

NINTH AMENDED AND RESTATED SERVICING AGREEMENT

24 June 2025

SANTANDER UK PLC
as Servicer and Seller

and

FOSSE TRUSTEE (UK) LIMITED
as Mortgages Trustee

and

FOSSE FUNDING (NO. 1) LIMITED
as Funding 1

and

THE BANK OF NEW YORK MELLON, LONDON BRANCH
as Funding 1 Security Trustee

CONTENTS

Clause	Page
1. Definitions and Interpretation.....	4
2. Appointment of Servicer	5
3. The Administration Services	5
4. Variable Rate, Other Discretionary Rates and Margins and Follow On Rate	8
5. Administration of Mortgages	11
6. No Liability	14
7. New Loans.....	14
8. Further Advances and Product Switches	14
9. Redemption of Mortgages	15
10. Powers of Attorney	15
11. Costs and Expenses	16
12. Information.....	16
13. Remuneration	19
14. Insurances.....	19
15. [RESERVED].....	20
16. Buildings Policies.....	20
17. Title Deeds	20
18. Data Protection	21
19. Covenants of Servicer.....	23
20. Services Non-Exclusive.....	24
21. Termination	24
22. Further Assurance.....	26
23. [RESERVED].....	27
24. Miscellaneous.....	27
25. Confidentiality	28
26. Notices.....	29
27. Amendments, Waivers and Consents	29
28. No Partnership	30
29. Assignment.....	30
30. Change of Funding Security Trustee.....	30
31. Exclusion of Third Party Rights	31
32. Counterparts and Severability	31
33. Governing Law	31
34. Force Majeure Event	32

Schedule

1. The Services	33
2. Certificate of Beneficial Ownership	34

Signatories	35
-------------------	----

THIS NINTH AMENDED AND RESTATED SERVICING AGREEMENT (this **Agreement**) is made as a deed on 24 June 2025.

BETWEEN:

- (1) **SANTANDER UK PLC** (registered number 2294747), a public 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 **Seller** and **Servicer**);
- (2) **FOSSE TRUSTEE (UK) LIMITED** (registered number 07210492), 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 the **Mortgages Trustee**);
- (3) **FOSSE FUNDING (NO. 1) LIMITED** (registered number 5925696), a private limited company incorporated under the laws of England and Wales whose registered office is at c/o CSC Management Services (UK) Limited, 5 Churchill Place, 10th Floor, London, United Kingdom, E14 5HU (in its capacity as **Funding 1**); and
- (4) **THE BANK OF NEW YORK MELLON, LONDON BRANCH**, a New York banking corporation, whose address is at 160 Queen Victoria Street, London EC4V 4LA (in its capacity as **Funding 1 Security Trustee**).

WHEREAS:

- (A) The Servicer carries on the business of, *inter alia*, administering mortgage loans secured on residential properties within England, Wales and Scotland.
- (B) By the Mortgage Sale Agreement, the Seller has agreed to sell the Loans and their Related Security to the Mortgages Trustee. The Mortgages Trustee shall hold those Loans and their Related Security on trust for the Beneficiaries in accordance with the terms of the Mortgages Trust Deed.
- (C) The Servicer has agreed to provide administration and management services to the Mortgages Trustee on the terms and subject to the conditions contained in the servicing agreement dated 28 November 2006 and as amended and restated on 11 March 2010 between the parties hereto (other than Santander UK, which has replaced Alliance & Leicester in its role as Seller and Servicer pursuant to the Part VII Scheme (as defined below) and other than Fosse Trustee (UK) Limited, which replaced Fosse Trustee Limited as trustee of the Mortgages Trust pursuant to the Supplemental Mortgages Trust Deed (defined below)) and as further amended and restated on 21 April 2011, 27 April 2012, 19 August 2013, 29 April 2016, 13 September 2019, 29 July 2021 and 28 June 2022 between the parties hereto (other than Fosse Trustee (UK) Limited) (the **Original Servicing Agreement**) (as amended, restated, varied, supplemented, replaced and/or novated from time to time) in relation to, *inter alia*, the Loans and their Related Security sold to the Mortgages Trustee by the Seller.
- (D) Pursuant to a bank business transfer scheme under Part VII of the Financial Services and Markets Act 2000 (the **Part VII Scheme**), all of Alliance & Leicester's business was transferred to Santander UK. The Part VII Scheme was approved by the Part VII Order and it became effective on 28 May 2010 (the **Part VII Effective Date**). Following the approval of the Part VII Scheme which provided for the transfer of this Agreement, all accrued rights and obligations of Alliance & Leicester in its capacities as the Seller and the Servicer under this Agreement and all future rights and obligations of Alliance & Leicester in its capacities as the Seller and the Servicer under this Agreement were transferred to, and vested in or became liabilities of (as applicable), Santander UK on the Part VII Effective Date.

- (E) Pursuant to a supplement to the Mortgages Trust Deed dated on or around 29 April 2016 (the **Supplemental Mortgages Trust Deed**) entered into by, amongst others, the parties hereto and Fosse Trustee Limited as Mortgages Trustee, Fosse Trustee (UK) Limited was appointed in place of Fosse Trustee Limited as trustee of the Mortgages Trust with effect from 29 April 2016 and the Trust Property vested in Fosse Trustee (UK) Limited as Mortgages Trustee.
- (F) Pursuant to a Supplemental Funding 1 Deed of Charge, a Supplemental Issuer Deed of Charge and a Supplemental Note Trust Deed each dated 7 December 2018, entered into by, amongst others, Law Debenture Trust Company of New York and The Bank of New York Mellon, London Branch, The Bank of New York Mellon, London Branch was appointed in place of Law Debenture Trust Company of New York as Funding 1 Security Trustee, Issuer Security Trustee and Note Trustee with effect from 7 December 2018.

IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

- 1.1 The master definitions and construction schedule signed by, amongst others, the parties to this Agreement and dated 28 November 2006 (as the same may be amended, restated, varied, supplemented, replaced and/or novated from time to time with the consent of the parties thereto, including without limitation on 1 August 2007, 20 December 2007, 23 November 2009, 11 March 2010, 21 April 2011, 6 December 2011, 27 April 2012, 19 August 2013, 9 October 2014, 29 April 2016, 13 September 2019, 25 September 2019, 30 April 2020, 29 July 2021, 28 June 2022, 16 June 2023, 14 May 2024, 21 June 2024, 18 October 2024 and the date hereof) (the **Master Definitions and Construction Schedule**) is expressly and specifically incorporated into this Agreement and, accordingly, the expressions defined in the Master Definitions and Construction Schedule shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Agreement, including the recitals hereto and this Agreement shall be construed in accordance with the interpretation provisions set out in clause 3 (*Interpretation and Construction*) of the Master Definitions and Construction Schedule.
- 1.2 References in this Agreement to the Funding Companies and the Funding Security Trustees shall, for so long as Funding 1 and the Funding 1 Security Trustee are the sole Funding Company and Funding Security Trustee respectively, be construed as references to Funding 1 and the Funding 1 Security Trustee respectively.
- 1.3 Any reference in this Agreement to any discretion, power or right on the part of the Mortgages Trustee shall be exercised by the Mortgages Trustee only as directed by the Beneficiaries but subject in each case to the provisions of clause 19 (*Directions from Beneficiaries*) of the Mortgages Trust Deed.
- 1.4 Save as expressly provided herein, any warranties or undertakings provided under this Agreement are made to each other party to this Agreement.
- 1.5 On and from the Part VII Effective Date, this Agreement shall be construed as if Santander UK had always been a party to it instead of Alliance & Leicester in its capacities as the Seller and the Servicer. Accordingly, on and from the Part VII Effective Date, all rights, liabilities, obligations, powers, trusts, authorities, duties and discretions exercised or performed (or exercisable or performable) by Alliance & Leicester in its capacities as the Seller or the Servicer pursuant to this Agreement prior to the Part VII Effective Date are deemed to have been exercised or performed (or to have been exercisable or performable) by Santander UK. However, the foregoing shall not apply to the extent inconsistent with the Part VII Scheme or to create or diminish any rights, liabilities, obligations, powers, trusts, authorities, duties or discretions or to create or diminish any other assets or liabilities (as to be defined in the Part VII Scheme) otherwise than as provided for in the Part VII Scheme.

