 1 Charged Property to be released from its obligations.

#### **4.6 New Funding 1 Secured Creditors**

- (a) In order to become a New Funding 1 Secured Creditor a creditor of Funding 1 must enter into an Accession Deed in or substantially in the form set out in Schedule 3 (Form of Accession Deed).
- (b) Each New Funding 1 Secured Creditor will be bound by the provisions of this Deed as if it contained covenants by each New Funding 1 Secured Creditor in favour of the Funding 1 Security Trustee and every other Funding 1 Secured Creditor to observe and be bound by all provisions of this Deed to apply to the Funding 1 Secured Creditors.
- (c) Each Funding 1 Secured Creditor agrees that the Funding 1 Security Trustee may execute any Accession Deed on its behalf.

#### **4.7 Securitisation Regulation (Article 7 requirements)**

- (a) The Seller agrees with each Funding 1 Issuer, Funding 1, the Cash Manager, the Servicer and the Mortgages Trustee that it shall be responsible for complying with the requirements of Article 7 of the Securitisation Regulation and any relevant regulatory guidance, implementing technical standards and/or transitional arrangements made pursuant thereto subject always to any requirement of law, provided that the Seller will not be in breach of such undertaking if the Seller fails to so comply due to events, actions or circumstances beyond the Seller's control.

- (b) Each of the Funding 1 Issuers, Funding 1, the Cash Manager, the Servicer and the Mortgages Trustee covenant to take all such steps as are reasonably requested by the Seller to enable the Seller to comply with the requirements of Article 7 of the Securitisation Regulation and any relevant regulatory guidance, implementing technical standards and/or transitional arrangements made pursuant thereto.

#### **4.8 Securitisation Regulation (Article 21.4(d))**

Each of the parties acknowledges that no provision of this Deed shall require, upon the default of any Funding 1 Issuer, the automatic liquidation of the Funding 1 Charged Property by the Security Trustee.

### **5. RESTRICTIONS ON EXERCISE OF CERTAIN RIGHTS**

#### **5.1 Payments to Funding 1 Accounts**

At all times prior to the release, re-assignment, retrocession and/or discharge under Clause 25 (Release) of the Funding 1 Security, Funding 1 will, save as otherwise provided in the Funding 1 Agreements or unless the Funding 1 Security Trustee otherwise agrees in writing, procure that all amounts received by Funding 1 under or in respect of the Funding 1 Agreements will be credited to the Funding 1 Accounts in accordance with Clause 6.2 (Funding 1 Bank Accounts) and the other applicable terms of the Funding 1 Agreements.

#### **5.2 No withdrawals from Funding 1 Accounts**

No payment, transfer and/or withdrawal may be made from any of the Funding 1 Accounts other than as expressly permitted under this Deed or the Cash Management Agreement or with the prior written consent of the Funding 1 Security Trustee.

#### **5.3 No enforcement by Funding 1 Secured Creditors**

- (a) Except as provided below, each of Funding 1 Secured Creditors (other than, in the case of paragraph (iii) below, the Funding 1 Security Trustee) agrees with Funding 1 and the Funding 1 Security Trustee that:
  - (i) only the Funding 1 Security Trustee may enforce the Funding 1 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 Funding 1; and
  - (iii) it will not take any other steps or action against Funding 1 or the Funding 1 Charged Property for the purpose of recovering any of the Funding 1 Secured Obligations (including by exercising any rights of set-off) or enforcing any rights arising out of the Funding 1 Agreements against Funding 1.
- (b) If the Funding 1 Security Trustee has failed to enforce the Funding 1 Security within a reasonable period of time of becoming bound under the terms of this Deed so to do and that failure is continuing, then each of the Funding 1 Secured Creditors will be entitled to take any steps and proceedings against Funding 1 for the purpose of recovering any of the Funding 1 Secured Obligations or enforcing any rights arising out of the Funding 1 Agreements as it considers necessary other than any steps or proceedings:

- (i) in respect of procuring the winding up, administration or liquidation of Funding 1; and/or
- (ii) which would result in the breach by it of Clause 6 (Payments out of Funding 1 Accounts Prior to Acceleration) and/or Clause 7 (Payments out of Funding 1 Accounts Upon Acceleration) herein and/or any term of the other Funding 1 Agreements.

#### **5.4 Limited recourse**

- (a) Each Funding 1 Secured Creditor hereby agrees that, notwithstanding any other provision of any Funding 1 Agreement (but without prejudice to the limited recourse provisions in each Intercompany Loan Agreement (as set out in Clause 4 (Limited Recourse) of the Intercompany Loan Terms and Conditions)), all obligations of Funding 1 to each Funding 1 Secured Creditor in respect of the Funding 1 Secured Obligations owing to each Funding 1 Secured Creditor are limited in recourse as set out below:
  - (i) in the event of non-payment of any sum due and payable to a Funding 1 Secured Creditor, its only remedy shall be enforcement of the Funding 1 Security in accordance with the provisions of this Deed and the other Funding 1 Agreements; and
  - (ii) in the event that the net proceeds of enforcing and (as fully as practicable and over whatever time period the Funding 1 Security Trustee considers reasonably necessary) realising all Funding 1 Security are (after application of the proceeds in accordance with the provisions of this Deed) insufficient to discharge in full the amount of any Funding 1 Secured Obligation owed to a Funding 1 Secured Creditor, Funding 1's obligation in respect of the unpaid amount shall be automatically extinguished and such Funding 1 Secured Creditor shall have no further claim against Funding 1 in respect of such unpaid amount.
- (b) The provisions of this Clause 5.4 (Limited recourse) shall survive the termination of this Deed.

#### **5.5 Amounts received by Funding 1 Secured Creditors**

Each Funding 1 Secured Creditor (other than the Funding 1 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 Funding 1 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 Funding 1 Security Trustee and shall be paid over to the Funding 1 Security Trustee immediately upon receipt so that such amount can be applied in accordance with the provisions of this Deed.

### **6. PAYMENTS OUT OF FUNDING 1 ACCOUNTS PRIOR TO ACCELERATION**

#### **6.1 Application**

No payment, transfer and/or withdrawal may be made from any of the Funding 1 Accounts:

- (a) at any time upon and after enforcement of the Funding 1 Security without the prior written consent of the Funding 1 Security Trustee; and/or

- (b) under this Clause 6.1 (Application) at any time upon and after an Intercompany Loan Acceleration Notice has been served.

## **6.2 Funding 1 Bank Accounts**

Funding 1 shall at all times during the Funding 1 Security Period:

- (a) save as otherwise provided in the Funding 1 Agreements or unless the Funding 1 Security Trustee otherwise agrees (and then only on such terms and in such manner as the Funding 1 Security Trustee may in its absolute discretion require), procure that any distribution of Mortgages Trust Available Revenue Receipts to Funding 1 and any distribution of Mortgages Trust Principal Receipts to Funding 1 under the Mortgages Trust is paid into the Funding 1 GIC Account;
- (b) save as otherwise provided in the Funding 1 Agreements or unless the Funding 1 Security Trustee otherwise agrees, procure that all proceeds from a Loan Tranche which are to be applied in or towards repayment of another Loan Tranche are, pending such repayment, deposited in the Funding 1 GIC Account; and
- (c) save as otherwise provided in the Funding 1 Agreements, procure that any Refinancing Distributions paid to Funding 1 under the Mortgages Trust Deed which are to be applied in or towards repayment of a Loan Tranche (a **Relevant Refinancing Distribution**) shall be paid into the Funding 1 GIC Account.

## **6.3 Withdrawals from Funding 1 GIC Account – prior to enforcement and acceleration**

- (a) Notwithstanding the Funding 1 Security but subject to Clause 6.1 (Application) and this Clause 6.3 (Withdrawals from Funding 1 GIC Account – prior to enforcement and acceleration), the Cash Manager, on behalf of Funding 1 (subject to the terms of the Cash Management Agreement) will transfer funds standing to the credit of the Funding 1 GIC Account to the Funding 1 Transaction Account on each day during a Funding 1 Interest Period but prior to the issue of an Intercompany Loan Acceleration Notice where such monies represent Funding 1 Available Revenue Receipts to be applied to meet any amounts then due and payable by Funding 1 or any Funding 1 Issuer to third parties, the Account Bank or any Funding 1 Issuer Account Bank in accordance with items (a)(ii), (b) and (d) (as applicable) of the Funding 1 Pre-Acceleration Revenue Priority of Payments set out in Part 1 of Schedule 4 (Funding 1 Priority of Payments) (as the same may be amended or varied from time to time).
- (b) Notwithstanding the Funding 1 Security but subject to Clause 6.1 (Application) and this Clause 6.3 (Withdrawals from Funding 1 GIC Account – prior to enforcement and acceleration), the Cash Manager, on behalf of Funding 1 (subject to the terms of the Cash Management Agreement) will transfer funds standing to the credit of the Funding 1 GIC Account to the Funding 1 Transaction Account on each Funding 1 Interest Payment Date prior to the issue of an Intercompany Loan Acceleration Notice where such monies represent Funding 1 Available Revenue Receipts, Funding 1 Available Principal Receipts and/or Relevant Refinancing Distributions to be applied to meet Funding 1's payment obligations in accordance with the Funding 1 Pre-Acceleration Revenue Priority of Payments set out in Part 1 of Schedule 4 (Funding 1 Priority of Payments) to this Deed and the relevant Funding 1 Pre-Acceleration Principal Priorities of Payments set out in Part 2 of Schedule 4 (Funding 1 Priority of Payments) (as the same may be amended or varied from time to time).



#### **6.4 Withdrawals from Funding 1 Transaction Account – prior to enforcement and acceleration**

- (a) Notwithstanding the Funding 1 Security but subject to Clause 6.1 (Application) and this Clause 6.4 (Withdrawals from Funding 1 Transaction Account – prior to enforcement and acceleration), the Cash Manager, on behalf of Funding 1 (subject to the terms of the Cash Management Agreement) will apply funds standing to the credit of the Funding 1 Transaction Account on each day during a Funding 1 Interest Period but prior to the issue of an Intercompany Loan Acceleration Notice where such monies represent Funding 1 Available Revenue Receipts to meet any amounts then due and payable by Funding 1 or a Funding 1 Issuer to third parties, the Account Bank or a Funding 1 Issuer Account Bank in accordance with items (a)(ii), (b) and (d) (as applicable) of the Funding 1 Pre-Acceleration Revenue Priority of Payments set out in Part 1 of Schedule 4 (Funding 1 Priority of Payments) (as the same may be amended or varied from time to time).
- (b) Notwithstanding the Funding 1 Security but subject to Clause 6.1 (Application) and this Clause 6.4 (Withdrawals from Funding 1 Transaction Account – prior to enforcement and acceleration), the Cash Manager, on behalf of Funding 1 (subject to the terms of the Cash Management Agreement) will apply funds standing to the credit of the Funding 1 Transaction Account on each Funding 1 Interest Payment Date prior to the issue of an Intercompany Loan Acceleration Notice where such monies represent Funding 1 Available Revenue Receipts, Funding 1 Available Principal Receipts and/or Relevant Refinancing Distributions in accordance with the Funding 1 Pre-Acceleration Revenue Priority of Payments set out in Part 1 of Schedule 4 (Funding 1 Priority of Payments) to this Deed and the relevant Funding 1 Pre-Acceleration Principal Priorities of Payments set out in Part 2 of Schedule 4 (Funding 1 Priority of Payments) (as the same may be amended or varied from time to time).

#### **6.5 Authorised Investments**

- (a) Notwithstanding Funding 1 Security but subject to Clause 6.1 (Application), the Cash Manager, on behalf of Funding 1, may withdraw amounts standing to the credit of Funding 1 Accounts from time to time for the purpose of acquiring Authorised Investments in accordance with the terms of the Funding 1 Bank Agreement and the 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 Funding 1 Transaction Account.
- (b) Notwithstanding the Funding 1 Security, the Cash Manager, on behalf of Funding 1, may sell or redeem or otherwise dispose of any Authorised Investments on any day prior to the enforcement of the Funding 1 Security subject to the terms and conditions of this Deed and the Cash Management Agreement.

#### **6.6 Enforcement When Not All Amounts Due and Payable**

If the Funding 1 Security Trustee enforces the Funding 1 Security at a time when either no amounts or not all amounts owing in respect of the Funding 1 Secured Obligations have become due and payable, the Funding 1 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 Clause 6 (Payments out of Funding 1 Accounts Prior to Acceleration) herein 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 Clause 7 (Payments out of Funding 1 Accounts Prior to Acceleration) herein as and when any of the amounts referred to therein become due and payable.

- 6.7 Following the service of an Intercompany Loan Acceleration Notice, the Funding 1 Security Trustee may at its absolute discretion pending application thereof pursuant to Clause 7 (Payments out of Funding 1 Accounts Upon Acceleration) deposit any and all amounts from time to time received by it from Funding 1 or any person or persons liable to pay or in respect of the Funding 1 Charged Property or from the realisation or enforcement of the Funding 1 Security in a retention account for so long as, and on the terms which, it considers appropriate without any obligation to apply those amounts in or towards the discharge of any of the Funding 1 Secured Obligations.
- 6.8 Following the service of an Intercompany Loan Acceleration Notice, nothing in this Deed shall require amounts to be retained in the Funding 1 Bank Accounts beyond what is necessary to ensure orderly repayment in accordance with the relevant Funding 1 Priority of Payments, unless exceptional circumstances require that an amount be trapped to be used, in the best interests of Noteholders, for expenses in order to avoid the deterioration in the credit quality of the underlying exposures.

## **7. PAYMENTS OUT OF FUNDING 1 ACCOUNTS UPON ACCELERATION**

### **7.1 Priorities of Payment – after service of an Intercompany Loan Acceleration Notice**

All monies received or recovered following service of an Intercompany Loan Acceleration Notice shall be applied by the Cash Manager or, following the enforcement of the Funding 1 Security, the Funding 1 Security Trustee (or a Receiver appointed on its behalf) (save to the extent required otherwise by law) in accordance with the Funding 1 Post-Acceleration Priority of Payments set out in Part 3 of Schedule 4 (Funding 1 Priority of Payments).

Provided that there has been no Insolvency Event in respect of Funding 1 at the time a payment of Deferred Consideration is made in accordance with the Funding 1 Post-Acceleration Priority of Payments, Funding 1 shall deduct from the payment of that Deferred Consideration an amount equal to £1,250 to retain as profit.

### **7.2 Application of Monies Received after service of an Intercompany Loan Acceleration Notice**

Each Funding 1 Secured Creditor undertakes to pay to the Cash Manager or, following the enforcement of the Funding 1 Security, the Funding 1 Security Trustee or the Receiver, as the case may be, all monies received or recovered by it (including by way of set-off or otherwise) subsequent to the service of an Intercompany Loan Acceleration Notice in order that such amounts can be applied in accordance with Clause 7.1 (Priorities of Payment – after service of an Intercompany Loan Acceleration Notice).

## **8. ENFORCEMENT BY THE FUNDING 1 SECURITY TRUSTEE**

### **8.1 General enforcement**

- (a) Subject to Clause 8.2 (Administrative receiver), the Funding 1 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 Funding 1 Agreement (including, without limitation, enforcing the Funding 1 Security) unless the Funding 1 Security Trustee:
- (i) has been indemnified and/or secured to its satisfaction against all liabilities, cost, expenses, losses, claims and charges to which it may render itself liable or which it may incur by so doing and, for this purpose, the Funding 1 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) subject to paragraph (d) below, the Funding 1 Issuer Security Trustees (subject to the provisions of the relevant Funding 1 Issuer Deed of Charge); or
  - (B) if there is no outstanding Loan Tranche, the Funding 1 Secured Creditor(s) (other than the Funding 1 Security Trustee) that rank(s) highest in the order of priority of payment set out in Clause 7.1 (Priorities of Payment – after service of an Intercompany Loan Acceleration Notice),

(in each case, the **Instructing Party**), in which case the Funding 1 Security Trustee will be bound to take such action in the manner instructed by the Instructing Party, provided that the Funding 1 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 Funding 1 Security Trustee or is to preserve or protect the Funding 1 Security Trustee's position or is of a purely administrative nature.

- (b) The Funding 1 Security Trustee shall not be liable to any Funding 1 Secured Creditor for any action it may take in accordance with any instructions received pursuant to paragraph (a) above. The Funding 1 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 Funding 1 Issuer Security Trustees to enforce the Funding 1 Security in accordance with paragraph (a) above, the Funding 1 Security Trustee will notify Funding 1 and the Funding 1 Secured Creditors of such direction.
- (d) If there is a conflict between the directions given by the Funding 1 Issuer Security Trustees as contemplated by sub-paragraph (a)(ii)(A) above, then the directions of the Funding 1 Issuer Security Trustees who are directed by the Issuer Note Trustee or New Issuer Note Trustee (as applicable) for the Class or Classes of Rated Notes outstanding which are rated by the Rating Agencies at the highest level (the **Principal Security Trustees** and the **Principal Classes of Notes** respectively) shall prevail; and if there is a conflict between the directions given by the Principal Trustees, then the directions of those Principal Security Trustees (x) who have given the same directions and (y) who are directed by the Issuer Note Trustee or New Issuer Note Trustee (as applicable) for the holders of Principal Classes of Notes the aggregate Principal Amount Outstanding of which is greater than the aggregate Principal Amount Outstanding of the Principal Classes of Notes held by the holders of which the Issuer Note Trustee or New Issuer Note Trustee (as applicable) who directed the Principal Security Trustees who have given other directions are trustees shall prevail.