- 1.6 The parties hereto have agreed to amend and restate the terms of the Original Servicing Agreement as set out herein. As at the date of this Agreement (the **Effective Date**), any future rights or obligations (excluding such rights and obligations accrued to the Effective Date) of a party under the Original Servicing Agreement shall be extinguished and shall instead be governed by this Agreement.

2. APPOINTMENT OF SERVICER

- 2.1 Subject to Clauses 3 and 4.4, and until termination pursuant to Clause 21, the Mortgages Trustee on the direction of the Seller and Funding 1 hereby appoints the Servicer as its lawful agent on its behalf to administer the Loans sold by the Seller to the Mortgages Trustee, to provide certain other administration and management services and to exercise their rights, powers and discretions, and to perform their duties, under and in relation to those Loans and their Related Security. The Servicer hereby accepts such appointment on the terms and subject to the conditions of this Agreement. The Funding 1 Security Trustee consents to the appointment of the Servicer on the terms of and subject to the conditions of this Agreement.
- 2.2 For the avoidance of doubt and in connection with the rights, powers and discretions conferred under Clause 2.1, during the continuance of its appointment hereunder, the Servicer shall, subject to the terms and conditions of this Agreement, the Mortgage Conditions, the Mortgage Sale Agreement and the Mortgages Trust Deed, have the full power, authority and right to do or cause to be done any and all things which it reasonably considers necessary, convenient or incidental to the administration of the Loans and their Related Security sold by the Seller to the Mortgages Trustee or the exercise of such rights, powers and discretions, PROVIDED HOWEVER THAT neither the Mortgages Trustee nor the Funding Companies nor their respective directors shall be required or obliged at any time to enter into any transaction or to comply with any directions which the Servicer may give with respect to the operating and financial policies of the Mortgages Trustee or the Funding Companies and the Servicer hereby acknowledges that all powers to determine such policies (including the determination of whether or not any particular policy is for the benefit of the Mortgages Trustee or the Funding Companies) are, and shall at all times remain, as the case may be, vested in the Mortgages Trustee or the Funding Companies (and their respective directors) and none of the provisions of this Agreement shall be construed in a manner inconsistent with this proviso.

3. THE ADMINISTRATION SERVICES

3.1 General

- (a) The duty of the Servicer shall be to provide the services set out in this Agreement including Schedule 1 hereto (the **Services**).
- (b) If and when the Servicer is requested to confirm or state the capacity in which it is administering and servicing the Loans and their Related Security sold by the Seller to the Mortgages Trustee and related matters pursuant to this Agreement by any Borrower or any third party not being a party to this Agreement and to whom the Servicer is obliged by law to disclose such information, the Servicer shall confirm or state that it is acting in its capacity as servicer of the Loans and their Related Security sold by the Seller to the Mortgages Trustee and related matters as agent for and on behalf of the Mortgages Trustee and not on its own behalf.
- (c) Changes to the provisions of the terms under which the Loans and their Related Security are administered or managed shall only be undertaken with appropriate agreement and direction from the Beneficiaries.

3.2 Sub-contracts

- (a) The Servicer may sub-contract or delegate the performance of all or any of its powers and obligations under this Agreement, PROVIDED THAT (but subject to Clause 3.2(b)):
- (i) the prior written consent of the Funding Companies and the Funding Security Trustees to the proposed arrangement (including, if the Funding Companies and the Funding Security Trustees consider it necessary, approving any contract which sets out the terms on which such arrangements are to be made) has been obtained and written notification has been given to each of the Rating Agencies;
 - (ii) where the arrangements involve the custody or control of any Customer Files and/or Title Deeds relating to the Portfolio for the purpose of performing any delegated Services, the sub-contractor or delegate has executed an acknowledgement in form and substance acceptable to the Mortgages Trustee (as directed by the Funding Companies) to the effect that any such Customer Files and/or Title Deeds are and will be held to the order of the Mortgages Trustee or such entity (as trustee for the Beneficiaries) as the Mortgages Trustee shall direct;
 - (iii) where the arrangements involve or may involve the receipt by the sub-contractor or delegate of monies belonging to the Beneficiaries which, in accordance with this Agreement, are to be paid into (as applicable) the Mortgages Trustee GIC Account, the Funding 1 GIC Account, the Funding 1 Transaction Account (or the relevant accounts of each Further Funding Company), the sub-contractor or delegate has executed a declaration in form and substance acceptable to the Beneficiaries that any such monies held by it or to its order are held on trust for the Beneficiaries and will be paid forthwith into (as applicable) the Mortgages Trustee GIC Account, the Funding 1 GIC Account, the Funding 1 Transaction Account (or the relevant accounts of each Further Funding Company), in accordance with the terms of the Mortgages Trust Deed;
 - (iv) any such sub-contractor or delegate has executed a written waiver of any Security Interest arising in connection with such delegated Services (to the extent that such Security Interest relates to the Portfolio or any amount referred to in paragraph (iii) above);
 - (v) neither the Funding Security Trustees, the Funding Companies nor the Mortgages Trustee shall have any liability for any costs, charges or expenses payable to or incurred by such sub-contractor or delegate or arising from the entering into, the continuance or the termination of any such arrangement; and
 - (vi) any such sub-contractor or delegate shall have confirmed to the Servicer, the Funding Companies and the Funding Security Trustees that it has, and shall maintain, all requisite consents, authorisations, approvals, licenses and orders, including without limitation any necessary registrations under the Data Protection Act authorisations and permissions under FSMA, to enable it to fulfil its obligations under or in connection with any such arrangement.
- (b) The provisos to 3.2(a)(i), (ii) and (iii) shall not apply:
- (i) to the engagement by the Servicer of:
 - (A) any receiver, solicitor, insurance broker, valuer, surveyor, accountant, estate agent, insolvency practitioner, auctioneer, bailiff, sheriff officer, debt counsellor, tracing agent, property management agent, licensed conveyancer, qualified conveyancer or other professional adviser acting as such;

- (B) any locksmith, builder or other contractor acting as such in relation to a Property; or
- (C) any documentation retention service or document storage facility (whether physical or electronic),

in any such case being a person or persons whom the Servicer would be willing to appoint in respect of its own mortgages in connection with the performance by the Servicer of any of its obligations or functions or in connection with the exercise of its powers under this Agreement; or

- (ii) to any delegation to or appointment of any wholly-owned subsidiary of Santander UK plc from time to time.
- (c) The Mortgages Trustee and/or the Funding Companies and the Funding Security Trustees may by notice in writing require the Servicer to assign to the Mortgages Trustee any rights which the Servicer may have against any sub-contractor or delegate arising from the performance of services by such person relating to any matter contemplated by this Agreement and the Servicer acknowledges that such rights assigned to the Mortgages Trustee will be exercised by the Mortgages Trustee as trustee for the Beneficiaries subject to the terms of the Mortgages Trust Deed.
- (d) Notwithstanding any sub-contracting or delegation of the performance of its obligations under this Agreement, the Servicer shall not thereby be released or discharged from any liability hereunder and shall remain responsible for the performance of all of the obligations of the Servicer under this Agreement, and the performance or non-performance or the manner of performance of any sub-contractor or delegate of any of the Services shall not affect the Servicer's obligations under this Agreement and any breach in the performance of the Services by such sub-contractor or delegate shall, subject to the Servicer being entitled for a period of 20 London Business Days from receipt of any notice of the breach to remedy such breach by any sub-contractor or delegate, be treated as a breach of this Agreement by the Servicer.