## 8.2 Administrative receiver

- (a) Notwithstanding any term of this Deed, subject to paragraph (b) below, the Funding 1 Security Trustee must enforce the Funding 1 Security by appointing an administrative receiver in respect of Funding 1 if it has actual notice of:
  - (i) an application for the appointment of an administrator in respect of Funding 1; or

- (ii) the giving of a notice of intention to appoint an administrator in respect of Funding 1; and
- (iii) the Funding 1 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 Funding 1 Security Trustee is not liable for any failure to appoint or delay in appointing an administrative receiver in respect of Funding 1, 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 (Administrative receiver) shall be construed so as to impose on the Funding 1 Security Trustee any obligation to indemnify any administrative receiver appointed by it pursuant to this Clause 8.2 (Administrative receiver) except to the extent of (and from) the cash and assets comprising the Funding 1 Security held by the Funding 1 Security Trustee at such time; and
  - (ii) the Funding 1 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 Funding 1 Security Trustee shall not be liable to any Funding 1 Secured Creditor for any action it may take in accordance with paragraph (a) above.
- (d) Funding 1 hereby waives any claims against the Funding 1 Security Trustee in respect of any appointment made pursuant to this Clause 8.2 (Administrative receiver).

## **9. ENFORCEMENT OF FUNDING 1 SECURITY**

### **9.1 General**

- (a) For the purposes of all powers implied by statute, Funding 1 Secured Obligations are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the 1925 Act (restricting the power of sale), Section 93 of the 1925 Act (restricting the right of consolidation) and Sections 20 and 17 of the 1881 Act do not apply to the Security Interests comprised in Funding 1 Security.

### **9.2 Intercompany Loan Acceleration Notice**

The Funding 1 Security will become immediately enforceable upon the service of an Intercompany Loan Acceleration Notice or, if there is no outstanding Loan Tranche, upon notice given to the Funding 1 Security Trustee by a Funding 1 Secured Creditor of failure by Funding 1 to pay any other Funding 1 Secured Obligation on its due date (subject to any applicable grace period).

### **9.3 Privileges**

The Funding 1 Security Trustee and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the 1925 Act and the 1881 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 do not apply.

#### **9.4 Power of sale**

The power of sale and other powers conferred by Section 101 of the 1925 Act, Section 19 of the 1881 Act and Section 4 of the 1911 Act as extended and varied by this Deed, will be immediately exercisable at any time after the Funding 1 Security has become enforceable.

#### **9.5 Extension of the 1925 Act**

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

#### **9.6 Mortgagee in possession**

- (a) Neither the Funding 1 Security Trustee nor any Receiver will be liable, by reason of Funding 1 Security or entering into possession of any Funding 1 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 Funding 1 Security Trustee, the other Funding 1 Secured Creditors and any Receiver will not take any action (other than, in the case of the other Funding 1 Secured Creditors, with the Funding 1 Security Trustee's prior written consent) which would be likely to lead to the Funding 1 Security Trustee or the other Funding 1 Secured Creditors becoming a mortgagee or security holder in possession in respect of any Funding 1 Charged Property.

#### **9.7 Protection of third parties**

No person (including a purchaser) dealing with the Funding 1 Security Trustee or any Receiver or its or his agents will be concerned to enquire:

- (a) whether the Funding 1 Secured Obligations remain outstanding or have become payable;
- (b) whether any power which the Funding 1 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 Funding 1 Security Trustee or to that Receiver is to be applied,

and the protections afforded to purchasers from a mortgagee by Sections 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 or by Article 52(3) of the Insolvency (Northern Ireland) Order 1989 (if appropriate) will apply.

## **9.8 Contingencies**

If the Funding 1 Security is enforced at a time when no amount is due in respect of the Funding 1 Secured Obligations or any of Funding 1 Secured Obligations are contingent or future, the Funding 1 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 Cash Management Agreement.

## **9.9 Disposal of Funding 1 Charged Property**

If an Intercompany Loan Acceleration Notice has been delivered by a Funding 1 Issuer in relation to any Intercompany Loan otherwise than by reason of non-payment of any amount due in respect of the relevant Intercompany Loan, the Funding 1 Security Trustee will not be entitled to dispose of the Funding 1 Charged Property unless either:

- (a) Funding 1 provides the Funding 1 Security Trustee with a certificate signed by two of its Directors certifying that a sufficient amount would be realised to allow payment in full of all amounts owing to the Funding 1 Issuers under the Intercompany Loan Agreements (excluding the Subordinated Loan Tranche of Langton Securities (2008-1) plc) after payment of all other claims ranking in priority to amounts due under the Intercompany Loan Agreements in accordance with the Funding 1 Post-Acceleration Priority of Payments; or
- (b) the Funding 1 Security Trustee has been advised by an independent investment bank or other financial adviser selected by the Funding 1 Security Trustee (and if the Funding 1 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 Funding 1 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 Funding 1, to discharge in full in due course all amounts due in respect of the Intercompany Loan Agreements after payment of all other claims ranking in priority to amounts due under the Intercompany Loan Agreements in accordance with the Funding 1 Post-Acceleration Priority of Payments and the resulting shortfall would be greater than the shortfall resulting from a disposal of the assets (or the Funding 1 Security Trustee considers in its discretion that not to effect such disposal would place the Funding 1 Charged Property in jeopardy),

and the Funding 1 Security Trustee shall not be bound to make the determination contained in Clause 9.9(b) above unless the Funding 1 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 Funding 1 Security Trustee shall be paid by Funding 1.

## **9.10 Scottish Trust Property**

Without prejudice to the provisions of this Clause 9 (Enforcement of Funding 1 Security) and Clause 19 (Directions from Beneficiaries) of the Mortgages Trust Deed, Funding 1 and the Mortgages Trustee hereby undertake to the Funding 1 Security Trustee that if at any time after the Funding 1 Security shall have become enforceable and the Funding 1 Security Trustee or any Receiver shall so require, they will join together in directing the Seller to sell or dispose of all or any

part of the Scottish Trust Property on terms previously approved by the Funding 1 Security Trustee and/or in causing the trusts constituted by any Scottish Declaration of Trust to be wound up or performed and they will take all such actions and execute all such documents as may be necessary to effect such sale or disposal or winding-up or performance and the distribution or transfer of the Scottish Trust Property or any part thereof in accordance with the terms of each Scottish Declaration of Trust, the Mortgages Trust Deed and this Deed. The Seller and the Mortgages Trustee hereby acknowledge and consent to the foregoing as trustee and beneficiary respectively in terms of each Scottish Declaration of Trust.

## **10. RECEIVER**

### **10.1 Appointment of Receiver**

- (a) Except as provided below, the Funding 1 Security Trustee may appoint any one or more persons to be a Receiver of all or any part of Funding 1 Charged Property if the Funding 1 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 and sections 24(6) and (8) of the 1881 Act) does not apply to this Deed.
- (d) The Funding 1 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 the Insolvency Act 2000 or the Insolvency (Northern Ireland) Order 2002 (if appropriate).

### **10.2 Removal**

The Funding 1 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 Funding 1 Security Trustee may apply to the court for an order removing an administrative receiver.

### **10.3 Remuneration**

The Funding 1 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 and Section 24 of the 1881 Act will not apply. Funding 1 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 Funding 1 Security Trustee, subject to the terms and conditions of this Deed.

### **10.4 Agent of Funding 1**

- (a) A Receiver will be deemed to be the agent of Funding 1 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, the 1881 Act or the 1911 Act. Funding 1 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 Funding 1 is appointed, the Receiver will act as principal and not as agent of the Funding 1 Security Trustee.
- (c) The Funding 1 Security Trustee will not incur any liability (either to Funding 1 or to any other person) by reason of the appointment of a Receiver.

## **10.5 Relationship with Funding 1 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 Funding 1 Security becomes enforceable be exercised by the Funding 1 Security Trustee in relation to any Funding 1 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 11 (Powers of Receiver) 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) and the Insolvency Act 1986 or 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 Funding 1 Charged Property.

### **11.3 Carry on business**

A Receiver may carry on any business of Funding 1 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 Funding 1.



## **11.5 Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Funding 1 Charged Property either in priority to the Funding 1 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 Funding 1 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 Funding 1.

## **11.7 Leases**

A Receiver may let any Funding 1 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 Funding 1 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 Funding 1 or relating in any way to any Funding 1 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 Funding 1 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 Funding 1 Charged Property.

## **11.11 Subsidiaries**

A Receiver may form a Subsidiary of Funding 1 and transfer to that Subsidiary any Funding 1 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 Funding 1.

### **11.14 Protection of assets**

A Receiver may:

- (a) effect any repair or insurance and do any other act which Funding 1 might do in the ordinary conduct of its business to protect or improve any Funding 1 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 Funding 1 to call up any uncalled capital of Funding 1.

### **11.16 Payment of expenses**

A Receiver may pay and discharge, out of the profits and income of Funding 1 Charged Property and any monies made by it in carrying on the business of Funding 1, 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 11 (Powers of Receiver) or otherwise in respect of any Funding 1 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 Funding 1 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 Funding 1 Charged Property all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Funding 1 Charged Property; and
- (c) use the name of Funding 1 for any of the above purposes.

## **12. MODIFICATION, AUTHORISATION, WAIVER AND CONSENT**

### **12.1 Modification**

- (a) Subject to paragraph (b) below, the Funding 1 Security Trustee shall, without any consent or sanction of the Funding 1 Secured Creditors (except where they are a party to the relevant Funding 1 Agreement the subject of such modification, where the consent of such party will be required), be required to concur with Funding 1 or any other person in making or giving

its consent to any modifications to any Funding 1 Agreement only if so directed by the Funding 1 Issuer Security Trustees (subject to the provisions of the relevant Funding 1 Issuer Deed of Charge), so long as there is any Loan Tranche outstanding, and otherwise by all of the Funding 1 Secured Creditors.

- (b) Subject to paragraph (c) below, the Funding 1 Security Trustee shall, without any consent or sanction of the Funding 1 Secured Creditors (except where they are a party to the relevant Funding 1 Agreement the subject of such modification, where the consent of such party will be required), be required to concur with Funding 1 or any other person in making or giving its consent to any modifications to any Funding 1 Agreement or the Master Definitions and Construction Schedule that are requested by Funding 1 or the Cash Manager, provided that Funding 1 or the Cash Manager, as the case may be, has certified to the Funding 1 Security Trustee in writing that such modifications are required in order to accommodate:
- (i) the entry into by Funding 1 or any Further Funding Company of any New Intercompany Loan Agreement or the amendment of any existing Intercompany Loans and/or the issue of any New Notes or Further Securities by any New Issuer or any Funding 1 Issuer;
  - (ii) the entry into by Funding 1 or any Further Funding Company of any New Funding 1 Start-Up Loan Agreement or start-up loan agreement of such Further Funding Company and/or the entry into by any New Issuer of any Issuer Start-Up Loan Agreement or the amendment or increasing in size of any existing Funding 1 Start-up Loan Agreement or any Issuer Start-Up Loan Agreement or such new start-up loan agreement (as the case may be);
  - (iii) the addition of other relevant Funding 1 Secured Creditors and/or Funding 1 Issuer Secured Creditors and/or New Issuers and/or Further Funding Companies to the Transaction Documents;
  - (iv) the assignment or assignation of, or the declaration of trust over, of New Loan Types or their Related Security to or in favour of the Mortgages Trustee;
  - (v) the inclusion of a New Beneficiary as a beneficiary of the Mortgages Trust;
  - (vi) 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);
  - (vii) changes to the Funding 1 Reserve Fund Required Amount, the Funding 1 Issuer Reserve Required Amounts and/or the Funding 1 Issuer Liquidity Reserve Required Amounts and/or the manner in which such amounts are funded;
  - (viii) changes to be made to the definitions of Asset Trigger Event and Non-Asset Trigger Event;
  - (ix) any changes to the criteria of any of the Rating Agencies;
  - (x) 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 relevant Funding 1 Swap have been or will be satisfied upon that novation); and/or
  - (xi) (A) the removal of any one of the Rating Agencies (a **Removed Rating Agency**) from rating any Series and Class of Notes together with the related ratings criteria, rating tests, rating triggers and any and all

requirements specified by and/or relating to such Removed Rating Agency (an **Existing Rating Agency Removal**) in so far as these relate solely to such Series and Class of Notes; and/or

- (B) the appointment of any such Removed Rating Agency or the substitution of any such Removed Rating Agency for one of the remaining two Rating Agencies to provide a rating in respect of any Series and Class of Notes and include the then current relevant ratings criteria, rating tests, rating triggers and any and all relevant requirements specified by and/or relating to the reappointed Rating Agency (an **Existing Rating Agency Reappointment**),

(each of an Existing Rating Agency Removal and an Existing Rating Agency Reappointment, a **Ratings Modification Event**), provided that, in each case and at all times, such Series and Class of Notes continues to be rated by at least two of Moody's, Fitch, Standard & Poor's and DBRS (or any successor(s) to any of their respective businesses), and subject as provided below.

In relation to (xi) above, the Funding 1 Secured Creditors shall be deemed to have instructed the Funding 1 Security Trustee to concur in effecting any such Ratings Modification Event and shall be bound by the modifications to the Transaction Documents made for the purpose of implementing such Ratings Modification Event regardless of whether or not such modifications are materially prejudicial to the interests of the Funding 1 Secured Creditors, provided that, the Funding 1 Security Trustee shall not be obliged to agree to any Ratings Modification Event which, in the sole opinion of the Funding 1 Security Trustee, would have the effect of (x) exposing the Funding 1 Security Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (y) increasing the obligations or duties, or decreasing the protections of the Funding 1 Security Trustee under the Transaction Documents and/or the Conditions.

- (c) The Funding 1 Security Trustee shall only be required to agree or consent to the modifications set out in paragraph (b) above if the Funding 1 Security Trustee is satisfied that:
  - (i) in respect of the matters set out in paragraphs (b)(i), (iv), (v) and (x) above, Funding 1 or the Cash Manager has certified to the Funding 1 Security Trustee that the conditions precedent to:
    - (A) New Notes or Further Securities being issued by any New Issuer or any Funding 1 Issuer and/or Loan Tranches being made available to Funding 1 by a New Issuer (as set out in Condition 11.4 (Modifications and Determinations by Note Trustee) of the Conditions relating to the Notes of the 2010-1 Issuer or the 2011-1 Issuer (as applicable), or the equivalent provision of any New Notes relating to a New Issuer) and Clause 2 (Conditions Precedent) of the Intercompany Loan Terms and Conditions and Schedule 1 of the relevant Intercompany Loan Confirmation); or
    - (B) the assignment or assignation of, or the declaration of trust over New Loans, New Loan Types or their Related Security to or in favour of the Mortgages Trustee (as set out in Clause 4 (Sale and Purchase of New Portfolios, Product Switches and Further Advances) of the Mortgage Sale Agreement); or

- (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); or
- (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 relevant Funding 1 Swap (as applicable),

have been satisfied; and

- (ii) the Funding 1 Security Trustee has received written confirmation from each of the Rating Agencies in respect of paragraph (b)(i) to (ix) above that the relevant modifications will not result in a reduction, qualification or withdrawal of the current ratings of the Notes (it being acknowledged that none of the Rating Agencies has any obligation to provide such confirmation at any time).
- (d) The Funding 1 Security Trustee shall, without any consent or sanction of the Funding 1 Secured Creditors (except where they are a party to the relevant Funding 1 Agreement the subject of such modification, where the consent of such party will be required), be required to concur with Funding 1 or any other person in making or giving its consent to any modifications to any Funding 1 Agreement or the Master Definitions and Construction Schedule that are requested by Funding 1 or the Cash Manager, provided that Funding 1 or the Cash Manager, as the case may be, has (a) certified to the Funding 1 Security Trustee in writing that such modifications are 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 (b) specified the effective date for such modifications in such certificate, including without limitation:
- (i) to the definitions of Funding 1 Interest Payment 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; and
  - (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.
- (e) The Funding 1 Security Trustee shall, without any consent or sanction of the Funding 1 Secured Creditors (except where they are a party to the relevant Funding 1 Agreement the subject of such modification, where the consent of such party will be required), be required to concur with Funding 1 or any other person in making or giving its consent to any modifications to any Funding 1 Agreement or the Master Definitions and Construction Schedule that are requested by Funding 1 or the Cash Manager irrespective of whether such modifications are materially prejudicial to the interests of any Funding 1 Secured Creditor, provided that Funding 1 or the Cash Manager, as the case may be, has certified to the Funding 1 Security Trustee in writing that such modifications are required in order to:

- (i) enable Funding 1, the Funding 1 Swap Provider, any Funding 1 Issuer and/or an Issuer Swap Provider to comply with any obligation which applies to it under Articles 9, 10 and 11 of EMIR or any other obligation which applies to it under EMIR;
- (ii) enable any Funding 1 Issuer or any of the other parties to the Transaction Documents to comply with FATCA (or any other voluntary agreement entered into with a taxing authority in relation thereto);
- (iii) enable the entry by the Mortgages Trustee into a replacement and/or standby Mortgages Trustee Account Bank Agreement and the corresponding opening of a replacement and/or standby Standby Mortgages Trustee GIC Account;
- (iv) comply the requirements of (i) the Securitisation Regulation, including as a result of the adoption of regulatory technical standards in relation to the Securitisation Regulation, (ii) the CRR Amendment Regulation or (iii) any other legislation, regulations or official guidance relating to securitisation transactions; and/or
- (v) maintain the listing of the Notes on a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU),

provided that in respect of the matters listed in (e)(i), (ii) and (iv) above, the Funding 1 Security Trustee shall not be obliged to agree to any modification which, in the sole opinion of the Funding 1 Security Trustee, would have the effect of (x) exposing the Funding 1 Security Trustee to any liability against which it has not been indemnified, and/or secured and/or prefunded to its satisfaction; or (y) increasing the obligations or duties, or decreasing the protections, of the Funding 1 Security Trustee under the Transaction Documents and/or the Conditions.

- (f) The Funding 1 Security Trustee shall, without the consent or sanction of any Funding 1 Secured Creditor, be required to give its consent to any modifications to any Funding 1 Agreement or the Master Definitions and Construction Schedule that are requested in relation to a Base Rate Modification (as defined in the relevant Funding 1 Note Trust Deed), irrespective of whether such modifications are materially prejudicial to the interests of any Funding 1 Secured Creditor, if directed to so consent by the relevant Note Trustee in accordance with the relevant Funding 1 Issuer Note Trust Deed.
- (g) Each Funding 1 Secured Creditor hereby acknowledges that the Funding 1 Security Trustee is required to make the modifications set out in paragraph (b) above (subject to paragraph (b)(ix)), paragraph (d), paragraph (e) and paragraph (f) above and each Funding 1 Secured Creditor further acknowledges that such modifications may adversely affect the manner in which the Mortgages Trustee allocates monies to Funding 1 and/or the amount of monies available to Funding 1 to meet the Funding 1 Secured Obligations. Each Funding 1 Secured Creditor agrees that such modifications shall be binding on it and, unless the Funding 1 Security Trustee otherwise agrees, notice thereof shall be given by the Cash Manager to the Funding 1 Secured Creditors as soon as practicable after the modifications have been made.
- (h) Each of the Funding 1 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 that the Funding 1 Security Trustee is a party thereto, in form and substance satisfactory to it) 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 Funding 1 Security Trustee shall waive or authorise (without prejudice to its rights in respect of any further or other breach) any breach or proposed breach by Funding 1 or any other person of any of the covenants or provisions of any Funding 1 Agreement only if so directed by the Funding 1 Issuer Security Trustees, so long as there is any Loan Tranche outstanding, and otherwise by all of the Funding 1 Secured Creditors.

## **12.3 Requests for consent or approval**

If a request is made to the Funding 1 Security Trustee by Funding 1 or any other person to give its consent or approval to any event, matter or thing, then:

- (a) if any Funding 1 Agreement specifies that the Funding 1 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 Funding 1 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 Funding 1 Security Trustee shall give its consent or approval to that event, matter or thing only if so directed by the Funding 1 Issuer Security Trustees, so long as there is any Loan Tranche outstanding, and otherwise by all of the Funding 1 Secured Creditors.

## **12.4 Binding on Funding 1 Secured Creditors**

Any modification, authorisation, waiver, consent or approval provided under this Clause 12 (Modification, Authorisation, Waiver and Consent) will be binding on all of the Funding 1 Secured Creditors.

## **12.5 Additional terms and conditions**

Any modification, authorisation, waiver, consent or approval provided under this Clause 12 (Modification, Authorisation, Waiver and Consent) may be made or given on such terms and subject to such conditions (if any) as the Funding 1 Issuer Security Trustees may direct, so long as there is any Loan Tranche outstanding, and otherwise as all of the Funding 1 Secured Creditors may direct.

## **12.6 Notice to Funding 1 Secured Creditors**

If required by the Funding 1 Security Trustee, Funding 1 will as soon as practicable notify each of the other Funding 1 Secured Creditors in accordance with this Deed of any modification, authorisation or, waiver or consent made under this Clause 12 (Modification, Authorisation, Waiver and Consent).

## **13. REMUNERATION AND INDEMNIFICATION OF THE FUNDING 1 SECURITY TRUSTEE**

- 13.1 Funding 1 shall pay to the Funding 1 Security Trustee remuneration for its services as trustee as from the date of this Deed, such remuneration to be at such rate and to be paid on such dates as may from time to time be agreed in writing between Funding 1 and the Funding 1 Security Trustee. The rate of remuneration in force from time to time may upon the final payment of the whole of any Intercompany Loan be reduced by such amount as shall be agreed in writing between Funding 1 and the Funding 1 Security Trustee, such reduced remuneration to be calculated from such date as shall be agreed as aforesaid. Such remuneration shall accrue from day to day and be payable up to and

including the date when the Funding 1 Security Period has expired and the Funding 1 Security Trustee has released, reassigned and/or discharged the Funding 1 Charged Property from the Funding 1 Security as provided under this Deed.

- 13.2 In the event of the occurrence of a Potential Intercompany Loan Event of Default or Intercompany Loan Event of Default or the Funding 1 Security Trustee in its absolute discretion considering it necessary, or being requested by Funding 1 to undertake duties which the Funding 1 Security Trustee and Funding 1 agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Funding 1 Security Trustee under this Deed, Funding 1 shall pay to the Funding 1 Security Trustee such additional remuneration as shall be agreed between them.
- 13.3 In addition, Funding 1 shall pay to the Funding 1 Security Trustee an amount equal to the amount of any VAT or similar tax chargeable in respect of its remuneration under this Deed against production of a valid tax invoice.
- 13.4 In the event of the Funding 1 Security Trustee and Funding 1 failing to agree:
- (a) (in a case to which subclause 13.1 above applies) upon the amount of the remuneration; or
  - (b) (in a case to which subclause 13.2 above applies) upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Funding 1 Security Trustee under this Deed or upon such additional remuneration,

such matters shall be determined by a merchant or investment bank (acting as an expert and not as an arbitrator) selected by the Funding 1 Security Trustee and approved by Funding 1 or, failing such approval, nominated (on the application of the Funding 1 Security Trustee) by the President for the time being of The Law Society of England and Wales (the expenses involved in such nomination and the fees of such merchant or investment bank being payable by Funding 1) and the determination of any such merchant or investment bank shall be final and binding upon the Funding 1 Security Trustee and Funding 1.

- 13.5 In addition to remuneration hereunder, Funding 1 shall on written request pay (on an indemnity basis) all other losses, liabilities, claims, actions, demands, costs, charges and expenses which the Funding 1 Security Trustee (or any receiver appointed by the Funding 1 Security Trustee) may properly incur in relation to the negotiation, preparation and execution of, the exercise of its powers and the performance of its duties under, and in any other manner in relation to, this Deed and any other Funding 1 Agreements to which the Funding 1 Security Trustee is a party, including (but not limited to) travelling and legal expenses properly incurred and any stamp, issue, registration, documentary and other similar taxes or duties paid or payable by the Funding 1 Security Trustee (or any receiver appointed by the Funding 1 Security Trustee) in connection with any action taken or contemplated by or on behalf of the Funding 1 Security Trustee (or any receiver appointed by the Funding 1 Security Trustee) for enforcing, or for any other purpose in relation to, this Deed or any of the other Funding 1 Agreements.
- 13.6 All amounts payable pursuant to subclause 13.5 above and/or Clause 14.2(i) (Indemnity) below shall be payable by Funding 1 on the date specified in a written demand by the Funding 1 Security Trustee (or any receiver appointed by the Funding 1 Security Trustee) and, in the case of payments actually made by the Funding 1 Security Trustee (or any receiver appointed by the Funding 1 Security Trustee) prior to such demand, shall (if not paid within three days after such demand and the Funding 1 Security Trustee (or any receiver appointed by the Funding 1 Security Trustee) so requires) carry interest at the rate of 3 per cent. per annum above the mean base rate from time to time of the Reference Banks from the date specified in such demand, and in all other cases shall (if not paid on the date specified in such demand or, if later, within three days after such demand and, in



either case, the Funding 1 Security Trustee (or any receiver appointed by the Funding 1 Security Trustee) so requires) carry interest at such rate from the date specified in such demand. All remuneration payable to the Funding 1 Security Trustee (or any receiver appointed by the Funding 1 Security Trustee) shall carry interest at such rate from the due date therefor.

- 13.7 Unless otherwise specifically stated in any discharge of this Deed, the provisions of this Clause and Clause 14.2(i) (Indemnity) below shall continue in full force and effect notwithstanding such discharge.
- 13.8 The Funding 1 Security Trustee shall be entitled in its absolute discretion to determine in respect of which Intercompany Loan any liabilities incurred under this Deed have been incurred or to allocate any such liabilities between Intercompany Loans.
- 13.9 Notwithstanding anything else herein contained, the Funding 1 Security Trustee may refrain from taking any action or exercising any right, power, authority or discretion vested in it under this Deed or any other agreement relating to the transactions therein contemplated until it has been indemnified and/or secured to its satisfaction (whether by payment in advance or otherwise) against any and all actions, charges, claims, costs, damages, demands, expenses, liabilities, losses and proceedings (including legal and other professional fees) which might be brought, made or conferred against or suffered, incurred or sustained by it as a result and nothing contained herein shall require the Funding 1 Security Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or the exercise of any right, power, authority or discretion hereunder if it has reasonable grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not assured to it, provided that if the Funding 1 Security Trustee is required to appoint an administrative receiver pursuant to Clause 8.2 (Administrative receiver) above, the Funding 1 Security Trustee agrees that it is adequately indemnified and secured in respect of such appointment by virtue of its rights against Funding 1 under this Deed 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.

#### 14. SUPPLEMENT TO TRUSTEE ACTS

- 14.1 Section 1 of the Trustee Act 2000 shall not apply to the duties of the Funding 1 Security Trustee in relation to the trusts constituted by this Deed. Where there are any inconsistencies between the Trustee Act 2000 and the provisions of this Deed, the provisions of this Deed shall, to the extent allowed by law, prevail and, in the case of any such inconsistency with the Trustee Act 2000, the provisions of this Deed shall constitute a restriction or exclusion for the purposes of that Act.
- 14.2 The Funding 1 Security Trustee shall have all the powers conferred upon trustees by the Trustee Act 1925 of England and Wales, and by way of supplement thereto, it is expressly declared as follows:
- (a) **Expert Advice or Opinion:** the Funding 1 Security Trustee may in relation to this Deed or the other Funding 1 Agreements act on the advice or opinion of or any information obtained from any lawyer, valuer, accountant, surveyor, banker, broker, auctioneer or other expert (whether obtained by Funding 1, the Funding 1 Security Trustee, the Principal Paying Agent, the Registrar or otherwise) and shall not be responsible for any liability occasioned by so acting in good faith; any such advice, opinion or information may be sent or obtained by letter, telex, telegram, facsimile transmission, e-mail or cable and the Funding 1 Security Trustee shall not be liable for acting on any advice, opinion or information purporting to be conveyed by any such letter, telex, telegram, facsimile transmission, e-mail or cable although the same shall contain some error or shall not be authentic;

- (b) **Certificate as Sufficient Evidence:** the Funding 1 Security Trustee may call for and shall be at liberty to accept as sufficient evidence of any fact or matter or the expediency of any act, transaction or thing a certificate signed by any director of Funding 1 as to that fact or to the effect that, in their opinion, that act, transaction or thing is expedient and the Funding 1 Security Trustee shall not be bound in any such case to call for further evidence or be responsible for any liability that may be occasioned by it or any other person acting on such certificate;
- (c) **Custody of Documents:** the Funding 1 Security Trustee shall be at liberty to hold this Deed and any other documents relating thereto or any other Funding 1 Agreements or to deposit them in any part of the world with any banker or banking company or company whose business includes undertaking the safe custody of documents or lawyer or firm of lawyers considered by the Funding 1 Security Trustee to be of good repute and the Funding 1 Security Trustee shall not be responsible for or required to insure against any liability incurred in connection with any such holding or deposit and may pay all sums required to be paid on account of or in respect of any such deposit;
- (d) **Application of Proceeds:** the Funding 1 Security Trustee shall not be responsible for the receipt or application of the proceeds of any Loan Tranche by Funding 1;
- (e) **Assumption of No Default:** the Funding 1 Security Trustee shall not be bound to give notice to any person of the execution of any documents comprised or referred to in this Deed or to take any steps to ascertain whether any Intercompany Loan Event of Default or Potential Intercompany Loan Event of Default has happened and, until it shall have actual written notice pursuant to this Deed to the contrary, the Funding 1 Security Trustee shall be entitled to assume that no Intercompany Loan Event of Default or Potential Intercompany Loan Event of Default has occurred and that Funding 1 is observing and performing all of its obligations under this Deed;
- (f) **Absolute Discretion:** save as expressly otherwise provided in this Deed, the Funding 1 Security Trustee shall have absolute and uncontrolled discretion as to the exercise or non-exercise of its trusts, powers, authorities and discretions under this Deed (the exercise or non-exercise of which as between the Funding 1 Security Trustee and the Funding 1 Secured Creditors shall be conclusive and binding on the Funding 1 Secured Creditors) and shall not be responsible for any liability which may result from their exercise or non-exercise;
- (g) **Funding 1 Charged Property:** the Funding 1 Security Trustee may accept without enquiry, requisition or objection such title as Funding 1 may have to Funding 1 Charged Property or any part thereof from time to time and shall not be bound to investigate or make any enquiry into the title of Funding 1 to Funding 1 Charged Property or any part thereof from time to time whether or not any default or failure is or was known to the Funding 1 Security Trustee or might be, or might have been, discovered upon examination, inquiry or investigation and whether or not capable of remedy. Notwithstanding the generality of the foregoing, each Funding 1 Secured Creditor shall be solely responsible for making its own independent appraisal of and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of Funding 1, and the Funding 1 Security Trustee shall not at any time have any responsibility for the same and no Funding 1 Secured Creditor shall rely on the Funding 1 Security Trustee in respect thereof;
- (h) **Reliance on Certificates or Confirmations:** the Funding 1 Security Trustee shall be entitled to rely without investigation or enquiry on a certificate or confirmation of the Agent Bank, any Paying Agent, any Rating Agency, any swap provider, any Cash Manager, any Servicer, any Seller, any Account Bank, the Mortgages Trustee, any Beneficiary or any

Reference Bank in respect of every matter and circumstance for which a certificate or confirmation of such person is expressly provided for under this Deed or any other Funding 1 Agreements and to call for and rely upon a certificate or confirmation of such person or any other person as to any other fact or matter *prima facie* within the knowledge of such person, as sufficient evidence thereof and the Funding 1 Security Trustee shall not be bound in any such case to call for further evidence or be responsible for any loss, liability, costs, damages, expenses or inconvenience that may be occasioned by its failing so to do or the exercise or non-exercise by the Funding 1 Security Trustee of any of its powers, duties and discretions hereunder;

- (i) **Indemnity:** subject to Clause 15 (Funding 1 Security Trustee's Liability), without prejudice to the right of indemnity by law given to trustees, Funding 1 shall indemnify the Funding 1 Security Trustee and keep it or him indemnified against all liabilities to which it or he may be or become subject or which may be incurred by it or him in the proper execution or purported proper execution of any of its or his trusts, powers, authorities and discretions under this Deed or any other Funding 1 Agreements or its or his functions under any such appointment or in respect of any other matter or thing done or omitted in any way relating to this Deed or any other Funding 1 Agreements or any such appointment (including any Agent/Delegate Liabilities). Funding 1 will on demand by such agent or delegate indemnify it against such Agent/Delegate Liabilities. The Contracts (Rights of Third Parties) Act applies to this Clause 14;
- (j) **No Disclosure Obligation:** unless and to the extent ordered so to do by a court of competent jurisdiction, the Funding 1 Security Trustee shall not be required to disclose to any Funding 1 Secured Creditor any information (including, without limitation, information of a confidential, financial or price sensitive nature) made available to the Funding 1 Security Trustee by Funding 1 or any other person in connection with this Deed or any other Issuer Transaction Document and no Funding 1 Secured Creditor shall be entitled to take any action to obtain from the Funding 1 Security Trustee any such information;
- (k) **Currency Conversion:** where it is necessary or desirable for any purpose in connection with this Deed to convert any sum from one currency to another it shall be converted (unless otherwise provided by this Deed or required by law) at such rate or rates, in accordance with such method and as at such date for the determination of such rate of exchange, as may be agreed by the Funding 1 Security Trustee in consultation with Funding 1 and any rate, method and date so agreed shall be binding on Funding 1 and the Funding 1 Secured Creditors;
- (l) **Professional Charges:** any trustee of this Deed being a lawyer, accountant, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his firm in connection with the trusts of this Deed and also his reasonable charges in addition to disbursements for all other work and business done and all time spent by him or his firm in connection with matters arising in connection with this Deed;
- (m) **Power of Attorney:** the Funding 1 Security Trustee may whenever it thinks fit delegate by power of attorney or otherwise to any person or persons or fluctuating body of persons (whether being a joint trustee of this Deed or not) all or any of its trusts, powers, authorities and discretions under this Deed. Such delegation may be made upon such terms (including power to sub-delegate) and subject to such conditions and regulations as the Funding 1 Security Trustee may in the interests of the Funding 1 Secured Creditors think fit;

- (n) **Delegation:** the Funding 1 Security Trustee may in the conduct of the trusts of this Deed instead of acting personally employ and pay an agent (whether being a lawyer or other professional person) to transact or conduct, or concur in transacting or conducting, any business and to do, or concur in doing, all acts required to be done in connection with this Deed. The Funding 1 Security Trustee shall not be in any way responsible for any liability incurred by reason of any misconduct or default on the part of any such agent or be bound to supervise the proceedings or acts of any such agent;
- (o) **Nominees:** in relation to any asset held by it under this Deed, the Funding 1 Security Trustee may appoint any person to act as its nominee on any terms;
- (p) **No Requirement to Perform Illegal Acts, etc.:** no provision of this Deed shall require the Funding 1 Security Trustee to do anything which may be illegal or contrary to applicable law or regulation or expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its rights or powers or otherwise in connection with this Deed, any other Funding 1 Agreements (including, without limitation, forming any opinion or employing any legal, financial or other adviser), if it shall believe that repayment of such funds or adequate indemnity against such risk or liability is not assured to it;
- (q) **Responsibility for agents etc:** if the Funding 1 Security Trustee exercises reasonable care in selecting any custodian, agent, delegate or nominee appointed under this Clause 14 (an **Appointee**), it will not have any obligation to supervise the Appointee or be responsible for any loss, liability, cost, claim, action, demand or expense incurred by reason of the Appointee's misconduct or default or the misconduct or default of any substitute appointed by the Appointee;
- (r) **Responsibility for Reports etc.:** the Funding 1 Security Trustee has no responsibility to verify or monitor the contents of, or (if applicable) to check any calculations contained in, any reports, information, documents, officers' certificate and opinions of counsel delivered to the Funding 1 Security Trustee and is under no obligation to inform Funding 1 Secured Creditors of the contents of any such reports, information, documents, officers' certificate and opinions of counsel, other than allowing Funding 1 Secured Creditors, upon reasonable notice, to inspect such reports, information, documents, certificates and opinions of counsel;
- (s) **Auditors Reports and Certificates:** any certificate or report of the Auditors, other experts or financial advisers called for by or provided to the Funding 1 Security Trustee in accordance with or for the purposes of this Deed may be relied upon by the Funding 1 Security Trustee without further investigation or enquiry as sufficient evidence of the facts stated therein notwithstanding that such certificate or report and/or any engagement letter or other document entered into by the Funding 1 Security Trustee in connection therewith contains a monetary or other limit on the liability of the Auditors other experts or financial advisers in respect thereof;
- (t) **Limitation of Liability:** the Funding 1 Security Trustee shall not be responsible for the genuineness, validity, effectiveness or suitability of any of the Funding 1 Agreements or any other documents entered into in connection therewith or any other document or any obligation or rights created or purported to be created thereby or pursuant thereto or any security or the priority thereof constituted or purported to be constituted thereby or pursuant thereto, nor shall it be responsible or liable to any person because of any invalidity of any provision of such documents or the unenforceability thereof, whether arising from statute, law or decisions of any court and (without prejudice to the generality of the foregoing) the