3.3 Notices etc.

Promptly upon request by the Mortgages Trustee, the Servicer shall procure that any notices which the Mortgages Trustee may require the Seller to give pursuant to clause 6.2 (*Completion of the Transfer of Loans*) of the Mortgage Sale Agreement are so given by the Servicer on the Mortgages Trustee's behalf.

3.4 Liability of Servicer

- (a) The Servicer shall indemnify the Mortgages Trustee and the Beneficiaries on demand on an after-Tax basis for any losses, liabilities, claims, expenses or damages suffered or incurred by any of them in respect of the fraud, negligence or wilful default of the Servicer or any of its sub-contractors, in carrying out its functions as Servicer under this Agreement or the other Transaction Documents or as a result of a breach by the Servicer of the terms and provisions of this Agreement or the other Transaction Documents in relation to such functions.
- (b) For the avoidance of doubt, the Servicer shall not be liable in respect of any loss, liability, claim, expense or damage suffered or incurred by the Mortgages Trustee and/or the Beneficiaries and/or any other person as a result of the proper performance of the Services by the Servicer or any of its sub-contractors save where such loss, liability, claim, expense or damage is suffered or incurred as a result of any fraud, negligence or wilful default of the Servicer or as a result of a breach by the Servicer of the terms and provisions of this Agreement or the other Transaction Documents in relation to such functions.

- (c) For so long as the Servicer is also the Seller, any indemnification under this Clause 3 in respect of loss suffered by the Beneficiaries shall be paid for by reducing the Seller Share by an amount equal to the relevant loss incurred by the Beneficiaries in accordance with clause 11.7 of the Mortgages Trust Deed and schedule 2 to the Cash Management Agreement.

3.5 Perfection of the Sale of Loans to the Mortgages Trustee

Subject to clause 6 (*Completion of the Transfer of Loans*) of the Mortgage Sale Agreement:

- (a) within 20 London Business Days of the happening of any of the events referred to in clause 6.1 of the Mortgage Sale Agreement, the Servicer shall execute or procure the execution of the transfers and assignments referred to in clauses 6.3, 6.4 and 6.5 of the Mortgage Sale Agreement on behalf of the Seller or shall provide sufficient information to enable the Mortgages Trustee to do so;
- (b) upon the Seller being required to give notice of the transfer of the equitable and beneficial interest in the Loans to the Borrowers pursuant to clause 6.2 of the Mortgage Sale Agreement, the Servicer shall give or procure the giving of such notice on behalf of the Seller or shall provide sufficient information to enable the Mortgages Trustee to do so; and
- (c) upon the Seller being required to do so by the Mortgages Trustee pursuant to clause 6.8 of the Mortgage Sale Agreement, the Servicer shall do or procure the doing of all or any of the acts, matters or things (including, for the avoidance of doubt, those acts, matters or things referred to in clauses 6.3, 6.4 and 6.5 of the Mortgage Sale Agreement) on behalf of the Seller or shall provide sufficient information to enable the Mortgages Trustee to do so.

4. VARIABLE RATE, OTHER DISCRETIONARY RATES AND MARGINS AND FOLLOW ON RATE

- 4.1 Subject to Clause 4.4, the Mortgages Trustee and each of the Beneficiaries hereby grant the Servicer full right, liberty and authority from time to time, in accordance with the relevant Mortgage Terms, to determine and set, in relation to the Loans sold by the Seller and in the Portfolio, the Variable Rates and/or the Differential Rates and any other discretionary rates or margins applicable in relation to the Loans comprising the Trust Property. In exercising such right, liberty and authority, the Servicer undertakes to each of the other parties to this Agreement that it shall not at any time without the prior consent of the Mortgages Trustee and the Funding Companies, set or maintain:

- (a) the Variable Rate applicable to any Variable Rate Loan and/or the Differential Rate applicable to any Tracker Loan or any Discount Loan sold by the Seller to the Mortgages Trustee and in the Portfolio at a rate which is higher than (although it may be lower than or equal to) the Variable Rate or the Differential Rate respectively which applies to that type of loan beneficially owned by the Seller, as applicable, outside the Portfolio; or
- (b) any other discretionary rate or margin in respect of any other Loan sold by the Seller to the Mortgages Trustee and in the Portfolio which is higher than (although it may be lower than or equal to) the interest rate or margin of the Seller, which applies to that type of loan beneficially owned by the Seller, as applicable, outside the Portfolio,

unless the Servicer is required to do so pursuant to Clause 4.3, and, subject to that requirement, it shall not change the Variable Rates nor the Differential Rates nor any other discretionary rates or margins in relation to any Loans sold by the Seller and in the Portfolio save for the same reasons as the Seller was entitled, under the Mortgage Conditions, to change the Variable Rates or the Differential Rates or any other discretionary rates or margins of the Seller prior to the sale to the Mortgages Trustee of the Loans comprised in the Portfolio and their Related Security. The

Mortgages Trustee shall be bound by the Variable Rates or the Differential Rates and any other discretionary rates or margins in relation to any Loans set in accordance with this Agreement.

4.2 The Servicer shall take the steps rendered necessary by the relevant Mortgage Terms and applicable law (including any relevant guidance issued by any Regulatory Authority) to bring each change in such rate or rates of interest to the attention of the relevant Borrowers, whether due to a change in the Variable Rate and/or the Differential Rate or any other discretionary rate or margin in relation to any Loan or as a consequence of any provisions of the Mortgage Terms. Any change in the Variable Rate and/or the Differential Rate or any other discretionary rate or margin in relation to any Loan shall be notified in writing to each of the Mortgages Trustee, the Beneficiaries and the Funding Security Trustees as soon as reasonably practicable and the Servicer shall, upon receipt of a request from any of such parties, notify such requesting party of any changes in the Monthly Payments in relation to the Loans sold by the Seller to the Mortgages Trustee. All costs arising in relation to such a notification of a change in such rate or rates of interest shall be borne by the Servicer.

4.3 (a) On each Trust Calculation Date immediately preceding each Funding 1 Payment Date the Servicer shall determine, having regard to the aggregate of:

- (i) the revenue which Funding 1 would expect to receive during the next succeeding Funding 1 Interest Period (the **relevant Funding 1 Interest Period**);
- (ii) the Variable Rates and any other discretionary rates or margins applicable in respect of the Variable Rate Loans and the Differential Rates in respect of the Tracker Loans or the Discount Loans which the Servicer proposes to set for the relevant Funding 1 Interest Period under this Agreement; and
- (iii) the other resources available to Funding 1, including the Funding 1 Swap Agreement, the General Reserve Fund and, if applicable, the Liquidity Reserve Fund, and if established, the Funding 1 Liquidity Facility,

whether Funding 1 would receive an amount of revenue during the relevant Funding 1 Interest Period which, when aggregated with the funds otherwise available to it, is less than the amount which is the aggregate of (1) the amount in respect of interest which would be payable by Funding 1 in respect of all AAA Loan Tranches on the Funding 1 Payment Date falling at the end of the relevant Funding 1 Interest Period and (2) the other amounts payable by Funding 1 ranking in priority thereto in accordance with the relevant Pre-Acceleration Revenue Priority of Payments on the Funding 1 Payment Date falling at the end of the relevant Funding 1 Interest Period (the **Interest Rate Shortfall Test**).