Funding 1 Security Trustee shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for:

- (i) the nature, status, creditworthiness or solvency of Funding 1 or any other person or entity who has at any time provided any security or support whether by way of guarantee, charge or otherwise in respect of any advance made to Funding 1;
- (ii) the execution, delivery, legality, validity, adequacy, admissibility in evidence or enforceability of any Funding 1 Agreements or any other document entered into in connection therewith;
- (iii) the title, ownership, value, sufficiency, enforceability or existence of any Funding 1 Charged Property or any security (howsoever described) relating thereto;
- (iv) the registration, filing, protection or perfection of any security (howsoever described) relating to Funding 1 Charged Property or the priority of the security (howsoever described) thereby created whether in respect of any initial advance or any subsequent advance or any other sums or liabilities;
- (v) the scope or accuracy of any representations, warranties or statements made by or on behalf of Funding 1 or any other person or entity who has at any time provided the same in any Funding 1 Agreements or in any document entered into in connection therewith;
- (vi) the performance or observance by Funding 1 or any other person of any provisions of any Funding 1 Agreements or any document entered into in connection therewith or the fulfilment or satisfaction of any conditions contained therein or relating thereto or as to the existence or occurrence at any time of any default, event of default or similar event howsoever described contained therein or any waiver or consent which has at any time been granted in relation to any of the foregoing and may assume, until it has actual knowledge to the contrary that such parties are so performing or observing the provisions of such documents;
- (vii) the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations delivered or obtained or required to be delivered or obtained at any time in connection with any Funding 1 Charged Property or Funding 1 Agreements;
- (viii) the title of Funding 1 to any Funding 1 Charged Property;
- (ix) the suitability, adequacy or sufficiency of any applicable criteria for any advances under an Intercompany Loan Agreement and the Funding 1 Start-Up Loan Agreement or the legality or recoverability or enforceability thereof or the priority of any security (howsoever described) in relation thereto;
- (x) the failure by Funding 1 to obtain or comply with any licence, consent or other authority in connection with Funding 1 Charged Property or the Funding 1 Agreements or the making of any advances in connection therewith or the failure to effect or procure registration of or to give notice to any person in relation to any Funding 1 Charged Property or otherwise protect the security (howsoever described) created or purported to be created by or pursuant to the Funding 1 Agreements or other documents entered into in connection therewith;

- (xi) the failure to call for delivery of documents of title to or require any transfers, legal mortgages, charges or other further assurances in relation to any of the assets that are the subject matter of any of the Funding 1 Agreements or any other document;
  - (xii) any assets comprised in the security (howsoever described) created by this Deed, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by or to the order of other parties to the Funding 1 Agreements, clearing organisations or their operators or by intermediaries such as banks, brokers, depositories, warehousemen or other similar persons whether or not on behalf of the Funding 1 Security Trustee;
  - (xiii) any accounts, books, records or files maintained by Funding 1 or any other person in respect of any Funding 1 Charged Property or Funding 1 Agreements; or
  - (xiv) any other matter or thing relating to or in any way connected with any Funding 1 Charged Property or any Funding 1 Agreements or any document entered into in connection therewith whether or not similar to the foregoing; and
- (u) the Funding 1 Security Trustee may or may not act and rely on (and shall have no liability to Funding 1 Secured Creditors for doing so) certificates or reports provided by any accountant or other expert whether or not addressed to the Funding 1 Security Trustee and whether or not such certificate or report or any engagement letter or other document entered into by the Funding 1 Security Trustee and such accountant or other expert seeks to limit its liability (whether by reference to a monetary cap or by reference to the methodology to be employed in producing the same).
  - (v) **Rating Confirmation:** the Issuer Note Trustee or any New Issuer Note Trustee (as applicable) shall be entitled to assume, without further investigation or inquiry, for the purpose of exercising or performing any right, power, trust, authority, duty or discretion under or in relation to these presents or any other Transaction Document (including, without limitation, any consent, approval, modification, waiver, authorisation or determination referred to in Clause 20), that such exercise will not be materially prejudicial to the interests of the Noteholders or any Class thereof, if each of the Rating Agencies rating the relevant Class of Rated Notes has confirmed in writing (whether or not such confirmation is addressed to, or provides that it may be relied upon by, the Issuer Note Trustee or New Issuer Note Trustee (as applicable) and irrespective of the method by which such confirmation is conveyed) (i) that the then current rating by it of the relevant Class of Rated Notes (if any) would not be downgraded, withdrawn or qualified by such exercise or performance and/or (ii) if the original rating of the relevant Class of Rated Notes has been downgraded previously, that such exercise or performance will not prevent the restoration of such original rating of such Class of Rated Notes. The Issuer Note Trustee or any New Issuer Note Trustee (as applicable) shall be entitled to rely on each Rating Agency's confirmation, without liability to any person, provided that if Moody's indicates that it does not consider such confirmation is necessary in the circumstances or no such confirmation is forthcoming and each of S&P and Fitch gives such a confirmation based on the same facts, then the reference to each of the Rating Agencies in this paragraph shall in such circumstances be deemed to exclude Moody's.

## 15. FUNDING 1 SECURITY TRUSTEE'S LIABILITY

None of the provisions of this Deed shall, in any case in which the Funding 1 Security Trustee has failed to show the degree of care and diligence required of it as trustee of this Deed, having regard to the provisions of this Deed and any of the other Funding 1 Agreements to which the Funding 1

Security Trustee is a party conferring on the Funding 1 Security Trustee any powers, authorities or discretions, relieve or indemnify the Funding 1 Security Trustee against any liabilities which by virtue of any rule of law would otherwise attach to it in respect of any wilful misconduct, breach of duty, negligence or breach of trust of which it may be guilty in relation to its duties under this Deed.

## **16. FUNDING 1 SECURITY TRUSTEE CONTRACTING WITH FUNDING 1**

Neither the Funding 1 Security Trustee nor any director or officer or holding company or associated company of a corporation acting as a trustee under this Deed shall by reason of its or his fiduciary position be in any way precluded from:

- (a) entering into or being interested in any contract or financial or other transaction or arrangement with Funding 1 or any other party to the Funding 1 Agreements or any person or body corporate associated with Funding 1 or any other party to the Funding 1 Agreements (including, without limitation, any contract, transaction or arrangement of a banking or insurance nature or any contract, transaction or arrangement in relation to the making of loans or the provision of financial facilities or financial advice to, or the purchase, placing or underwriting of or the subscribing or procuring subscriptions for or otherwise acquiring, holding or dealing with, or acting as Paying Agent in respect of, the Notes or any other notes, bonds, stocks, shares, debenture stock, debentures or other securities of, Funding 1 or any other party to the Funding 1 Agreements or any person or body corporate associated as aforesaid); or
- (b) accepting or holding the trusteeship of any other trust deed constituting or securing any other notes issued by or relating to Funding 1 or any other party to the Funding 1 Agreements or any such person or body corporate so associated or any other office of profit under Funding 1 or any other party to the Funding 1 Agreements or any such person or body corporate so associated,

and shall be entitled to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such contract, transaction or arrangement as is referred to in (a) above or, as the case may be, any such trusteeship or office of profit as is referred to in (b) above without regard to the interests of the Funding 1 Secured Creditors and notwithstanding that the same may be contrary or prejudicial to the interests of the Funding 1 Secured Creditors and shall not be responsible for any liability occasioned to the Funding 1 Secured Creditors thereby and shall be entitled to retain and shall not be in any way liable to account for any profit made or share of brokerage or commission or remuneration or other amount or benefit received thereby or in connection therewith.

Where any holding company, subsidiary or associated company of the Funding 1 Security Trustee or any director or officer of the Funding 1 Security Trustee acting other than in such capacity as director or officer has any information, the Funding 1 Security Trustee shall not thereby be deemed also to have knowledge of such information and, unless it shall have express notice pursuant to this Deed of such information, shall not be responsible for any loss suffered by Funding 1 Secured Creditors resulting from the Funding 1 Security Trustee's failing to take such information into account in acting or refraining from acting under or in relation to this Deed.

## **17. ELIGIBILITY AND DISQUALIFICATION; NEW FUNDING 1 SECURITY TRUSTEE**

### **17.1 New Funding 1 Security Trustee**

The power to appoint a new trustee of this Deed shall be vested in Funding 1 but no person shall be appointed who shall not previously have been approved by the Funding 1 Issuer Security Trustees

and the Funding 1 Issuer Note Trustees so long as there is any Loan Tranche or any Notes outstanding, and otherwise by all of the Funding 1 Secured Creditors. One or more persons may hold office as trustee or trustees of this Deed but such trustee or trustees shall be or include a Trust Corporation. Whenever there shall be more than two trustees of this Deed the majority of such trustees shall be competent to execute and exercise all the duties, powers, trusts, authorities and discretions vested in the Funding 1 Security Trustee by this Deed provided that a Trust Corporation shall be included in such majority. Any appointment of a new security trustee of this Deed shall, as soon as practicable thereafter, be notified by Funding 1 to the Funding 1 Secured Creditors and the Rating Agencies.

## **17.2 Separate and Co-Trustees**

Notwithstanding the provisions of subclause 17.1 above (New Funding 1 Security Trustee) above, the Funding 1 Security Trustee may, upon giving prior notice to Funding 1 (but without requiring the consent of Funding 1 or the Funding 1 Secured Creditors), appoint any person established or resident in any jurisdiction (whether a Trust Corporation or not) to act either as a separate trustee or as a co-trustee jointly with the Funding 1 Security Trustee:

- (a) if the Funding 1 Security Trustee considers such appointment to be in the interests of the Funding 1 Secured Creditors;
- (b) for the purposes of conforming to any legal requirements, restrictions or conditions in any jurisdiction in which any particular act or acts is or are to be performed; or
- (c) for the purposes of obtaining a judgment in any jurisdiction or the enforcement in any jurisdiction of either a judgment already obtained or any of the provisions of this Deed or any of the other Funding 1 Agreements against Funding 1 or any other party thereto.

Funding 1 irrevocably appoints the Funding 1 Security Trustee to be its attorney in its name and on its behalf to execute any such instrument of appointment. Such a person shall (subject always to the provisions of this Deed) have such trusts, powers, authorities and discretions (not exceeding those conferred on the Funding 1 Security Trustee by this Deed) and such duties and obligations as shall be conferred or imposed by the instrument of appointment. The Funding 1 Security Trustee shall have power in like manner to remove any such person. Such reasonable remuneration as the Funding 1 Security Trustee may pay to any such person, together with any attributable costs, charges and expenses incurred by it in performing its function as such separate trustee or co-trustee, shall for the purposes of this Deed be treated as costs, charges and expenses incurred by the Funding 1 Security Trustee.

## **18. FUNDING 1 SECURITY TRUSTEE'S RETIREMENT AND REMOVAL**

- (a) A security trustee of this Deed may retire at any time on giving not less than three months' prior written notice to Funding 1 without giving any reason and without being responsible for any costs incurred by reason of such retirement. Funding 1, so long as there is any Loan Tranche outstanding may remove any trustee or trustees for the time being of this Deed provided they have prior written consent of each Funding 1 Issuer Security Trustee and each Funding 1 Issuer Note Trustee. Funding 1 undertakes that in the event of the only trustee of this Deed which is a Trust Corporation giving notice under this Clause or being removed as aforesaid it will use its best endeavours to procure that a new trustee of this Deed being a Trust Corporation is appointed as soon as reasonably practicable thereafter. The retirement or removal of any such security trustee shall not become effective until a successor trustee being a Trust Corporation is appointed. If a successor security trustee being a trust corporation has not been appointed within 60 days after the date of the notice of retirement



of the Funding 1 Security Trustee, then the retiring Funding 1 Security Trustee may appoint its own successor trustee being a Trust Corporation (provided that such successor trustee is acceptable to each of the Rating Agencies and agrees to be bound by the terms of the Funding 1 Agreements, and further provided that each of the Rating Agencies confirm that the current ratings of the Rated Notes shall not be reduced, withdrawn or qualified as a result of such appointment).

- (b) Santander UK as Seller or Funding 1 may (at Santander UK's cost) at any time on giving not less than three months' prior written notice to Funding 1, the Funding 1 Secured Creditors and the Funding 1 Security Trustee remove any trustee or trustees for the time being of these presents. Santander UK and Funding 1 (as applicable) undertake that in the event of the only trustee of these presents which is a Trust Corporation being removed by Santander UK or Funding 1, Santander UK or Funding 1 (as applicable) will use its best endeavours to procure that a new trustee of these presents being a Trust Corporation is appointed as soon as reasonably practicable thereafter, provided that such Trust Corporation is an internationally recognised trust company with experience of acting as trustee on other residential mortgage backed securitisation transactions. The removal of any such trustee shall not become effective until a successor trustee being a Trust Corporation is appointed. If a successor trustee being a Trust Corporation has not been appointed within 60 days after the date of the notice of retirement of the Funding 1 Security Trustee, then the retiring Funding 1 Security Trustee may appoint its own successor trustee being a Trust Corporation (provided that such successor trustee agrees to be bound by the terms of the Funding 1 Transaction Documents, and further provided that the Rating Agencies confirm that the current ratings of the Rated Notes shall not be reduced, withdrawn or qualified as a result of such appointment (it being acknowledged that none of the Rating Agencies has any obligation to provide such confirmation at any time and that, pursuant to Clause 20.4 of the Funding 1 Issuer Note Trust Deeds, the confirmation of one of the Rating Agencies may be sufficient for such purpose)).

## **19. FUNDING 1 SECURITY TRUSTEE'S POWERS TO BE ADDITIONAL**

The powers conferred upon the Funding 1 Security Trustee by this Deed shall be in addition to any powers which may from time to time be **VESTED** in the Funding 1 Security Trustee by the general law or as a holder of any of the Notes.

## **20. ADDITIONAL PROVISIONS REGARDING THE FUNDING 1 SECURITY TRUSTEE**

### **20.1 No transfer of obligations**

Notwithstanding anything else in this Deed, the Funding 1 Security Trustee does not assume and will not be obliged to perform any obligations of any other party to this Deed.

### **20.2 No obligation to insure**

The Funding 1 Security Trustee shall not be under any obligation to insure in respect of any of Funding 1 Charged Property or to require any other person to maintain any such insurance.

### **20.3 Additional Funding 1 Security Trustee provisions**

- (a) The Funding 1 Security Trustee shall be under no obligation to monitor or supervise the functions of the Servicer under the Servicing Agreement or any other Transaction Document or the Cash Manager under the Cash Management Agreement or any other Transaction Document or the Mortgages Trustee Account Bank or the Funding 1 Account Bank under

the Mortgages Trustee Account Bank Agreement and the Funding 1 Account Bank Agreement respectively or any other Transaction Agreement or of any other person under or pursuant to any of the Transaction Documents.

- (b) Funding 1 shall provide to the Funding 1 Security Trustee such information as it shall reasonably request in writing to enable it to perform its functions as Funding 1 Security Trustee under the Funding 1 Agreements.
- (c) The Funding 1 Security Trustee shall not be liable to Funding 1 for acting on the request, direction or instruction of any Funding 1 Issuer Security Trustees or any Funding 1 Secured Creditor in accordance with the provisions of this Deed or the Funding 1 Issuer Deed of Charge.
- (d) The Funding 1 Security Trustee shall not be obliged to monitor compliance by the Seller with the Representations and Warranties or to ascertain whether or not any such of the Representations and Warranties is true, accurate or complete.
- (e) The Funding 1 Security Trustee shall be entitled to assume that each of Funding 1, the Seller, the Mortgages Trustee and the Funding 1 Issuers is complying with their respective obligations under the Transaction Documents unless it has actual knowledge to the contrary.
- (f) The Funding 1 Security Trustee shall be entitled to rely (without further investigation or inquiry) upon any document, reasonably believed by it to be genuine, provided to it by Funding 1, the Mortgages Trustee or the Cash Manager in respect of every matter and circumstances prima facie within the knowledge of Funding 1, the Mortgages Trustee or the Cash Manager and the Funding 1 Security Trustee shall not be bound in any such case to call for further evidence or be responsible for any loss, liability, costs, damages, expenses or inconvenience that may be caused by it failing to do so.
- (g) The Funding 1 Security Trustee may provide information to the Funding 1 Issuer Security Trustees under the relevant Funding 1 Issuer Deeds of Charge and to the Funding 1 Issuer Note Trustees under the relevant Funding 1 Issuer Note Trust Deeds.
- (h) The Funding 1 Security Trustee shall be entitled to rely on any certificate addressed to it whether in its capacity as Funding 1 Security Trustee under this Deed, as a Funding 1 Issuer Security Trustee under a Funding 1 Issuer Deed of Charge or as Funding 1 Issuer Note Trustee under a Funding 1 Issuer Note Trust Deed and may rely on information provided to it in any such capacity.
- (i) The Funding 1 Security Trustee, if not the same as the relevant Funding 1 Issuer Note Trustee and/or the Funding 1 Issuer Security Trustee, shall provide the relevant Funding 1 Issuer Note Trustee and the Funding 1 Issuer Security Trustee with any information that either or both of them reasonably require.
- (j) The Funding 1 Security Trustee, if not the same as the relevant Funding 1 Issuer Security Trustee and/or the relevant Funding 1 Issuer Note Trustee shall notify each Funding 1 Issuer Note Trustee and/or each Funding 1 Issuer Security Trustee of any breach of any provisions of this Deed or the Funding 1 Agreements and any event of which it has knowledge which would or may result in this Deed or the Funding 1 Security created thereby becoming enforceable.