(b) If the Servicer determines that the Interest Rate Shortfall Test will not be met, it will within two London Business Days of such determination give written notice to the Mortgages Trustee, the Funding Companies and the Funding Security Trustees of the amount by which paragraphs (i), (ii) and (iii) of Clause 4.3(a) fall short of the aggregate of the amounts identified in (1) and (2) in Clause 4.3(a) (such amount being the **Interest Rate Shortfall**) and of the Variable Rates and/or the Differential Rates and/or any other discretionary rates or margins applicable which would (taking into account the applicable Mortgage Conditions), in the Servicer's reasonable opinion, need to be set in order for no Interest Rate Shortfall to arise, having regard to the date(s) (which shall be specified in the notice) on which such change to the Variable Rates and/or the Differential Rates and/or any other discretionary rates or margins would take effect, and at all times acting in accordance with the standards of a Reasonable, Prudent Mortgage Lender as regards the competing interests of Borrowers with Variable Rate Loans and Borrowers with other relevant Loans. For the avoidance of doubt, any action taken by the Servicer to set the Variable Rates and/or the Differential Rates and/or any other applicable discretionary rates or margins which are the

same or lower than that of the competitors of the Seller will be deemed to be in accordance with the standards of a Reasonable, Prudent Mortgage Lender.

- (c) If the Mortgages Trustee and the Funding Companies and/or the Funding Security Trustees notify the Servicer that, having regard to the obligations of the Funding Companies, the Variable Rates and/or the Differential Rates and/or any other discretionary rates or margins should be increased, the Servicer shall take all steps which are necessary, including publishing any notice which is required in accordance with the Mortgage Terms, to effect such change in the Variable Rates and/or the Differential Rates and/or any other discretionary rates or margins on the date(s) specified in the notice referred to in Clause 4.3(b). In these circumstances, the Servicer shall have the right to set the Variable Rates and/or the Differential Rates and/or discretionary rates or margins of the Seller.

4.4 Without prejudice to Clause 4.3, at any time prior to the transfer of legal title to the Portfolio (or any part thereof) in accordance with clause 6 of the Mortgage Sale Agreement, Funding 1 may serve written notice on the Servicer instructing the Servicer to set the Variable Rate (including by publishing any notice which is required in accordance with the Mortgage Conditions to effect such change in the Variable Rate), but only with effect from the date on which such transfer of legal title is effected, to a rate equal to (i) the SONIA Spot Rate calculated as at the Interest Payment Date immediately preceding such transfer of legal title in respect of the three months preceding such Interest Payment Date plus (ii) the Post-Perfection SVR-SONIA Margin and thereafter the Servicer shall set the Variable Rate on a quarterly basis as at each Funding 1 Interest Payment Date (including by publishing any notice which is required in accordance with the Mortgage Conditions to effect such change in the Variable Rate) at a rate equal to (iii) the SONIA Spot Rate calculated as at the Interest Payment Date immediately preceding such transfer of legal title in respect of the three months preceding such Interest Payment Date plus (iv) the Post-Perfection SVR-SONIA Margin. The Servicer shall only be under an obligation to set the Variable Rate in accordance with the provisions of this clause 4.4 if it would not result in a breach of the applicable Mortgage Conditions and would not be contrary to applicable laws (including without limitation, applicable guidelines and applicable statements of good practice of the FCA) and may be undertaken in accordance with the standards of a Reasonable, Prudent Mortgage Lender.

4.5 The Mortgages Trustee and/or any Funding Company, with the consent of the Funding Security Trustees, may terminate the authority of the Servicer under Clauses 4.1, 4.3 and 4.4 to determine and set the Variable Rates and the Differential Rates and any other discretionary rates or margins on or after the occurrence of a Servicer Termination Event, in which case the Mortgages Trustee shall set the Variable Rates and the Differential Rates and any other discretionary rates or margins in accordance with this Clause 4.

4.6

- (a) The Seller shall change the Follow-On Rate for any Tracker Loans to which such rate applies (disregarding any discounts or additions to it), only if there is a change in the Bank of England base rate and in accordance with the Mortgage Terms and the Seller's Policy in relation to the change of such rates as it applies at any time.
- (b) With effect from the date of transfer of legal title in accordance with the terms of the Mortgage Sale Agreement, the Mortgages Trustee shall, and shall procure that the Seller or the servicer of the Loans (if such servicer is not the Seller) shall, following the expiry of any interest rate product period in respect of each Tracker Loan to which the Follow-On Rate applies, ensure that such Tracker Loan reverts to the Follow-On Rate in accordance with the Mortgage Terms applicable to such Tracker Loan and the Mortgages Trustee shall, or shall procure, that the difference between the Follow-On Rate and the Bank of England base rate on the date of the legal title transfer remains the same for such Tracker Loans, so that the legal title transfer shall not impact on the relevant rate applicable to such Tracker Loans.

5. ADMINISTRATION OF MORTGAGES

5.1 Direct Debiting Scheme

- (a) For the purposes of collecting amounts due from Borrowers under the Loans and their Related Security sold by the Seller to the Mortgages Trustee comprised in the Portfolio in accordance with this Agreement, the Servicer will unless otherwise agreed in writing with the Mortgages Trustee:
- (i) act, or procure that another person approved in writing by the Beneficiaries (such approval not to be unreasonably withheld) (the **Third Party Collection Agent**) acts, as collection agent for the Mortgages Trustee and the Beneficiaries under the Direct Debiting Scheme and remains, or procure that the Third Party Collection Agent remains, a member of the Direct Debiting Scheme or any scheme which replaces the Direct Debiting Scheme;
 - (ii) subject to Clauses 5.1(b) and 5.1(c), deliver to the Bankers Automated Clearing System (**BACS**) or to the Mortgages Trustee Account Bank such instructions as may be necessary from time to time for the debit of the account of each Borrower in respect of which there is a direct debit mandate (the date of such delivery being the **D.D. Date**) with the Monthly Payment due from such Borrower, and arrange for the amount of such Monthly Payment to be credited to the Mortgages Trustee GIC Account on the day after the D.D. Date or, if such day is not a London Business Day, the next following London Business Day, unless the unsecured, unsubordinated and unguaranteed debt obligations of the Seller are not rated at least A-2 short-term and BBB long-term by Standard & Poor's or P-2 short-term by Moody's or the short-term or long-term "Issuer Default Ratings" of the Seller fall below either F2 or BBB+ (respectively) by Fitch, in which case all further instructions by the Servicer to debit the accounts of Borrowers that are subject to direct debit bank mandates commencing not less than 30 calendar days therefrom shall be made to another bank whose unsecured, unsubordinated and unguaranteed debt obligations are rated at least A-2 short-term and BBB long-term by Standard & Poor's and P-2 short-term by Moody's and whose short-term and long-term "Issuer Default Ratings" are at least F2 and BBB+ (respectively) by Fitch, or directly to the Mortgages Trustee GIC Account;
 - (iii) subject to Clauses 5.1(b) and 5.1(c), deliver to the Mortgages Trustee Account Bank or BACS (as appropriate) instructions for the debit of the account of each Borrower in respect of which there is a direct debit mandate and the Monthly Payment due and owing from such Borrower on the D.D. Date immediately preceding the next succeeding Monthly Payment Date remains outstanding to the extent that, on such D.D. Date, such Monthly Payment has not been received in full by the Servicer on behalf of the Mortgages Trustee and where the instructions for the debit of the account of the relevant Borrower for the Monthly Payment due and owing from such Borrower were returned to the Servicer marked "insufficient funds", within ten London Business Days of receipt by the Servicer of any such returned instructions;
 - (iv) subject to Clauses 5.1(b) and 5.1(c), deliver to the Mortgages Trustee Account Bank or BACS (as appropriate) such other instructions for the debit of the account of each Borrower in respect of which there is a direct debit mandate in accordance with the Direct Debiting Scheme as may be appropriate for the recovery of sums due by such Borrower;
 - (v) comply in all material respects with the requirements from time to time of the Direct Debiting Scheme including "The Originator's Guide and Rules to the Direct Debiting Scheme" as amended from time to time; and
 - (vi) take all such other steps as are reasonably appropriate, including in particular the preparation and administration of appropriate computer tapes in connection with BACS, to ensure that

all monies received from Borrowers during banking hours on any particular day are credited on the next day to the Mortgages Trustee GIC Account.

- (b) The Servicer may agree with a Borrower that the Direct Debiting Scheme shall not apply to Monthly Payments to be made by such Borrower, PROVIDED, subject to Clause 5.1(d), THAT (i) alternative payment arrangements are made which are intended to ensure timely payment of Monthly Payments due from the Borrower to the Mortgages Trustee and (ii) the change in arrangements was made at the instigation of the Borrower or by the Servicer in accordance with the procedures which would be adopted by a Reasonable, Prudent Mortgage Lender.
- (c) The Servicer may, notwithstanding the proviso to Clause 5.1(b), agree such procedures for the payment by a Borrower of (i) overdue amounts and (ii) amounts payable on redemption of a Mortgage in whole or in part other than through the Direct Debiting Scheme as would be agreed by a Reasonable, Prudent Mortgage Lender.
- (d) The Servicer shall, notwithstanding the proviso to Clause 5.1(b), use its reasonable endeavours to credit Monthly Payments made by a Borrower under a payment arrangement other than the Direct Debiting Scheme to the Mortgages Trustee GIC Account as follows:
 - (i) where the Borrower pays by standing order, by close of business on the second London Business Day following the day on which such amount is received by or credited to the Servicer;
 - (ii) where the Borrower pays by payment of cash, by transfer payment from another account of the Seller or by cheque where reference to the relevant Borrower is provided or payments are made by way of paying-in book, by close of business on the London Business Day which immediately follows the day on which such amount is received or credited by the Servicer; and
 - (iii) where the Borrower pays by cheque where a reference to the relevant Borrower is not provided, by close of business on the next London Business Day after receipt if the Seller is the operator of the Seller Bank Accounts or (if applicable) notification from the bank operating the relevant Seller Bank Accounts of the identity of the Borrower.
- (e) Where a Borrower permits a direct debit to be made to his bank account, the Servicer will endeavour to procure that such Borrower maintains a valid and effective mandate relating to such direct debit in relation to each Monthly Payment due from that Borrower, PROVIDED THAT in any case where a Borrower will not permit a direct debit to be made to his bank account the Servicer will endeavour to make alternative arrangements acceptable to a Reasonable, Prudent Mortgage Lender so that such Borrower nevertheless pays each Monthly Payment within the month in which it falls due.
- (f) In the event that the BACS system ceases to operate for any reason the Servicer will use reasonable endeavours to make alternative arrangements for the use of such back up systems as are available to the Mortgages Trustee Account Bank.
- (g) If at any time the Servicer shall receive notice whether under the Direct Debiting Scheme or otherwise that any amount (or part thereof) which was paid in or credited pursuant to this Clause 5.1 and which has been transferred to the Mortgages Trustee GIC Account has not been received as cleared funds or has otherwise been recalled, the Servicer shall notify the Cash Manager and instruct the Cash Manager forthwith to debit the Mortgages Trustee GIC Account and credit the relevant collection account for the whole or any part of such amount (such amount hereinafter referred to as the **shortfall**) and an amount equal to any costs which are irrecoverable by the Servicer from the relevant Borrower and incurred by the Servicer as a result of such shortfall, PROVIDED THAT no debit from the Mortgages Trustee GIC Account for the credit of the collection accounts in respect of any shortfall may be made on or after a Trust Calculation Date in respect of the relevant period

between that Trust Calculation Date and the next Funding Company Payment Date unless sufficient funds are available after providing or making provision for all payments to be made on the next succeeding Funding Company Payment Date. After that following Funding Company Payment Date, the Mortgages Trustee shall transfer, or procure the transfer, from the Mortgages Trustee GIC Account to the relevant collection account of an amount equal to such shortfall subject to it having sufficient funds available to it, or the Servicer shall deduct an amount equal to such shortfall from payments otherwise due on a daily basis from the Seller to the Mortgages Trustee in respect of Principal Receipts and Revenue Receipts received under the Loans sold by the Seller to the Mortgages Trustee.

5.2 Administration and enforcement of Mortgages

- (a) The Mortgages Trustee and the Beneficiaries hereby direct the Servicer to administer the Loans sold by the Seller to the Mortgages Trustee comprised in the Portfolio and carry out its specific obligations under this Agreement in accordance with the Seller's Policy.
- (b) The Servicer will, in relation to any default by a Borrower under or in connection with a Loan or a Mortgage sold by the Seller to the Mortgages Trustee comprised in the Portfolio, comply with the Enforcement Procedures or, to the extent that the Enforcement Procedures are not applicable having regard to the nature of the default in question, with the usual procedures undertaken by a Reasonable, Prudent Mortgage Lender on behalf of the Mortgages Trustee and provided that any such action is not materially prejudicial to the interests of the Mortgages Trustee (as trustee for the Beneficiaries) and the Beneficiaries, PROVIDED THAT:
 - (i) the Servicer shall only become obliged to comply with the Enforcement Procedures (to the extent applicable) or to take action as aforesaid after it has become aware of the default;
 - (ii) it is acknowledged by the Beneficiaries that mortgage lenders generally exercise discretion in pursuing their respective enforcement procedures and that the Servicer may exercise such discretion as would a Reasonable, Prudent Mortgage Lender in applying the Enforcement Procedures to any particular defaulting Borrower or taking action as aforesaid, PROVIDED THAT in exercising such discretion the interest of the Funding Companies is not materially prejudiced; and
 - (iii) in any case where any of the Insurance Policies requires exact compliance with certain enforcement procedures, the Servicer shall procure the prior written consent of the relevant insurance company for any deviation by it from such enforcement procedures.

5.3 Records

The Servicer shall keep and maintain records in relation to the Loans sold by the Seller to the Mortgages Trustee comprised in the Portfolio, on a Loan by Loan basis, for the purposes of identifying amounts paid by each Borrower, any amount due from a Borrower and the principal balance (and, if different, the total balance) from time to time outstanding on a Borrower's account, and such other records as would be kept by a Reasonable, Prudent Mortgage Lender. The Servicer will provide such information to the Mortgages Trustee and/or the Funding Companies (and their Auditors) and/or the Funding Security Trustees and any other person nominated by the Beneficiaries or to their order at all reasonable times upon reasonable notice, subject to the Servicer being reasonably capable of providing such information without significant additional cost, and subject to the provisions of the Data Protection Laws (as defined in Clause 18) and other applicable legislation from time to time, and PROVIDED THAT no duty of confidence and no industry code of practice will or may be breached thereby.