- (k) The Funding 1 Security Trustee is not responsible for any deficiency that may arise as a result of the Funding 1 Security Trustee being liable to tax in respect of the proceeds of Funding 1 Security.
- (l) Nothing in this Deed shall preclude any Funding 1 Issuer Security Trustee, any Funding 1 Issuer Note Trustee and the Funding 1 Security Trustee from exchanging information.

#### **20.4 The Trustee**

- (a) Citicorp Trustee Company Limited (the **Initial Trustee**) is acting as Issuer Note Trustee under the Issuer Note Trust Deed and as Issuer Security Trustee under the Issuer Deed of Charge and as Funding 1 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 20.4 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 Funding 1 Secured Creditor or Funding 1 Issuer Secured Creditor for any loss which he may suffer by reason of any conflict which may arise between the interests of any such Funding 1 Secured Creditor or Funding 1 Issuer Secured Creditor 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 of any Funding 1 Issuer, the Funding 1 Issuer Secured Creditors or the Funding 1 Secured Creditors for the validity, sufficiency or enforceability of the Funding 1 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, any New 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.

#### **21. FUNDING 1 SECURITY POWER OF ATTORNEY**

Immediately upon execution of this Deed, Funding 1 will execute and deliver to the Funding 1 Security Trustee the Funding 1 Security Power of Attorney. The Funding 1 Security Trustee confirms that it may exercise the powers conferred under the Funding 1 Security Power of Attorney if:

- (a) the Funding 1 Security has become enforceable;
- (b) it considers such action necessary for the protection or preservation of the Attorney's (as defined in the Funding 1 Security Power of Attorney) interests and rights in and to the Funding 1 Charged Property; and/or
- (c) it considers such action ought to be done under the covenants, undertakings and provisions contained in this Deed.

in each case subject to the provisions of this Deed

## **22. FURTHER ASSURANCES**

Funding 1 must, at its own expense, take whatever action the Funding 1 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 Funding 1 Charged Property, or the exercise of any right, power or discretion exercisable, by the Funding 1 Security Trustee or any Receiver or any of its delegates or sub-delegates in respect of any Funding 1 Charged Property.

This includes:

- (i) the execution of any transfer, conveyance, assignment, assignation or assurance of any property, whether to the Funding 1 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 Funding 1 Security Trustee may think expedient.

## **23. ADDITIONAL PROVISIONS RELATING TO FUNDING 1 SECURITY**

### **23.1 Continuing Security**

Funding 1 Security will remain in force as continuing security for Funding 1 Secured Obligations notwithstanding any settlement of account or the existence at any time of a credit balance on any Funding 1 Account or other account or any other act, event or matter.

### **23.2 No merger**

Funding 1 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 Funding 1 Security Trustee or any other Funding 1 Secured Creditor may now or at any time have (or would apart from Funding 1 Security have) as regards Funding 1 or any other person in respect of the Funding 1 Secured Obligations.

### **23.3 Avoidance of security or payment**

- (a) If an amount paid to the Funding 1 Security Trustee or any of the other Funding 1 Secured Creditors under a Funding 1 Agreement 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 Funding 1 and the Funding 1 Security Trustee (or any Receiver) will be conditional upon no security or payment granted or made to the Funding 1 Security Trustee (or any Receiver, as the case may be) by Funding 1 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) above, then the Funding 1 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 Funding 1 as if the relevant settlement, discharge or release had not occurred.

#### **23.4 Retention of Funding 1 Security**

- (a) If the Funding 1 Security Trustee has grounds for believing that Funding 1 may be unable to pay its debts as they fall due as at the date of any payment made by Funding 1 to the Funding 1 Security Trustee or any of the other Funding 1 Secured Creditors, then the Funding 1 Security Trustee may retain Funding 1 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 the Funding 1 Secured Obligations notwithstanding any release, settlement, discharge or arrangement which may be given or made by the Funding 1 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 Funding 1 or any analogous proceedings are commenced by or against Funding 1, the Funding 1 Security Trustee may continue to retain the Funding 1 Security for such further period as it may determine and the Funding 1 Security will be deemed to continue to be held as security for the payment and discharge to the Funding 1 Security Trustee of all of the Funding 1 Secured Obligations.

#### **23.5 Change of name, etc.**

This Deed will remain valid and enforceable notwithstanding any change in the name, composition or constitution of the Funding 1 Security Trustee or Funding 1 or any merger, amalgamation or consolidation by the Funding 1 Security Trustee or Funding 1 with any other corporation.

#### **23.6 Negative pledge**

Funding 1 shall not, save for the Funding 1 Security, or with the prior written consent of the Funding 1 Security Trustee, or unless otherwise permitted under any of Funding 1 Agreements, 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.

#### **23.7 Funding 1 Accounts**

Funding 1 hereby undertakes that, for so long as any Funding 1 Secured Obligations remain outstanding, it shall not (without the prior written consent of the Funding 1 Security Trustee):

- (a) open or maintain any bank account or deposit account with any bank or any other financial institution other than the Funding 1 Bank Accounts; or
- (b) close the Funding 1 Bank Accounts,

other than in accordance with the Funding 1 Bank Account Agreement and this Deed.

## 23.8 Additional positive covenants

Funding 1 covenants and undertakes with the Funding 1 Security Trustee for the benefit of the Funding 1 Secured Creditors as follows:

- (a) to cause to be prepared and certified by its auditors in respect of each Financial Year accounts in such form as will comply with relevant legal and accounting requirements for the time being;
- (b) at all times to keep or procure the keeping of proper books of account and records as may be necessary to comply with all applicable laws and so as to enable financial statements to be prepared and to allow the Funding 1 Security Trustee and any person or persons appointed by the Funding 1 Security Trustee to whom Funding 1 shall have no reasonable objection free access to such books of account and records at all times during normal business hours upon reasonable notice in writing provided that such inspection shall only be for the purposes of carrying out its duties under this Deed and any information so obtained shall only be used and passed on to any other person for the purpose of the Funding 1 Security Trustee carrying out its duties under this Deed;
- (c) to give notice in writing to the Funding 1 Security Trustee of the occurrence of an Intercompany Loan Event of Default, a Potential Intercompany Loan Event of Default and/or the service of an Intercompany Loan Acceleration Notice (which has not been served by the Funding 1 Security Trustee) (such notice to be effective by the delivery of a copy of the Intercompany Loan Acceleration Notice to the Funding 1 Security Trustee) immediately upon becoming aware thereof and without waiting for the Funding 1 Security Trustee to take any further action;
- (d) give to the Funding 1 Security Trustee (i) within 14 days after demand by the Funding 1 Security Trustee therefore and (ii) (without the necessity for any such demand) promptly after the publication of its audited accounts in respect of each Financial Year and in any event not later than the date required by statute to file or publish (whichever is earlier) such audited accounts after the end of each such Financial Year a certificate signed by two directors of Funding 1 to the effect that as at a date not more than seven days before delivering such certificate (the **certification date**) there did not exist and had not existed since the certification date of the previous certificate (or in the case of the first such certificate the date hereof) an Intercompany Loan Event of Default or a Potential Intercompany Loan Event of Default (or if such then exists or existed specifying the same) and that during the period from and including the certification date of the last such certificate (or in the case of the first such certificate the date hereof) to and including the certification date of such certificate Funding 1 has complied, to the best of their knowledge and belief, with all its obligations contained in this Deed and each of the other Funding 1 Agreements or (if such is not the case) specifying the respects in which it has not so complied;
- (e) at all times to execute all such further documents and do all such further acts and things as may in the reasonable opinion of the Funding 1 Security Trustee be necessary at any time or times to give effect to the terms and conditions of this Deed and the other Funding 1 Agreements;
- (f) at all times to comply with the obligations and provisions binding upon it under and pursuant to this Deed and the other Funding 1 Agreements;

- (g) duly and promptly to pay and discharge all Taxes imposed upon it or its assets unless such Taxes are, in the opinion of the Funding 1 Security Trustee, being contested in good faith by Funding 1; and
- (h) to procure that, at all times, it shall retain at least one Independent Director.

## **24. SET-OFF**

- (a) The Funding 1 Security Trustee may at any time following an Intercompany Loan Event of Default (without notice and notwithstanding any settlement of account or other matter):
  - (i) combine or consolidate all or any existing accounts of Funding 1 whether in its own name or jointly with others and held by it or any Funding 1 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 Funding 1 from the Funding 1 Security Trustee or relevant Funding 1 Secured Creditor and whether or not the credit balance and the account in debit or the Funding 1 Secured Obligations are expressed in the same currency) in or towards satisfaction of any of the Funding 1 Secured Obligations; and/or
  - (iii) in its discretion, estimate the amount of any liability of Funding 1 which is contingent or unascertained and set-off such estimated amount.
- (b) No amount will be payable by the Funding 1 Security Trustee to Funding 1 unless and until all Funding 1 Secured Obligations have been ascertained and fully repaid or discharged.

## **25. RELEASE**

### **25.1 Upon discharge of Funding 1 Secured Obligations**

At the end of Funding 1 Security Period, the Funding 1 Security Trustee will, at the cost of Funding 1, take whatever action is necessary to release the Funding 1 Charged Property from the Funding 1 Security to, or to the order of, Funding 1.

### **25.2 Authorised Investments**

Upon Funding 1 or the 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 Funding 1 Transaction Account in accordance with the terms of this Deed and the Cash Management Agreement, such Authorised Investment will be deemed to be released from the Funding 1 Security and the Funding 1 Security Trustee will, at the request and cost of Funding 1 take whatever action is necessary to release that Authorised Investment from the Funding 1 Security.

### **25.3 Trust Property**

Upon the repurchase by the Seller from the Mortgages Trustee of any Loan and its Related Security charged under this Deed in accordance with the terms of the Mortgage Sale Agreement, such Loan and its Related Security shall no longer form part of the Trust Property (or, in the case of any Scottish Loan and its Related Security, the Scottish Trust Property in accordance with Clause 8 (Termination of Trust) of the relevant Scottish Declaration of Trust) and shall be released from the Funding Security and the Funding 1 Security Trustee will, at the request and cost of Funding 1, take whatever action is necessary to release that Loan and its Related Security from the Funding 1 Security.

## **25.4 Funding 1 Accounts**

For the avoidance of doubt, all amounts which the Cash Manager (on behalf of Funding 1 and, following service of a Loan Acceleration Notice if the Cash Manager is appointed as agent of the Funding 1 Security Trustee, the Funding 1 Security Trustee or its appointee) is permitted to withdraw from the Funding 1 Transaction Account pursuant to Clause 6.2 (Funding 1 Bank Accounts), Clause 6.3 (Withdrawals from Funding 1 GIC Account – prior to enforcement and acceleration) or Clause 6.4 (Withdrawals from Funding 1 Transaction Account – prior to enforcement and acceleration) will be deemed to be released from the Funding 1 Security upon the relevant withdrawal provided that, where the relevant amount is transferred to another Funding 1 Account, it will become subject to the Funding 1 Security in respect of that other Funding 1 Account.

## **25.5 No liability for loss**

The Funding 1 Security Trustee will not be liable to Funding 1 or any other person for any loss, costs, claims or liabilities arising in connection with its acting upon a request made under this Clause 25 (Release) and/or any release made under this Clause 25 (Release).

## **26. FUNDING 1 REPRESENTATIONS**

### **26.1 Title**

Funding 1 represents to the Funding 1 Security Trustee that it is the beneficial owner of the Funding 1 Charged Property and the Funding 1 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.

### **26.2 No restriction**

Funding 1 represents to the Funding 1 Security Trustee that as at the Initial Closing Date none of its property, assets and/or undertaking are subject to any restriction (whether contractual or otherwise) that may render the Security Interests granted by Funding 1 under this Deed ineffective or which otherwise prohibit the grant of such Security Interests.

### **26.3 Steps taken**

Funding 1 represents to the Funding 1 Security Trustee that it has taken all necessary steps to enable it to create the Funding 1 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 any Funding 1 Charged Property.

### **26.4 Funding 1 Agreements**

Funding 1 represents to the Funding 1 Security Trustee that:

- (a) each Funding 1 Agreement is its legally binding, valid, and enforceable obligation;
- (b) it is not in default of any of its obligations under any Funding 1 Agreement;
- (c) there is no prohibition on assignment in any Funding 1 Agreement; and
- (d) its entry into and performance of this Deed will not conflict with any term of any Funding 1 Agreement.



## **26.5 Nature of security**

Funding 1 represents to the Funding 1 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 floating charge security.

## **26.6 United States Activities**

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

## **26.7 Centre of main interests and establishment**

- (a) Funding 1 represents to the Funding 1 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) Funding 1 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.

## **26.8 Funding 1 Payment Obligation**

Funding 1 represents and warrants to the Funding 1 Security Trustee that:

- (a) in respect of each accounting period of Funding 1, the only amounts retained by Funding 1 have been and will be either: (i) amounts reasonably required to provide for losses or expenses arising from its business or to maintain or enhance its creditworthiness and/or (ii) its profit; and
- (b) to the extent that amounts are received by Funding 1 pursuant to any Transaction Document, Funding 1 has a corresponding obligation to pay out an equal amount by way of costs or expense owing to a third party less an amount equal to Funding 1's profit.

## **26.9 Funding 1 Derivative Contracts**

Funding 1 represents and undertakes to ensure that its assets and any derivative contracts (for the purposes of Schedule 26 of the Finance Act 2002 and Part 7 of the Corporation Tax Act 2009) which it enters into in accordance with the Transaction Documents are and will consist only of "financial assets" as defined in the Taxation of Securitisation Companies Regulations 2006.

## **26.10 Times for making representations**

- (a) The representations set out in this Deed (including in this Clause 26 (Funding 1 Representations) 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 Funding 1 on each date during Funding 1 Security Period.
- (c) When a representation is repeated, it is applied to the circumstances existing at the time of repetition.

**27. EVIDENCE OF INDEBTEDNESS**

In any action, proceedings or claim relating to this Deed or the Funding 1 Security, any statement (which will contain information in reasonable detail in support thereof) as to:

- (a) any amount due to any Funding 1 Secured Creditor;
- (b) all or any part of the Funding 1 Secured Obligations; or
- (c) any amounts which have been notified to the Funding 1 Security Trustee as being amounts due to any Funding 1 Secured Creditor,

in each case, which is certified as being correct by an officer of the relevant Funding 1 Secured Creditor will be conclusive evidence that such amount is in fact due and payable.

**28. RIGHTS CUMULATIVE**

The respective rights of the Funding 1 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.

**29. 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.

**30. COUNTERPARTS**

This Deed may be executed and delivered in any number of counterparts (including by hand or electronically), all of which, taken together, shall constitute one and the same deed and any party to this Deed may enter into the same by executing and delivering a counterpart (including by hand or electronic transmission). 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 Funding 1 upon at least one copy of this Deed having been executed and delivered by Funding 1, 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 to this Deed.

## 31. NOTICES

### 31.1 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 e-mail. Unless it is agreed to the contrary, any consent or agreement required under this Deed must be given in writing.

### 31.2 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) in the case of Funding 1, to Langton Funding (No. 1) Limited, c/o Intertrust Management Limited, 35 Great St. Helen's, London EC3A 6AP (telephone: +44 (0) 20 7398 6300, e-mail: [directors-uk@intertrustgroup.com](mailto:directors-uk@intertrustgroup.com)) for the attention of The Directors with a copy to Santander UK plc at 2 Triton Square, Regent's Place, London NW1 3AN (email to: [MTF@santander.co.uk](mailto:MTF@santander.co.uk) and [treasurylegal@santander.co.uk](mailto:treasurylegal@santander.co.uk)) for the attention of Medium Term Funding and Treasury Legal;
- (b) in the case of the 2011-1 Issuer, to Langton Securities (2008-1) plc, c/o Intertrust Management Limited, 35 Great St. Helen's, London EC3A 6AP (e-mail: [directors-uk@intertrustgroup.com](mailto:directors-uk@intertrustgroup.com)) for the attention of the Directors;
- (c) in the case of the 2010-1 Issuer, to Langton Securities (2010-1) plc, c/o Intertrust Management Limited, 35 Great St. Helen's, London EC3A 6AP (e-mail: [directors-uk@intertrustgroup.com](mailto:directors-uk@intertrustgroup.com)) for the attention of the Directors;
- (d) in the case of the Seller, the Cash Manager, the Funding 1 Account Bank, Funding 1 Loan Provider, the Secretarial Services Provider, the Funding 1 Swap Provider, to Santander UK plc, 2 Triton Square, Regent's Place, London NW1 3AN (email to: [MTF@santander.co.uk](mailto:MTF@santander.co.uk) and [treasurylegal@santander.co.uk](mailto:treasurylegal@santander.co.uk)) for the attention of Medium Term Funding and Treasury Legal;
- (e) in the case of the Mortgages Trustee, to Langton Mortgages Trustee (UK) Limited, 2 Triton Square, Regent's Place, London NW1 3AN (email to: [MTF@santander.co.uk](mailto:MTF@santander.co.uk) and [treasurylegal@santander.co.uk](mailto:treasurylegal@santander.co.uk)) for the attention of the Directors with a copy to Santander UK plc, 2 Triton Square, Regent's Place, London NW1 3AN (email: [MTF@santander.co.uk](mailto:MTF@santander.co.uk) and [treasurylegal@santander.co.uk](mailto:treasurylegal@santander.co.uk)) for the attention of Medium Term Funding and Treasury Legal;
- (f) in the case of the Corporate Services Provider, to Intertrust Management Limited, 35 Great St. Helen's, London EC3A 6AP (e-mail: [directors-uk@intertrustgroup.com](mailto:directors-uk@intertrustgroup.com)) for the attention of the Directors; and
- (g) in the case of each of the Issuer Security Trustee and the Funding 1 Security Trustee, to Citicorp Trustee Company Limited, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (e-mail: [abs.mbsadmin@citi.com](mailto:abs.mbsadmin@citi.com)) for the attention of Agency and Trust.