5.4 Trust

If the Servicer in carrying out its functions as Servicer under this Agreement receives (including in its capacity as agent for the Mortgages Trustee and the Beneficiaries) any money whatsoever arising from the Loans and their Related Security sold by the Seller to the Mortgages Trustee, which money belongs to the Mortgages Trustee and is to be paid to the Mortgages Trustee GIC Account pursuant to this Agreement or any of the other Transaction Documents or otherwise, it will hold such money on trust for the Mortgages Trustee and shall keep such money distinguishable from all other monies held by the Servicer and shall, as soon as reasonably practicable and in any event within the time limits referred to in Clause 5.1 (Direct Debiting Scheme), pay such money into the Mortgages Trustee GIC Account.

6. NO LIABILITY

- 6.1 The Servicer shall have no liability for any obligation of a Borrower under any Loan comprised in the Portfolio or any Related Security and nothing herein shall constitute a guarantee, or similar obligation, by the Servicer of any Loan, any Related Security or any Borrower.
- 6.2 Save as otherwise provided in this Agreement, the Servicer shall have no liability for the obligations of the Mortgages Trustee or the Beneficiaries under any of the Transaction Documents or otherwise and nothing herein shall constitute a guarantee, or similar obligation, by the Servicer of the Mortgages Trustee or the Beneficiaries in respect of any of those obligations.

7. NEW LOANS

- 7.1 The Portfolio may be augmented from time to time by the sale to the Mortgages Trustee on any Sale Date of New Loans and their New Related Security by the Seller in accordance with the Mortgage Sale Agreement.
- 7.2 The sale by the Seller of New Loans and their New Related Security to the Mortgages Trustee will in all cases be subject to the terms set out in the Mortgage Sale Agreement including, without limitation, the conditions set out in clause 4.2 (*Sale and purchase of New Portfolios, Product Switches and Further Advances*) of the Mortgage Sale Agreement and the Representations and Warranties set out in clause 8 (*Warranties and Repurchase by the Seller*) of the Mortgage Sale Agreement.

8. FURTHER ADVANCES AND PRODUCT SWITCHES

- 8.1 The Servicer shall not accept an application for or, as the case may be, offer, a Product Switch or a Further Advance without first having received confirmation in writing from the Seller (save where the Seller is the Servicer) that the Seller would, if so required by the Mortgages Trustee, re-purchase the relevant Loan and its Related Security from the Mortgages Trustee if the conditions for Loans that are the subject of Product Switch or Further Advance set out in Clause 4.5 of the Mortgage Sale Agreement are not complied with as of the next Trust Calculation Date immediately following the Product Switch or, as the case may be, Further Advance being made.
- 8.2 Subject to complying with the terms of Clause 8.1, where the Servicer accepts an application for or, as the case may be, offers a Product Switch or a Further Advance, the Servicer shall then notify the Seller and the Mortgages Trustee in writing.
- 8.3 Notwithstanding Clause 8.2, subject to complying with the terms of Clause 8.1, the Servicer may accept applications from Borrowers for Product Switches and Further Advances PROVIDED THAT the Servicer acts in accordance with its then procedures relating to Product Switches and Further Advances which would be acceptable to a Reasonable, Prudent Mortgage Lender.

- 8.4 The Seller is and at all times shall remain solely responsible for funding any application for a Further Advance made by a Borrower and, for the avoidance of doubt, the Servicer shall not be required on behalf of the Mortgages Trustee or the Beneficiaries to advance monies to the Seller or to a Borrower in order to fund such a Further Advance in any circumstances whatsoever.

9. REDEMPTION OF MORTGAGES

- 9.1 Upon repayment in full of all sums due in relation to Loans sold by the Seller to the Mortgages Trustee secured by a Mortgage and/or other Related Security comprised in the Portfolio, the Servicer shall (and is hereby authorised by the Mortgages Trustee and the Beneficiaries to) execute a receipt or discharge or relevant Land Registry Form DS1 of the Mortgage and any such other or further instrument or deed of satisfaction regarding such Mortgage and/or the Related Security as it considers to be necessary or advisable, to implement an electronic notification of discharge to Land Registry and to release the relevant Title Deeds to the person or persons entitled thereto.
- 9.2 In relation to Loans which are not Dematerialised Loans the Servicer undertakes that prior to any actual release by it of the relevant Title Deeds it will take reasonable and appropriate steps to satisfy itself that the relevant Title Deeds are being released to the person or persons entitled thereto.
- 9.3 The Servicer shall procure that if, upon completion of the Enforcement Procedures, an amount in excess of all sums due by the relevant Borrower is recovered or received, the balance, after discharge of all sums due by the Borrower, is paid to the person or persons next entitled thereto.

10. POWERS OF ATTORNEY

- 10.1 For good and valuable consideration and as security for the interests of the Mortgages Trustee and the Beneficiaries hereunder, the Mortgages Trustee and each Beneficiary hereby appoints the Servicer as its attorney on its behalf, and in its own or the attorney's name, for the following purposes:
- (a) executing all documents necessary for the purpose of discharging a Mortgage in relation to a Loan sold by the Seller to the Mortgages Trustee comprised in the Portfolio which has been repaid in full and any Related Security or for the sale of a Property secured in relation to a Loan sold by the Seller to the Mortgages Trustee;
 - (b) executing all documents and implementing all electronic notifications of discharge to Land Registry necessary for the purpose of releasing a Mortgage in accordance with Clause 9 (*Redemption of Mortgages*);
 - (c) executing all documents and doing all such acts and things which in the reasonable opinion of the Servicer are necessary or desirable for the efficient provision of the Services hereunder; and
 - (d) exercising its rights, powers and discretion under the Mortgages relating to Loans sold by the Seller to the Mortgages Trustee including, in respect of the Loans sold by the Seller in the Portfolio, the right to fix the Variable Rates and/or the Differential Rates and any other discretionary rates or margins,

PROVIDED THAT, for the avoidance of doubt, this power of attorney shall not authorise the Servicer to sell any of the Loans (whether or not sold by the Seller to the Mortgages Trustee) and/or their Related Security comprised in the Portfolio except as specifically authorised in the Transaction Documents. For the avoidance of further doubt, the Mortgages Trustee and the Funding Companies shall not be liable or responsible for the acts of the Servicer or any failure by the Servicer to act under or in respect of this power of attorney.

- 10.2 The appointment contained in Clause 10.1 shall be irrevocable unless and until the termination of the appointment of the Servicer pursuant to Clause 21 (*Termination*) of this Agreement following which the appointments contained in Clause 10.1 shall be automatically revoked.