### 31.3 Changes

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

### **31.4 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 e-mail, at the time of the despatch.
- (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.

### **32. ASSIGNMENT**

Neither Funding 1 nor any of the Funding 1 Secured Creditors may 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 Funding 1 Security Trustee, save that the Funding 1 Issuers may assign their rights under this Deed without such consent to the relevant Funding 1 Issuer Security Trustee under the relevant Funding 1 Issuer Deed of Charge.

### **33. 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.

### **34. LAW AND JURISDICTION**

#### **34.1 Governing law**

This Deed and all matters 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 particular to Scots law shall be construed in accordance with the laws of Scotland and any terms of this Deed which are particular to Northern Irish law shall be construed in accordance with the laws of Northern Ireland).

#### **34.2 Submission to jurisdiction**

Funding 1 irrevocably agrees for the benefit of the Funding 1 Security Trustee and the other Funding 1 Secured Creditors that the English courts have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Deed and accordingly submits to the exclusive jurisdiction of the English courts. Funding 1 waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Funding 1 Security Trustee and the other Funding 1 Secured Creditors may take any suit, action or proceeding arising out of or in connection with this Deed (together referred to as **Proceedings**) against Funding 1 in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

**34.3 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 finance document or any transaction contemplated by any finance document. This deed may be filed as a written consent to trial by court.

**35. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 AND CONTRACT (THIRD PARTY RIGHTS) (SCOTLAND) ACT 2017**

A person who is not a party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 and the Contract (Third Party Rights) (Scotland) Act 2017 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 Funding 1 Swap Provider in respect of its rights pursuant to Clause 12.1(b)(x) (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 any such Act or Act(s).

**36. EFFECTIVENESS OF EXECUTION**

This Deed (in relation to any rights or assets situated in Scotland or otherwise governed by Scots law) shall be fully effective and binding upon Funding 1 and the Funding 1 Security Trustee upon at least once copy of this Deed having been executed and delivered by both Funding 1 and the Funding 1 Security Trustee notwithstanding that any other person expressed to be a party to this Deed has not then executed and delivered this Deed and notwithstanding any such party has executed or executes and has delivered or delivers a counterpart of this Deed.

**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.

**SIGNATORIES**

**Funding 1**

**EXECUTED as a DEED by** )  
**LANGTON FUNDING (NO. 1) LIMITED** )  
by two directors, being )  
Intertrust Directors 1 Limited and )  
Intertrust Directors 2 Limited )  
 )  
in the presence of )

Witness' signature:

Name:

Address:

**Funding 1 Security Trustee, 2010-1 Issuer Security Trustee, 2010-1 Note Trustee, 2011-1 Issuer Security Trustee and 2011-1 Note Trustee**

**EXECUTED as a DEED by** )  
**CITICORP TRUSTEE COMPANY LIMITED** )  
acting by its duly authorised attorney )  
in the presence of )

Witness' signature:

Name:

Address:

**2010-1 Issuer and 2010-1 Funding 1 Start-Up Loan Provider**

**EXECUTED** as a **DEED** by )  
**LANGTON SECURITIES (2010-1) PLC** )  
acting by its duly authorised attorney )  
in the presence of )

Witness' signature:

Name:

Address:

**2011-1 Issuer and 2011-1 Funding 1 Start-Up Loan Provider**

**EXECUTED** as a **DEED** by )  
**LANGTON SECURITIES (2008-1) PLC** )  
by two directors, being )  
Intertrust Directors 1 Limited )  
and )  
Intertrust Directors 2 Limited )  
both in the presence of )

Witness' signature:

Name:

Address:

**Seller, Cash Manager, Funding 1 Account Bank, Funding 1 Loan Provider, Secretarial Services Provider and Funding 1 Swap Provider**

**EXECUTED** as a **DEED** by )  
**SANTANDER UK PLC** )  
acting by its duly authorised attorney )  
 )  
in the presence of )

Witness' signature:

Name:

Address:

**Funding 1 Corporate Services Provider, Mortgages Trustee Corporate Services Provider and Holdings Corporate Services Provider**

**EXECUTED** as a **DEED** by )  
**INTERTRUST MANAGEMENT** )  
**LIMITED** )  
by two authorised signatories )

**Mortgages Trustee**

**EXECUTED** as a **DEED** by )  
**LANGTON MORTGAGES TRUSTEE** )  
**(UK) LIMITED** )  
by two directors, being )  
Intertrust Directors 1 Limited )  
and )  
Intertrust Directors 2 Limited )  
 )  
both in the presence of )

Witness' signature:

Name:

Address:



**SCHEDULE 1**

**FORM OF NOTICE OF ASSIGNMENT AND CHARGE**

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

To: [*Relevant party name[s]*]

Copy: Citicorp Trustee Company Limited (the **Funding 1 Security Trustee**)

25 January 2008

Dear Sirs,

We hereby give you notice that by a deed of charge dated 25 January 2008 and made between Funding 1, the Funding 1 Security Trustee and others (**Funding 1 Deed of Charge**), Funding 1 assigns absolutely, subject to the proviso for reassignment on redemption (or, to the extent not assignable, charges by way of a first fixed charge) to the Funding 1 Security Trustee all of its right, title, interest and benefit, present and future, in, to and under the [*insert relevant agreement name[s]*] dated [*insert date*] (each as defined in the Master Definitions and Construction Schedule signed on the date thereof by, *inter alios*, Funding 1 and the [*relevant party name[s]*] and made, in each case, between, amongst others, Funding 1 and the [*relevant party name[s]*]).

You are authorised and instructed henceforth to deal with the Funding 1 Security Trustee in relation to our rights (but not our obligations) under the [*insert relevant agreement name[s]*] without further reference to us.

This notice is irrevocable. Please acknowledge receipt of this notice to the Funding 1 Security Trustee on the attached Consent to Charge.

Yours faithfully,

.....  
**Intertrust Directors 1 Limited**, as Director  
for and on behalf of  
**LANGTON FUNDING (NO. 1) LIMITED**

**SCHEDULE 2**

**FORM OF CONSENT TO ASSIGNMENT AND CHARGE**

From: [*Relevant Party Name*][s]]

To: Citicorp Trustee Company Limited (the **Funding 1 Security Trustee**)  
Langton Funding (No. 1) Limited (**Funding 1**)

25 January 2008

Dear Sirs,

We hereby acknowledge receipt of the notice of assignment and charge dated 25 January 2008 relating to the Funding 1 Deed of Charge (as defined therein) as adequate notice of the charge described therein.

We agree to deal only with the Funding 1 Security Trustee in relation to Funding 1's rights (but not its obligations) under the [*relevant agreement name[s]*] referred to, and as defined in, such notice without any reference to Funding 1.

We have not received from any other person any notice of charge of or any interest in the [*relevant agreement name[s]*].

Yours faithfully,

.....  
For and on behalf of  
[*Relevant party name*]

.....  
For and on behalf of  
[*Relevant party name*]

### SCHEDULE 3

#### FORM OF ACCESSION DEED

**THIS DEED** is made on [date]

#### **BETWEEN**

- (1) **LANGTON FUNDING (NO. 1) LIMITED**, a private limited company incorporated under the laws of England and Wales (registered number 6432610), whose registered office is at c/o Intertrust Management Limited, 35 Great St. Helen's, London EC3A 6AP (**Funding 1**);
- (2) **CITICORP TRUSTEE COMPANY LIMITED** (registered number 0235914) acting through its offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (acting in its capacity as **Funding 1 Security Trustee** which expression includes such companies and all other persons or companies for the time being acting as security trustee under this Deed); and
- (3) [name of the new Funding 1 Secured Creditor] (the **New Funding 1 Secured Creditor**).

#### **NOW THIS DEED WITNESSES AS FOLLOWS**

#### **WHEREAS**

- (A) Pursuant to the terms of a [describe agreement] (the **Agreement**) dated [date] made between Funding 1 and the New Funding 1 Secured Creditor, Funding 1 has agreed to [describe nature of the obligations of Funding 1 under the Agreement].
- (B) Funding 1 has agreed to provide the Funding 1 Security Trustee with the benefit of the security described in the Funding 1 Deed of Charge to secure Funding 1's obligations to the Funding 1 Secured Creditors.
- (C) The terms of the Funding 1 Deed of Charge permit Funding 1 to secure its obligations to a New Funding 1 Secured Creditor thereunder.
- (D) The New Funding 1 Secured Creditor has agreed to enter into this Deed to accede to the provisions of the Funding 1 Deed of Charge.
- (E) The Funding 1 Security Trustee has agreed, on behalf of itself and the other Funding 1 Secured Creditors, to, among other things, acknowledge and agree to such accession and to permit any consequential changes to the Funding 1 Priority of Payments set out in **Part 1, Part 2 and Part 3 of Schedule 4** of the Funding 1 Deed of Charge as are required and any other amendment as may be required to give effect to this Accession Deed.

#### **1. INTERPRETATION**

The master definitions and construction schedule signed by, amongst others, the parties to this Agreement and dated 25 January 2008 (as the same may be amended, varied or supplemented from time to time with the consent of the parties to the Funding 1 Deed of Charge) (the **Master Definitions and Construction Schedule**) and are expressly and specifically incorporated into this Accession Deed and, accordingly, the expressions defined in the Master Definitions and Construction Schedule (as so amended, varied or supplemented from time to time) shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Accession Deed, including the Recitals hereto and this Accession Deed shall be

construed in accordance with the interpretation provisions set out in clause 3 of the Master Definitions and Construction Schedule.

## **2. REPRESENTATIONS AND WARRANTIES**

The New Funding 1 Secured Creditor hereby represents and warrants to the Funding 1 Security Trustee and each of the Funding 1 Secured Creditors in respect of itself that as of the date of this Deed:

- (a) pursuant to the terms of the Agreement, Funding 1 has agreed to pay to the New Funding 1 Secured Creditor the amount (if any) [*describe in relation to the Agreement*]; and
- (b) the Agreement expressly provides that all amounts due from Funding 1 thereunder are to be secured by the Funding 1 Deed of Charge.

## **3. ACCESSION**

In consideration of the New Funding 1 Secured Creditor being accepted as a Funding 1 Secured Creditor for the purposes of the Funding 1 Deed of Charge by the parties thereto as from the date of this Deed, the New Funding 1 Secured Creditor:

- (a) confirms that as from [*date*], it intends to be a party to the Funding 1 Deed of Charge as a Funding 1 Secured Creditor;
- (b) undertakes to comply with and be bound by all of the provisions of the Master Definitions and Construction Schedule (as the same may be amended, varied or restated from time to time) and the Funding 1 Deed of Charge in its capacity as a Funding 1 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 Funding 1 Deed of Charge in its capacity as a Funding 1 Secured Creditor, as if it had been an original party thereto as provided in Clause 4.6 (New Funding 1 Secured Creditors) of the Funding 1 Deed of Charge; and
- (d) agrees that the Funding 1 Security Trustee shall be the Funding 1 Security Trustee of the Funding 1 Deed of Charge for all Funding 1 Secured Creditors upon and subject to the terms set out in the Funding 1 Deed of Charge.

## **4. SCOPE OF THE FUNDING 1 DEED OF CHARGE**

Funding 1, the New Funding 1 Secured Creditor and the Funding 1 Security Trustee hereby agree that for relevant purposes under the Funding 1 Deed of Charge and the Master Definitions and Construction Schedule:

- (a) the Agreement shall be treated as a Funding 1 Agreement; and
- (b) the New Funding 1 Secured Creditor shall be treated as a Funding 1 Secured Creditor.

## **5. AMENDMENT TO THE FUNDING 1 PRIORITY OF PAYMENTS**

The Funding 1 Secured Creditors agree to amend and restate the Funding 1 Priority of Payments set out in Schedule 4 of the Funding 1 Deed of Charge in accordance with Appendix 1 hereto.

**6. APPLICATION**

Prior to and following enforcement of the Funding 1 Security all amounts at any time held by Funding 1, the Cash Manager or the Funding 1 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 Funding 1 Deed of Charge.

**7. Notices**

Any notice or communication under or in connection with this Deed, the Funding 1 Deed of Charge or the Master Definitions and Construction Schedule shall be given in the manner and at the times set out in Clause 31 (Notices) of the Funding 1 Deed of Charge to the addresses given in this Clause 7 (Payments out of Funding 1 Accounts Upon Acceleration) 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 (Payments out of Funding 1 Accounts Upon Acceleration) for the New Funding 1 Secured Creditor is:

[ ]

For the attention of: [ ]

Telephone: [ ]

E-mail: [ ]

or such other address and/or numbers as the New Funding 1 Secured Creditor may notify to the parties to the Funding 1 Deed of Charge in accordance with the provisions thereof.

**8. CHOICE OF LAW**

This Deed is 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.

**Funding 1**

**EXECUTED as a DEED by** )  
**LANGTON FUNDING (NO. 1) LIMITED** )  
by two directors, being )  
Intertrust Directors 1 Limited and )  
Intertrust Directors 2 Limited )

**Funding 1 Security Trustee**

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

in the presence of

Witness's signature:

Name:

Address:

***[insert signature block for New Funding 1 Secured Creditor]***

**SCHEDULE 4**

**FUNDING 1 PRIORITY OF PAYMENTS**

**PART 1**

**FUNDING 1 PRE-ACCELERATION REVENUE PRIORITY OF PAYMENTS**

**1. Rules for application of Funding 1 Available Revenue Receipts**

**Rule (1)**

Subject as provided in rules (2) and (4) below, the portion of Funding 1 Issuer Allocable Revenue Receipts remaining after item (f) of the Funding 1 Pre-Acceleration Revenue Priority of Payments, shall constitute **Shared Funding 1 Issuer Revenue Receipts**. Shared Funding 1 Issuer Revenue Receipts will be allocated by the Cash Manager on a Funding 1 Interest Payment Date in accordance with item (g) of the Funding 1 Pre-Acceleration Revenue Priority of Payments and will continue to be distributed on such Funding 1 Interest Payment Date in accordance with item (g) of the Funding 1 Pre-Acceleration Revenue Priority of Payments until either there are no remaining amounts of Shared Funding 1 Issuer Revenue Receipts to be allocated and distributed or neither the Funding 1 Issuers nor the Funding 1 Loan Provider is entitled to such Shared Funding 1 Issuer Revenue Receipts on such Funding 1 Interest Payment Date. If there is more than one Funding 1 Issuer or there is at least one Funding 1 Issuer and, if applicable, the Funding 1 Loan Provider that is entitled to Shared Funding 1 Issuer Revenue Receipts, then each such Funding 1 Issuer or, as the case may be, the Funding 1 Loan Provider will be allocated a portion of Shared Funding 1 Issuer Revenue Receipts equal to:

amount of Shared Funding 1 Issuer Revenue Receipts	X	<u>Outstanding Principal Amount of the Intercompany Loan of such Funding 1 Issuer or, as the case may be, the Outstanding Principal Amount of the Funding 1 Loan entitled to Shared Funding 1 Issuer Revenue Receipts</u> aggregate Outstanding Principal Amount of all the Intercompany Loans of Funding 1 Issuers and the Outstanding Principal Amount of the Funding 1 Loan made by the Funding 1 Loan Provider entitled to such Shared Funding 1 Issuer Revenue Receipts
--	---	---

**Rule (2)**

None of the Funding 1 Issuers or the Funding 1 Loan Provider shall be entitled to nor shall any Funding 1 Issuer or the Funding 1 Loan Provider receive any amount of Funding 1 Issuer Allocable Revenue Receipts from Funding 1 on a Funding 1 Interest Payment Date on which (a) such Funding 1 Issuer is not required to make a payment in accordance with the applicable Funding 1 Issuer Pre-Acceleration Revenue Priority of Payments or other relevant Funding 1 Issuer Priority of Payments which applies to that Funding 1 Issuer on such Funding 1 Interest Payment Date or (b) the Funding 1 Loan interest is not then due. In the case of a Funding 1 Issuer, the Cash Manager will take account of all of the funds which are or will become available to any Funding 1 Issuer on such Funding 1 Interest Payment Date and which constitute Funding 1 Issuer Available Revenue Receipts (including any payments due under any swap agreement, any amounts standing to the credit of any Funding 1 Issuer Reserve Fund and any interest or other income received or to be received prior to the relevant

Funding 1 Interest Payment Date by that Funding 1 Issuer) for the purpose of making this determination.

**Rule (3)**

If, on any Funding 1 Interest Payment Date, any Funding 1 Issuer Allocable Revenue Receipts and/or any Shared Funding 1 Issuer Revenue Receipts are paid to any Funding 1 Issuer and are applied by that Funding 1 Issuer in reducing any deficiency recorded on any principal deficiency ledger of that Funding 1 Issuer (but only to the extent of any deficiency which has arisen as a result of Losses on the Loans allocated by Funding 1 to that Funding 1 Issuer), then such Funding 1 Issuer Allocable Revenue Receipts and/or such Shared Funding 1 Issuer Revenue Receipts so applied shall constitute repayments of principal under the Intercompany Loan Agreement of that Funding 1 Issuer and shall reduce the Outstanding Principal Amount of the Intercompany Loan of that Funding 1 Issuer accordingly.

If, on any Funding 1 Interest Payment Date, any Funding 1 Issuer Allocable Revenue Receipts and/or any Shared Funding 1 Issuer Revenue Receipts are applied by Funding 1 in reducing any deficiency recorded on any principal deficiency ledger in recorded in the Funding 1 Loan Principal Deficiency Ledger (being a principal deficiency recorded in respect of the Funding 1 Loan (but only to the extent of any deficiency which has arisen as a result of Losses on the Loans allocated by Funding 1 to the Funding 1 Loan)), then such Funding 1 Issuer Allocable Revenue Receipts and/or such Shared Funding 1 Issuer Revenue Receipts so applied shall be applied as a repayment of principal under the Funding 1 Loan of that Funding 1 Issuer and shall reduce the Outstanding Principal Amount of the Funding 1 Loan accordingly.

**Rule (4)**

For the purpose of determining the amount of Funding 1 Issuer Allocable Revenue Receipts and/or Shared Funding 1 Issuer Revenue Receipts which may be paid to any Funding 1 Issuer on any Funding 1 Interest Payment Date, the Outstanding Principal Amount of the Intercompany Loan of that Funding 1 Issuer and the Funding 1 Loan shall be deemed to be reduced by the amount of any deficiency recorded on the Funding 1 Issuer principal deficiency ledger of that Funding 1 Issuer or, as the case may be, the deficiency recorded on the Funding 1 Loan Principal Deficiency Ledger, in each case, as at such Funding 1 Interest Payment Date, but only to the extent that such deficiency has arisen as a result of Losses on the Loans allocated by Funding 1 to that Funding 1 Issuer or, as the case may be, the Funding 1 Loan.

**2. Distribution of Funding 1 Available Revenue Receipts before service on Funding 1 of an Intercompany Loan Acceleration Notice**

This section sets out the priority of payments of Funding 1 Available Revenue Receipts. Except for amounts due to third parties (other than parties to the Transaction Documents) by each Funding 1 Issuer and/or Funding 1 under item (a) or amounts due to the Funding 1 Account Bank and/or by way of fees under the relevant Issuer Intercompany Loan Agreement to the Issuer Account Bank or to any other Funding 1 Issuer Account Bank, which will in each case be paid when due, on each Funding 1 Interest Payment Date (but prior to the date on which an Intercompany Loan Acceleration Notice is served on Funding 1), the Cash Manager will apply the Funding 1 Available Revenue Receipts for such date in the following order of priority (the **Funding 1 Pre-Acceleration Revenue Priority of Payments**):

- (a) without priority among them but in proportion to the respective amounts due (including remuneration), to pay amounts due to:



- (i) the Funding 1 Security Trustee (together with interest and any amount in respect of VAT thereon) and to provide for any amounts due or to become due in the immediately following interest period to the Funding 1 Security Trustee under the Funding 1 Deed of Charge; and
- (ii) any third party creditors of Funding 1 (other than those referred to later in this priority of payments), which amounts have been incurred without breach by Funding 1 of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere) and to provide for any of these amounts expected to become due and payable in the immediately following Funding 1 Interest Period by Funding 1 and to pay or discharge any liability of Funding 1 for corporation tax on any chargeable income or gain of Funding 1;

and then towards payment of an amount to be retained by Funding 1 equal to the sum of: (1) £1,250 and (2) an amount equal to £1,250 in respect of each previously occurring Funding 1 Interest Payment Date to the extent that such amount was not retained by Funding 1 in accordance with this paragraph on such Funding 1 Interest Payment Date or any subsequently occurring Funding 1 Interest Payment Date;

- (b) without priority among them but in proportion to the respective amounts due, towards payment of amounts, if any, due and payable (in each case together with any VAT thereon) to the Cash Manager under the terms of the Cash Management Agreement, to the Funding 1 Account Bank under the terms of the Funding 1 Bank Account Agreement, to the Funding 1 Corporate Services Provider under the terms of the Funding 1 Corporate Services Agreement and to the Secretarial Services Provider under the terms of the Secretarial Services Agreement;
- (c) towards payment of all amounts (if any) due and payable to the Funding 1 Swap Provider under the Funding 1 Swap Agreement (including termination payments, but excluding any Funding 1 Swap Excluded Termination Amount);
- (d) to pay to each Funding 1 Issuer, in no order of priority among them, an amount up to its Funding 1 Issuer Allocable Revenue Receipts in respect of interest, fees and other amounts (excluding principal) due and payable under the Intercompany Loan Agreement of that Funding 1 Issuer but not exceeding the aggregate amount of, and to be applied in the amounts and priorities set forth in, the applicable Funding 1 Issuer Pre-Reserve Payments;
- (e) in no order of priority among them, *pro rata*, from each Funding 1 Issuer's Allocable Revenue Receipts, to credit the Funding 1 Reserve Ledger in an amount up to the Funding 1 Reserve Required Amount;
- (f) to pay to each Funding 1 Issuer and the Funding 1 Loan Provider, in no order of priority among them, an amount up to its Funding 1 Issuer Allocable Revenue Receipts in respect of (i) each Funding 1 Issuer, the interest, fees and other amounts (excluding principal) due and payable under the Intercompany Loan Agreement of that Funding 1 Issuer in respect of the Funding 1 Loan Provider, interest, fees and other amounts (excluding principal) due and payable under the Funding 1 Loan and to apply amounts to cure any deficiency recorded on the Funding 1 Loan Principal Deficiency Ledger (such amounts being applied to repay principal in respect of the Funding 1 Loan) and (ii) interest, principal and other amounts due and payable to each Funding 1 Issuer under its relevant Funding 1 Start-Up Loan Agreement, but in respect of each Funding 1 Issuer, not exceeding the aggregate amount of, and to be applied in the amounts and priorities set forth in the Funding 1 Issuer Post-Reserve Payments;

- (g) to the extent required, to apply all remaining Shared Funding 1 Issuer Revenue Receipts in the priorities set forth in paragraphs (d) to (f) above, but as if references to Funding 1 Issuer Allocable Revenue Receipts were to its share of the Shared Funding 1 Issuer Revenue Receipts;
- (h) without priority among them but in proportion to the respective amounts due, to pay (without double counting):
  - (i) any other amounts due to each Funding 1 Issuer under the Intercompany Loan Agreement of that Funding 1 Issuer and not otherwise provided for in this priority of payments; and
  - (ii) any Funding 1 Swap Excluded Termination Amount due and payable by Funding 1 to the Funding 1 Swap Provider under the Funding 1 Swap Agreement;
- (i) [RESERVED];
- (j) towards payment of any Deferred Contribution due from Funding 1 to the Mortgages Trustee pursuant to the terms of the Mortgages Trust Deed; and
- (k) the balance (if any) to Funding 1.

For the avoidance of doubt, the Funding 1 Pre-Acceleration Revenue Priority of Payments also applies before and after the occurrence of a Trigger Event and before and after the service of a Note Acceleration Notice on any Funding 1 Issuer.

## PART 2

### FUNDING 1 PRE-ACCELERATION PRINCIPAL PRIORITIES OF PAYMENTS

#### 1. Due and payable dates of Loan Tranches

A Loan Tranche (or part thereof) shall become due and payable on the earlier to occur of:

- (a) any date specified in relation to such Loan Tranche in the applicable Intercompany Loan Confirmation;
- (b) the date upon which a Trigger Event occurs;
- (c) the date upon which a Note Acceleration Notice is served on a Funding 1 Issuer under the Note Trust Deed or new Note Trust Deed of a New Issuer (as applicable) and/or a Funding 1 Issuer's security is enforced under the relevant Funding 1 Issuer Deed of Charge; and
- (d) the date upon which an Intercompany Loan Acceleration Notice is served on Funding 1 under an Intercompany Loan Agreement and/or security is enforced under the Funding 1 Deed of Charge.

In each case, when a Loan Tranche becomes due and payable, it shall continue to be due and payable until it is fully repaid. If there are insufficient Funding 1 Available Principal Receipts to repay a Loan Tranche on a Funding 1 Interest Payment Date upon which that Loan Tranche is due and payable, then the shortfall will be repaid on subsequent Funding 1 Interest Payment Dates from Funding 1 Available Principal Receipts until that Loan Tranche is fully repaid. Any remaining unpaid amounts under the Issuer Intercompany Loan after the Final Repayment Date of the last maturing Loan Tranche (after application of any available amounts) will be extinguished.

#### 2. Repayment of Funding 1 Loan Tranches before an Asset Trigger Event or service on Funding 1 of an Intercompany Loan Acceleration Notice

On each Funding 1 Interest Payment Date prior to the occurrence of an Asset Trigger Event or the service on Funding 1 of an Intercompany Loan Acceleration Notice, the Cash Manager shall apply Funding 1 Available Principal Receipts in the following priority (the **Funding 1 Pre-Acceleration Principal Priority of Payments**) (but, in the case of (a) and (b) below, only so long as the Rated Notes of a Funding 1 Issuer are outstanding):

- (a) to pay to each Funding 1 Issuer, as a credit towards its Funding 1 Issuer Reserve Fund, *pro rata*, and in no order of priority between them, the amount required to replenish the Funding 1 Issuer Reserve Fund of that Funding 1 Issuer up to the applicable Funding 1 Issuer Reserve Required Amount but only to the extent that monies have been drawn from its Funding 1 Issuer Reserve Fund to make Funding 1 Issuer Reserve Principal Payments;
- (b) to pay to each Funding 1 Issuer as a credit towards its Funding 1 Issuer Liquidity Reserve (if established), *pro rata* and in no order of priority between them, the amount required by that Funding 1 Issuer: (A) to initially fund its Funding 1 Issuer Liquidity Reserve Fund up to the applicable Funding 1 Issuer Liquidity Fund Reserve Required Amount, and (B) once its Funding 1 Issuer Liquidity Reserve Fund has been initially funded, to the extent that its Funding 1 Issuer Available Revenue Receipts or its Shared Funding 1 Issuer Revenue Receipts are insufficient to do so, to replenish its Funding 1 Issuer Liquidity Reserve Fund up to the applicable Funding 1 Issuer Liquidity Reserve Fund Required Amount;

- (c) to pay to each Funding 1 Issuer and the Funding 1 Loan Provider, in no order of priority between them, an amount equal to the lesser of (i) its remaining Funding 1 Issuer Allocable Principal Receipts, and (ii) the amount required in respect of principal due and payable on the Intercompany Loan of that Funding 1 Issuer or the Funding 1 Loan made by the Funding 1 Loan Provider, which amount shall, in the case of a Funding 1 Issuer, be an amount up to the aggregate amount of, and shall be applied in the amounts and priorities set forth in, the Funding 1 Issuer Principal Priority of Payments for that Funding 1 Issuer;
- (d) to apply all Shared Funding 1 Issuer Principal Receipts in accordance with item (c) above, but as if references to Funding 1 Issuer Allocable Principal Receipts were to its share of the Shared Funding 1 Issuer Principal Receipts; and
- (e) the balance (if any) to be credited to the Funding 1 Principal Ledger.

For the avoidance of doubt, the Funding 1 Pre-Acceleration Principal Priority of Payments will also apply before and after the occurrence of a Non-Asset Trigger Event and before and after the service of a Note Acceleration Notice on any Funding 1 Issuer.

### 3. The Rules

In the applicable circumstances, the following rules apply in determining the amounts to be paid under the Funding 1 Pre-Acceleration Principal Priority of Payments set out above on each Funding 1 Interest Payment Date:

#### Rule (1)

One Business Day prior to each Funding 1 Interest Payment Date, the Cash Manager will calculate the Funding 1 Issuer Allocable Principal Receipts for each Funding 1 Issuer and the Funding 1 Loan Provider in respect of such Funding 1 Interest Payment Date. Subject as provided in Rules (2) to (6) below, the **Funding 1 Issuer Allocable Principal Receipts** for a Funding 1 Issuer and the Funding 1 Loan Provider is an amount that is equal to the sum of:

- (a) in respect of each Funding 1 Issuer, the amount, if any, by which the relevant Funding 1 Issuer Reserve Fund will be less than the relevant Funding 1 Issuer Reserve Required Amount, in each case prior to the application of Funding 1 Available Principal Receipts on such Funding 1 Interest Payment Date but following the application of Funding 1 Available Revenue Receipts on such Funding 1 Interest Payment Date;
- (b) in respect of each Funding 1 Issuer, the amount, if any, by which the relevant Funding 1 Issuer Liquidity Reserve Fund will be less than the relevant Funding 1 Issuer Liquidity Reserve Required Amount, in each case prior to the application of Funding 1 Available Principal Receipts on such Funding 1 Interest Payment Date but following the application of Funding 1 Available Revenue Receipts on such Funding 1 Interest Payment Date; and
- (c) an amount equal to the lesser of: (i) the sum of (A) any Bullet Loan Tranche or Scheduled Amortisation Amount due and payable under the Intercompany Loan Agreement of that Funding 1 Issuer on that Funding 1 Interest Payment Date and (B) any other principal amount due and payable under the Intercompany Loan of that Funding 1 Issuer or the Funding 1 Loan made by the Funding 1 Loan Provider on such Funding 1 Interest Payment Date; and (ii) an amount equal to:

Funding 1 Available Principal Receipts  
 minus the aggregate amount payable under  
 items (a) and (b) above in respect of all  
 Funding 1 Issuers on such Funding 1  
 Interest Payment Date

x

Outstanding Principal Amount of the  
 Intercompany Loan of such Funding 1  
 Issuer or the Outstanding Principal  
 Amount of the Funding 1 Loan made  
 by the Funding 1 Loan Provider

---

aggregate Outstanding Principal  
 Amount of all Intercompany Loans of  
 all Funding 1 Issuers and the  
 Outstanding Principal Amount of the  
 Funding 1 Loan made by the Funding  
 1 Loan Provider

**Rule (2)**

For the purpose of determining the amount of Funding 1 Issuer Allocable Principal Receipts and/or Shared Funding 1 Issuer or the Funding 1 Loan Provider Principal Receipts which may be paid to any Funding 1 Issuer on any Funding 1 Interest Payment Date pursuant to Rule (1) above or Rule (5) below, the Outstanding Principal Amount of the Intercompany Loan of that Funding 1 Issuer or, as the case may be, the Funding 1 Loan made by the Funding 1 Loan Provider shall be deemed to be reduced by the amount of any deficiency recorded on the principal deficiency ledger of that Funding 1 Issuer as at such Funding 1 Interest Payment Date or, in the case of the Funding 1 Loan reduced by the deficiency recorded on the Funding 1 Loan Principal Deficiency Ledger, but only to the extent that such deficiency has arisen as a result of Losses on the Loans allocated by Funding 1 to that Funding 1 Issuer or recorded on the Funding 1 Principal Deficiency Ledger.

**Rule (3)**

In determining the amount due and payable under Rule (1)(c)(i), the amount of Funding 1 Available Principal Receipts payable to each Funding 1 Issuer on a Funding 1 Interest Payment Date will be reduced by an amount equal to the aggregate of the Funding 1 Issuer Available Revenue Receipts of that Funding 1 Issuer which are to be applied on that Funding 1 Interest Payment Date in reducing deficiencies recorded on the Funding 1 Issuer Principal Deficiency Ledgers of that Funding 1 Issuer, but only to the extent that such deficiency has arisen as a result of Losses on the Loans allocated by Funding 1 to that Funding 1 Issuer.

In determining the amount due and payable under Rule (1)(c)(i), the amount of Funding 1 Available Principal Receipts payable to pay the Funding 1 Loan Provider on a Funding 1 Interest Payment Date will be reduced by an amount equal to the aggregate of the Funding 1 Issuer Allocable Revenue Receipts and/or any Shared Funding 1 Issuer Revenue Receipts that are applied by Funding 1 in reducing any deficiency recorded on the Funding 1 Loan Principal Deficiency Ledger (being a principal deficiency recorded in respect of the Funding 1 Loan (but only to the extent of any deficiency which has arisen as a result of Losses (including Funding 1 Loan Losses) on the Loans allocated by Funding 1 to the Funding 1 Loan)).

**Rule (4)**

None of the Funding 1 Issuers or the Funding 1 Loan Provider shall be entitled to, or shall receive on a Funding 1 Interest Payment Date, any amount of Funding 1 Issuer Allocable Principal Receipts from Funding 1 if (a) that Funding 1 Issuer is not required to make a principal payment on the relevant Funding 1 Interest Payment Date in accordance with the applicable Funding 1 Issuer Pre-

Enforcement Principal Priority of Payments or to credit that Funding 1 Issuer Reserve Fund and/or that Funding 1 Issuer Liquidity Reserve or (b) the Funding 1 Loan is not then due and payable.