11. COSTS AND EXPENSES

- 11.1 The Mortgages Trustee on behalf of the Beneficiaries will on each Distribution Date reimburse, in accordance with clause 13.2 (*Allocation and distribution of Mortgages Trust Available Revenue Receipts*) of the Mortgages Trust Deed, the Servicer for all out-of-pocket costs, expenses and charges, but not including any amounts paid by the Servicer to any delegate or sub-contractor properly incurred and evidenced by the Servicer in the performance of the Services including any such costs, expenses or charges not reimbursed to the Servicer on any previous Distribution Date and the Servicer shall supply the Mortgages Trustee with a copy of an appropriate VAT invoice issued by the person making the supply.
- 11.2 The Servicer will use reasonable endeavours to recover from the relevant Borrowers all costs and expenses incurred by the Servicer which are properly recoverable from those Borrowers under the relevant Mortgage Conditions in accordance with the standards of a Reasonable, Prudent Mortgage Lender.
- 11.3 Where a sum (for the purposes of this Clause 11.3, a Relevant Sum) is payable or to be reimbursed by the Mortgages Trustees in respect of any cost, charge, fee or expense pursuant to Clause 11.1 above and that cost, charge, fee or expense includes an amount in respect of VAT (for the purposes of this Clause 11.3, the VAT Element), the Mortgages Trustee shall pay an amount to the Servicer by reference to the VAT Element which shall be determined as follows:
- (a) if the Relevant Sum constitutes for VAT purposes the reimbursement of the consideration for a supply of goods or services made to the Servicer (including where the Servicer acts as agent for the Mortgages Trustee within the meaning of Section 47(3) of the VATA), a sum equal to the proportion of the VAT Element that represents irrecoverable VAT in the hands of the Servicer (or the representative member of the VAT group of which the Servicer is a member if the Servicer is not the representative member); and
 - (b) if the Relevant Sum constitutes for VAT purposes the reimbursement of a cost or expense incurred by the Servicer as agent for the Mortgages Trustee and/or the Beneficiaries (excluding where the Servicer acts as agent for the Mortgages Trustee and/or the Beneficiaries within the meaning of Section 47(3) of the VATA), a sum equal to the whole of the VAT Element.

12. INFORMATION

12.1 Maintenance of Records

- (a) Subject to Clause 18, the Servicer shall keep the Customer Files relating to the Loans sold by the Seller to the Mortgages Trustee which are in its possession and in the Portfolio in safe custody and maintain records necessary to enforce each Mortgage. The Servicer shall take appropriate technical and organisational measures against the unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data. The Servicer shall maintain a register of the Portfolio to include, amongst other things, such records as are necessary to enforce each Mortgage sold by the Seller to the Mortgages Trustee and in the Portfolio and, where relevant, any other Related Security.
- (b) A duplicate of any computer records held by the Servicer which contains information relating to the Loans and the Related Security sold by the Seller to the Mortgages Trustee shall be stored at any location selected by the Servicer acting as a Reasonable, Prudent Mortgage Lender, such records to

be held to the order of the Mortgages Trustee and to be replaced by a revised duplicate as and when the original records are revised.

12.2 Use of I.T. systems

- (a) The Servicer covenants that at the date hereof in respect of the software which is used by the Servicer in providing the Services, it shall for the duration of this Agreement:
 - (i) ensure that it has in place all necessary licences and/or consents from the respective licensor or licensors (if any) of such software; and
 - (ii) except in so far as it would breach any other of its legal obligations, grant to any person to whom it may sub-contract or delegate the performance of all or any of its powers and obligations under this Agreement and/or to such person as the Mortgages Trustee and the Beneficiaries elect as a substitute servicer in accordance with the terms of this Agreement a licence to use any proprietary software together with any updates which may be made thereto from time to time.
- (b) The Servicer shall use reasonable endeavours to maintain in working order the information technology systems used by the Servicer in providing the Services.
- (c) The Servicer shall pass to any person to whom it may sub-contract or delegate the performance of all or any of its powers and obligations under this Agreement and/or to such person as the Mortgages Trustee and the Beneficiaries elect as a substitute servicer in accordance with the terms of this Agreement the benefit of any warranties in relation to the software insofar as the same are capable of assignment.

12.3 Access to books and records

Subject to all applicable laws, the Servicer shall permit the Mortgages Trustee, the Funding Companies (and their Auditors) and the Funding Security Trustees and any other person nominated by the Beneficiaries (to whom the Servicer has no reasonable objection) upon reasonable notice during normal office hours to have access, or procure that such person or persons are granted access, to all books of record and account (including, for the avoidance of doubt, the Customer Files and Title Deeds) relating to the administration of the Loans and their Related Security sold by the Seller to the Mortgages Trustee comprised in the Portfolio and related matters in accordance with this Agreement.

12.4 Information covenants

- (a) The Servicer shall assist the Cash Manager in the preparation of quarterly reports substantially in the form set out in Schedule 3 (*Quarterly Reports*) to the Cash Management Agreement.
- (b) The Servicer shall notify the Rating Agencies as soon as reasonably practicable in writing of the details of (i) any material amendment to the Transaction Documents, (ii) any proposed material change in the valuation procedures or policies applied or to be applied in relation to Properties by it in connection with its mortgage business (details of which change may be included in a report provided under Clause 12.4(a)) and (iii) any other information relating to its mortgage business and financial condition as the Rating Agencies may reasonably request in connection with the ratings of any Rated Notes then outstanding or any rated debt instruments of a Funding Company (if applicable) then outstanding, PROVIDED THAT such request does not adversely interfere with the Servicer's day to day provision of the Services under the other terms of this Agreement.
- (c) The Servicer shall provide the Mortgages Trustee, the Beneficiaries, the Funding Security Trustees (if requested) and the beneficial owners of the Notes and any debt instruments of each Funding

Company, who have provided beneficial ownership certification (in the form set out in Schedule 2) monthly with a report stored upon electronic media including, but not limited to, a CD-ROM, in a form acceptable to the Mortgages Trustee, the Beneficiaries and the Funding Security Trustees (each acting reasonably) containing information regarding the Loans then comprised in the Portfolio including, but not limited to, details of the relevant account number, the relevant property address, the title number, the postcode of the relevant Property and the completion date of the relevant Mortgage, any information and in such form required to comply with SECN 6.2.1(1)R and Article 7(1)(a) of Chapter 2 of the PRA Securitisation Rules and SECN 6.2.1(5)R and Article 7(1)(e) of Chapter 2 the PRA Securitisation Rules and any information regarding the risk retained by the Seller and which of the modalities provided for in Article 6(3) of Chapter 2 of the PRA Securitisation Rules is being applied.

- (d) Subject to any applicable law or contrary instruction from the Beneficiaries, the Servicer shall furnish to each beneficial owner of any Notes (in respect of any Series of Notes for which the Seller has given an EU Securitisation Regulation Undertaking and (i) for so long as each such Class of such Series of Notes is outstanding or (ii) until such time when a competent EU authority has confirmed (in the form of enacted (or otherwise binding) legislation, regulation or policy statement) that the satisfaction of the UK Transparency Requirements will also satisfy the EU Transparency Requirements due to the application of an equivalency regime or similar analogous concept), the following reports:
- (i) a quarterly investor report (in the form prescribed as at the relevant New Closing Date of such Series of Notes under the EU Securitisation Regulation or, to the extent the form prescribed pursuant to the EU Securitisation Regulation is amended after the relevant New Closing Date of such Series of Notes, as otherwise adopted by the Seller from time to time) on each Interest Payment Date or shortly thereafter (and at the latest one month after the relevant Interest Payment Date) in accordance with Article 7(1)(e) of the EU Securitisation Regulation as such regulation is in force at the relevant New Closing Date of such Series of Notes;
 - (ii) certain loan-by-loan information in relation to the Portfolio as required by and in accordance with Article 7(1)(a) of the EU Securitisation Regulation as such regulation is in force as at the relevant New Closing Date of such Series of Notes (in the form prescribed as at the relevant New Closing Date of such Series of Notes under the EU Securitisation Regulation or, to the extent the form prescribed pursuant to the EU Securitisation Regulation is amended after the relevant New Closing Date of such Series of Notes, as otherwise adopted by the Seller from time to time) on a quarterly basis (at the latest one month after the relevant Interest Payment Date and simultaneously with the investor report provided pursuant to paragraph (d)i) above; and
 - (iii) any information required to be reported pursuant to Articles 7(1)(f) or 7(1)(g) (as applicable) of the EU Securitisation Regulation (as such regulation is in force as at the relevant New Closing Date of such Series of Notes) without delay.
- (e) The Servicer shall, at the request of the Beneficiaries and the Funding Security Trustees, furnish the Beneficiaries, the Funding Security Trustees and the Rating Agencies with such other information relating to its business and financial condition as it may be reasonable for the Beneficiaries and the Funding Security Trustees (as appropriate) to request in connection with the ratings of any Rated Notes or any rated debt instruments of a Funding Company (if applicable) then outstanding, PROVIDED THAT the Mortgages Trustee or the Funding Security Trustees (as appropriate) shall not make such a request more than once every three months unless, in the belief of the Beneficiaries or the Funding Security Trustees (as appropriate), an Intercompany Loan Event of Default or a default under the terms of the debt instruments of each Further Funding Company or a Servicer Termination Event shall have occurred and is continuing or may reasonably be expected to occur.