**Rule (5)**

The portion of Funding 1 Issuer Allocable Principal Receipts (calculated in accordance with Rule (1)(c)(ii) above), not required to be applied either (a) by a Funding 1 Issuer on a Funding 1 Interest Payment Date in accordance with the applicable Funding 1 Issuer Pre-Enforcement Principal Priority of Payments (excluding the amount of any Funding 1 Issuer Reserve Fund or Funding 1 Issuer Liquidity Reserve Fund (if any)) or (b) to repay the Funding 1 Loan, shall constitute **Shared Funding 1 Issuer Principal Receipts**. Shared Funding 1 Issuer Principal Receipts will be allocated and distributed by the Cash Manager in accordance with item (d) of the Funding 1 Pre-Acceleration Principal Priority of Payments and will continue to be applied in accordance with item (d) until either there are no amounts of Shared Funding 1 Issuer Principal Receipts to be so allocated and distributed on such Funding 1 Interest Payment Date or there are no remaining Funding 1 Issuers or the Funding 1 Loan Provider, as the case may be, entitled to such Shared Funding 1 Issuer Principal Receipts on such Funding 1 Interest Payment Date. Save as provided in Rule (2) above, if there is more than one Funding 1 Issuer or there is at least one Funding 1 Issuer and, if applicable, the Funding 1 Loan Provider that is entitled to Shared Funding 1 Issuer Principal Receipts, then each such Funding 1 Issuer or, as the case may be, the Funding 1 Loan Provider will be allocated a portion of the Shared Funding 1 Issuer Principal Receipts equal to:

<p>amount of Shared Funding 1 Issuer Principal Receipts</p>	x	<p style="text-align: center;"> <math display="block">\frac{\text{Outstanding Principal Amount of the Intercompany Loan of that Funding 1 Issuer or, as the case may be, the Outstanding Principal Amount of the Funding 1 Loan entitled to Shared Funding 1 Issuer Principal Receipts}}{\text{aggregate Outstanding Principal Amount of all the Intercompany Loans of Funding 1 Issuers and the Outstanding Principal Amount of the Funding 1 Loan entitled to Shared Funding 1 Issuer Principal Receipts}}</math> </p>
---	---	--

**Rule (6)**

The repayment of the Intercompany Loan of any Funding 1 Issuer prior to the occurrence of a Trigger Event or the service of an Intercompany Loan Acceleration Notice on Funding 1 will be made in accordance with the terms of the Intercompany Loan Agreement and the Funding 1 Deed of Charge.

**4. Repayment of Funding 1 Loan Tranches after an Asset Trigger Event and before the service on Funding 1 of an Intercompany Loan Acceleration Notice**

On each Funding 1 Interest Payment Date after the occurrence of an Asset Trigger Event but before the service on Funding 1 of an Intercompany Loan Acceleration Notice, the Cash Manager shall apply Funding 1 Available Principal Receipts in the following priority (the **Funding 1 Post-Asset Trigger Principal Priority of Payments**) (but, in the case of (a) and (b) below, only so long as the Rated Notes of a Funding 1 Issuer are outstanding):

- (a) to pay to each Funding 1 Issuer, as a credit towards its Funding 1 Issuer Reserve Fund, *pro rata* and in no order of priority between them, the amount required to replenish the Funding 1 Issuer Reserve Fund of that Funding 1 Issuer up to the applicable Funding 1 Issuer

Reserve Required Amount, but only to the extent that monies have been drawn from its Funding 1 Issuer Reserve Fund to make Funding 1 Issuer Reserve Principal Payments;

- (b) to pay to each Funding 1 Issuer as a credit towards its Funding 1 Issuer Liquidity Reserve, *pro rata* and in no order of priority between them, the amount required by that Funding 1 Issuer: (A) to initially fund its Funding 1 Issuer Liquidity Reserve Fund up to the applicable Funding 1 Issuer Liquidity Fund Reserve Required Amount, and (B) once its Funding 1 Issuer Liquidity Reserve Fund has been initially funded, to the extent that its Funding 1 Issuer Available Revenue Receipts or its shared Funding 1 Issuer Revenue Receipts are insufficient to do so, to replenish its Funding 1 Issuer Liquidity Reserve Fund up to the applicable Funding 1 Issuer Liquidity Fund Reserve Required Amount;
- (c) to pay to each Funding 1 Issuer and the Funding 1 Loan Provider, in no order of priority between them, an amount equal to the lesser of: (i) its remaining Funding 1 Issuer Allocable Principal Receipts, and (ii) the amount required in respect of principal due on the Intercompany Loan of that Funding 1 Issuer or due on the Funding 1 Loan made by the Funding 1 Loan Provider, which amount shall in the case of a Funding 1 Issuer be an amount up to the aggregate amount of, and shall be applied in the amounts and priorities set forth in, the Funding 1 Issuer Principal Priority of Payments for that Funding 1 Issuer;
- (d) to apply all shared Funding 1 Principal Receipts in the accordance with item (c) above, but as if references to Funding 1 Issuer Allocable Principal Receipts were to its share of the shared Funding 1 Issuer Principal Receipts; and
- (e) the balance (if any) to be credited to the Funding 1 Principal Ledger.

## 5. The rules

In the applicable circumstances, the rules set out above in relation to the application of monies in the Funding 1 Pre-Acceleration Principal Priority of Payments will apply to the application of monies in the Funding 1 Post-Asset Trigger Principal Priority of Payments, except as follows:

- (a) in Rule (1), item (c)(i) shall be amended to read "(i) all principal amounts due and payable under the Intercompany Loan Agreement of that Funding 1 Issuer or the Funding 1 Loan made by the Funding 1 Loan Provider on such Funding 1 Interest Payment Date"; and
- (b) in Rule (5), references to item (d) of the Funding 1 Pre-Acceleration Principal Priority of Payments shall mean references to item (d) of the Funding 1 Post-Asset Trigger Principal Priority of Payments.

## 6. Repayment of Loan Tranches under Intercompany Loan Agreement on a Funding 1 Interest Payment Date when Funding 1 receives on or prior to such Funding 1 Interest Payment Date the proceeds of a New Intercompany Loan or a Refinancing Distribution

If either:

- (a) the proceeds of a New Issuer Intercompany Loan are to be used to refinance all or part of the Loan Tranches outstanding under the Intercompany Loan(s); or
- (b) Funding 1 has received, or will receive during the Funding 1 Interest Period ending on the relevant Funding 1 Interest Payment Date, a Refinancing Distribution funded by another Beneficiary and either:

- (i) the Funding 1 Issuer has issued, or will issue within the period of 60 days of receipt of that Refinancing Distribution, an Optional Redemption Notice to the Noteholders in the circumstances set out in (and in accordance with) the Terms and Conditions of the Notes; or
- (ii) with the consent of Funding 1, the contributing Beneficiary specifies that the proceeds of the Refinancing Distribution are to be applied (in whole or in part) by Funding 1 towards repayment of all or part of the Loan Tranches outstanding under the Intercompany Loan(s) or to repay the Funding 1 Loan,

then Funding 1 will not apply the amount received under the New Intercompany Loan or the relevant Refinancing Distribution in accordance with the Funding 1 Pre-Acceleration Principal Priority of Payments. Rather, Funding 1 will apply the amount received under the New Intercompany Loan or, as applicable, the relevant Refinancing Distribution to repay the relevant Loan Tranches under the Intercompany Loan(s) or, as the case may be, the Funding 1 Loan. If (at any time) only one Loan Tranche is outstanding under the Intercompany Loans, then Funding 1 shall apply the amount received under the New Intercompany Loan or, as applicable, the relevant Refinancing Distribution not specified as being required to repay the Funding 1 Loan to repay such Funding 1 Loan Tranches.



### PART 3

#### FUNDING 1 POST-ACCELERATION PRIORITY OF PAYMENTS

The Cash Manager will apply amounts received following the service of an Intercompany Loan Acceleration Notice on Funding 1 or, as applicable, the Funding 1 Security Trustee will apply amounts received or recovered following the enforcement of the Funding 1 Security in accordance with the following order of priority (the **Funding 1 Post-Acceleration Priority of Payments**):

- (a) without priority among them, but in proportion to the respective amounts due (including remuneration), to pay amounts due to the Funding 1 Security Trustee and any receiver appointed by the Funding 1 Security Trustee, together with interest and any amount in respect of VAT thereon as provided therein, and to provide for any amounts due or to become due to the Funding 1 Security Trustee and the receiver in the following interest period under the Funding 1 Deed of Charge; and
- (b) without priority among them but in proportion to the respective amounts due, towards payment of amounts (if any) due to the Cash Manager under the terms of the Cash Management Agreement, to the Funding 1 Account Bank under the terms of the Funding 1 Bank Account Agreement, to the Funding 1 Corporate Services Provider under the terms of the Funding 1 Corporate Services Agreement and to the Secretarial Services Provider under the terms of the Secretarial Services Agreement;
- (c) towards payment of amounts (if any) due to the Funding 1 Swap Provider under the Funding 1 Swap Agreement (including any termination payment, but excluding any Funding 1 Swap Excluded Termination Amount);
- (d) in no order of priority among them but in proportion to the respective amounts due, to each Funding 1 Issuer and the Funding 1 Loan Provider its Funding 1 Issuer Allocable Revenue Receipts and its Funding 1 Issuer Allocable Principal Receipts towards payment of amounts of interest, principal and fees due to each Funding 1 Issuer under its Intercompany Loan Agreement or, as the case may be, the Funding 1 Loan Provider in respect of the Funding 1 Loan;
- (e) to the extent required, to apply all Shared Funding 1 Issuer Revenue Receipts and Shared Funding 1 Principal Receipts in accordance with item (d) above, but as if references to Funding 1 Issuer Allocable Revenue Receipts were to its share of the Shared Funding 1 Issuer Revenue Receipts and as if references to Funding 1 Issuer Allocable Principal Receipts were to its share of the Shared Funding 1 Issuer Principal Receipts;
- (f) any Funding 1 Swap Excluded Termination Amounts due to the Funding 1 Swap Provider;
- (g) to pay interest due or overdue on, and to repay principal to, the Funding 1 Start-Up Loan Providers under the Funding 1 Start-Up Loan Agreements pro rata and pari passu;
- (h) towards payment of any Deferred Contribution due from Funding 1 to the Mortgages Trustee pursuant to the terms of the Mortgages Trust Deed; and
- (i) the balance (if any) to Funding 1.

**Rules for application of Funding 1 Available Revenue Receipts and Funding 1 Available Principal Receipts following service of an Intercompany Loan Acceleration Notice on Funding 1**

The following rules apply to the allocation of monies by the Cash Manager or, as applicable, the Funding 1 Security Trustee following the service of an Intercompany Loan Acceleration Notice on Funding 1 or the enforcement of the Funding 1 Security:

**Rule (1)** Subject as provided in Rules (2) and (3) below, the portion of Funding 1 Issuer Allocable Revenue Receipts remaining after item (d) of the Funding 1 Post-Acceleration Priority of Payments, shall constitute (for the purposes of the Funding 1 Post-Acceleration Priority Of Payments) **Shared Funding 1 Issuer Revenue Receipts**. Shared Funding 1 Issuer Revenue Receipts will be allocated and distributed by the Cash Manager or, as applicable, the Funding 1 Security Trustee in accordance with item (e) of the Funding 1 Post-Acceleration Priority of Payments and will continue to be distributed in accordance with item (e) until each relevant Intercompany Loan or, as the case may be, Funding 1 Loan is fully repaid (taking into account any principal repayments, and subject to the terms of this Deed, each Intercompany Loan Agreement and the terms of the Funding 1 Loan). If there is more than one Funding 1 Issuer or there is at least one Funding 1 Issuer and, if applicable, the Funding Loan Provider that is entitled to Shared Funding 1 Issuer Revenue Receipts, then each such Funding 1 Issuer or, as the case may be, Funding 1 Loan Provider will be allocated a portion of Shared Funding 1 Issuer Revenue Receipts equal to:

$$\begin{array}{r}
 \text{amount of Shared Funding 1 Issuer} \\
 \text{Revenue Receipts}
 \end{array}
 \times
 \frac{\begin{array}{l}
 \text{Outstanding Principal Amount of the} \\
 \text{Intercompany Loan of that Funding 1 Issuer} \\
 \text{entitled or, as the case may be, the Outstanding} \\
 \text{Principal Amount if the Funding 1 Loan to} \\
 \text{Shared Funding 1 Issuer Revenue Receipts}
 \end{array}}{\begin{array}{l}
 \text{aggregate Outstanding Principal Amount of all} \\
 \text{the Intercompany Loans of Funding 1 Issuers} \\
 \text{and the Outstanding Principal Amount of the} \\
 \text{Funding 1 Loan entitled to Shared Funding 1} \\
 \text{Issuer Revenue Receipts}
 \end{array}}$$

**Rule (2)** The Cash Manager or, as applicable, the Funding 1 Security Trustee will take account of all of the other funds which are or will become available to any Funding 1 Issuer on any relevant date and which constitute Funding 1 Issuer Available Revenue Receipts (including any payments due under any swap agreement, any amounts standing to the credit of any reserve fund and any interest or other income received or to be received by that Funding 1 Issuer). Any such amounts shall reduce the amount payable to the relevant Funding 1 Issuer.

**Rule (3)** For the purpose of determining the amount of Funding 1 Issuer Allocable Revenue Receipts and/or Shared Funding 1 Issuer Revenue Receipts (as defined in Rule (1) above) and or Funding 1 Issuer Allocable Principal Receipts (as defined in Rule (4) below) and/or Shared Funding 1 Issuer Principal Receipts (as defined in Rule (5) below) which may be paid to any Funding 1 Issuer on any date, the Outstanding Principal Amount of the Intercompany Loan of that Funding 1 Issuer shall be deemed to be reduced by the amount of any deficiency recorded on the principal deficiency ledger of that Funding 1 issuer as at such date, but only to the extent that such deficiency has arisen as a result of Losses on the Loans allocated by Funding 1 to that Funding 1 Issuer. In respect of the Funding 1 Loan, no account will be taken of any deficiency recorded in respect of the Funding 1 Principal Deficiency Ledger.

**Rule (4)** Subject to Rule (3) above, for the purpose of the Funding 1 Post-Acceleration Priority Of Payments, **Funding 1 Issuer Allocable Principal Receipts** for a Funding 1 Issuer or the Funding 1 Loan Provider is an amount on any relevant date that is equal to the lesser of: (a) the Outstanding Principal Amount of the

relevant Intercompany Loan Agreement of that Funding 1 Issuer or of the Funding 1 Loan made by the Funding 1 Loan Provider and (b) an amount equal to:

amount of Funding 1 Issuer Principal Receipts	x	$\frac{\text{Outstanding Principal Amount of the Intercompany Loan of that Funding 1 Issuer or, as the case may be, the Outstanding Principal Amount of the Funding 1 Loan made by the Funding 1 Loan Provider}}{\text{aggregate Outstanding Principal Amount of all the Intercompany Loans of Funding 1 Issuers and the Outstanding Principal Amount of the Funding 1 Loan made by the Funding 1 Loan Provider}}$
---	---	--

**Rule (5)** Subject to Rule (3) above, the portion of Funding 1 Issuer Allocable Principal Receipts (calculated in accordance with Rule 4(b) above), not required to be applied either (a) by a Funding 1 Issuer on the relevant date in accordance with the applicable Funding 1 Issuer Post-Enforcement Priority of Payments or (b) pay amounts due under the Funding 1 Loan shall constitute **Shared Funding 1 Issuer Principal Receipts**. Shared Funding 1 Issuer Principal Receipts will be allocated and distributed by the Cash Manager or, as applicable, the Funding 1 Security Trustee in accordance with item (e) of the Funding 1 Post-Acceleration Priority of Payments and will continue to be distributed in accordance with item (e) until each relevant Intercompany Loan is fully repaid (taking into account any repayments of interest and fees, and subject to the terms of this Deed, each Intercompany Loan Agreement and the terms of the Funding 1 Loan). If there is more than one Funding 1 Issuer or there is at least one Funding 1 Issuer and, if applicable, the Funding 1 Loan Provider that is entitled to Shared Funding 1 Issuer Principal Receipts, then each such Funding 1 Issuer or, as the case may be, Funding 1 Loan Provider will be allocated a portion of the Shared Funding 1 Issuer Principal Receipts equal to:

amount of Shared Funding 1 Issuer Principal Receipts	x	$\frac{\text{Outstanding Principal Amount of the Intercompany Loan of that Funding 1 Issuer or, as the case may be, the Outstanding Principal Amount of the Funding 1 Loan made by the Funding 1 Loan Provider entitled to Shared Funding 1 Issuer Principal Receipts}}{\text{aggregate Outstanding Principal Amount of all the Intercompany Loans of Funding 1 Issuers and the Outstanding Principal Amount of the Funding 1 Loan made by the Funding 1 Loan Provider entitled to Shared Funding 1 Issuer Principal Receipts}}$
--	---	--

## SCHEDULE 5

### FORM OF FUNDING 1 SECURITY POWER OF ATTORNEY

**THIS POWER OF ATTORNEY** is made on 25 January 2008 by **LANGTON FUNDING (NO. 1) LIMITED** (registered number 6432610) whose registered office is 35 Great St. Helen's, London EC3A 6AP (the **Principal**).

#### WHEREAS:

- (1) By virtue of a deed of charge (the **Funding 1 Deed of Charge**) dated 25 January 2008 between, *inter alios*, the Principal, the Issuer, the Funding 1 Security Trustee, the Issuer Security Trustee, the Seller, the Cash Manager, the Funding 1 Account Bank, the Funding 1 Swap Provider, the Corporate Services Provider and the Mortgages Trustee, (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 Funding 1 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 Funding 1 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 Funding 1 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 Funding 1 Charged Property or which ought to be done under the covenants, undertakings and provisions contained in the Funding 1 Deed of Charge in each case on or at any time after the service of an Intercompany Loan 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 9.10 (Scottish Trust Property) (inclusive) of the Funding 1 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 Funding 1 Security and/or the Funding 1 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 Funding 1 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 against all actions, proceedings, claims, costs, expenses and liabilities of every description arising from the exercise, or the purported exercise, of any of the powers conferred by this Power of Attorney, save where the same arises as the result of the fraud, negligence or wilful default of the relevant Indemnified Party or its officers or employees.
4. The provisions of Clause 3 shall continue in force after the revocation or termination, howsoever arising, of this Power of Attorney.
5. The laws of England shall apply to this Power of Attorney and 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 Funding 1 Security Trustee's, the Funding 1 Security and/or the Funding 1 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 FUNDING (NO. 1) LIMITED** )  
 by two directors, being )  
 SFM Directors Limited and )  
 SFM Directors (No.2) Limited )