- (f) The Servicer agrees to co-operate fully and to do all such further acts and things as may be necessary or desirable, and to provide all information in its possession necessary for any reporting obligation to enable the Issuer, Funding 1 and the Mortgages Trustee to comply with their obligations to assist the Seller (as originator) to comply with (i) the requirements of SECN 6 and Article 7 of Chapter 2 of the PRA Securitisation Rules and (ii) the obligations of the Seller pursuant to clause 4.8 (EU Securitisation Regulation) of the Funding 1 Deed of Charge.

13. REMUNERATION

- 13.1 The Mortgages Trustee shall pay to the Servicer for its Services hereunder an administration fee (the **Administration Fee**) (which shall be deemed to be inclusive of VAT, if any, chargeable on any supply for which the Administration Fee is the consideration (in whole or in part) for VAT purposes and section 89 of the VATA shall not apply to affect the amount of such fee) which:

- (a) shall be calculated in relation to each Trust Calculation Period on the basis of the actual number of days elapsed in the relevant period and a year of 365 days at the rate of 0.08 per cent. per annum, inclusive of VAT (if any), on the aggregate amount of the Funding 1 Share of the Trust Property as determined on the Trust Calculation Date in respect of the end of the immediately preceding Trust Calculation Period (or, as applicable, the Initial Closing Date); and
- (b) shall be paid to the Servicer in arrear on each Distribution Date in the manner contemplated by and in accordance with the provisions of clause 13.2 (*Allocation and Distribution of Mortgages Trust Available Revenue Receipts*) of the Mortgages Trust Deed.

- 13.2 Any unpaid balance will be carried forward until the next Distribution Date and, if not paid earlier, will be payable on the latest occurring Final Repayment Date of a Loan Tranche under the Intercompany Loan Agreement or, if later, of any New Loan Tranche under any New Intercompany Loan Agreement.

- 13.3 The parties to this Agreement hereby acknowledge and agree that no fee shall be payable by the Mortgages Trustee (on behalf of the Beneficiaries) to the Servicer in respect of the services provided at Clauses 12.4(c) and 12.4(f) of this Agreement.

14. INSURANCES

- 14.1 The Servicer will administer the arrangements for insurance to which the Mortgages Trustee is a party or in which either the Seller or the Mortgages Trustee has an interest and which relate to the Loans and the Mortgages sold by the Seller to the Mortgages Trustee comprised in the Portfolio or the business of the Mortgages Trustee. In particular, but without limitation, the Servicer shall promptly notify the Mortgages Trustee, the Beneficiaries and the Funding Security Trustees of the existence of any insurance policies to which the Seller is a party or in which it has an interest in addition to those specifically referred to in the definition of Insurance Policies in the Master Definitions and Construction Schedule.

- 14.2 The Servicer shall use its reasonable endeavours to credit to the Mortgages Trustee GIC Account all proceeds received from any claim made under any Insurance Policy in relation to any Loan or its Related Security sold by the Seller to the Mortgages Trustee by close of business on the London Business Day which immediately follows the day on which such amounts are received by or credited to the Servicer and which is to be applied either in whole or in part in repayment of such a Loan.

15. [RESERVED]

16. BUILDINGS POLICIES

If the Servicer becomes aware that a Borrower under a Loan sold by the Seller to the Mortgages Trustee is unable to take out buildings insurance in relation to a Property, the Servicer shall take such action as would a Reasonable, Prudent Mortgage Lender with a view to ensuring that the relevant Property continues to be insured in accordance with the applicable Mortgage Terms.

17. TITLE DEEDS

17.1 Whilst the Loans remain outstanding:

- (a) the Servicer shall keep the Customer Files (where relevant) and, save in relation to Dematerialised Loans, the Title Deeds relating to the Loans and their Related Security sold by the Seller to the Mortgages Trustee comprised in the Portfolio in safe custody and shall not without the prior written consent of the Mortgages Trustee and the Beneficiaries part with possession, custody or control of them otherwise than to a sub-contractor or delegate appointed pursuant to Clause 3.2 or to a solicitor, licensed conveyancer, qualified conveyancer or authorised practitioner, subject to the usual undertaking to hold them to the order of the Seller (who in turn will hold them to the order of the Mortgages Trustee (as trustee of the Beneficiaries)) or to the Land Registry or the Registers of Scotland;
- (b) the Customer Files and, save in relation to Dematerialised Loans, the Title Deeds relating to the Loans and their Related Security sold by the Seller to the Mortgages Trustee comprised in the Portfolio shall be kept in such manner so that each customer file and title deed is capable of identification and retrieval, a computer record is maintained of their location and they are identifiable and retrievable by reference to an account number and pool identifier and are identifiable and distinguishable from the title deeds relating to other properties and mortgages in respect of which the Servicer is mortgagee or servicer. In the event of receipt by the Servicer of notice that the short-term, unsecured, unsubordinated and unguaranteed debt of the Servicer is rated lower than A-2 by Standard & Poor's, or the counterparty risk assessment assigned to the Servicer by Moody's is less than P-2(cr) or the Servicer's short-term "Issuer Default Rating" is lower than F-2 by Fitch, the Servicer shall use reasonable endeavours to ensure that the Customer Files and, save in relation to Dematerialised Loans, the Title Deeds relating to the Loans and their Related Security sold by the Seller to the Mortgages Trustee comprised in the Portfolio are identified as distinct from the title deeds of other properties and mortgages which do not form part of the Portfolio;
- (c) the Servicer shall provide access or procure that access is provided to the Title Deeds (other than Title Deeds in relation to Loans which are Dematerialised Loans) and other records relating to the administration of the Loans and their Related Security sold by the Seller to the Mortgages Trustee comprised in the Portfolio to the Mortgages Trustee, the Beneficiaries (and their auditors) and (if requested) the Funding Security Trustees and any other person nominated by any of them at all reasonable times and upon reasonable notice. The Servicer acknowledges that the Customer Files and, save in relation to Dematerialised Loans, the Title Deeds relating to the Loans and their Related Security sold by the Seller to the Mortgages Trustee comprised in the Portfolio in its possession, custody or control will be held to the order of the Mortgages Trustee (as trustee for the Beneficiaries) and that it has, in its capacity as Servicer, no beneficial interest therein and the Servicer irrevocably waives any rights or any Security Interest which it might have therein or to which it might at any time be entitled;
- (d) the Servicer shall, forthwith on the termination of the appointment pursuant to Clause 21, deliver Customer Files and, save in relation to Dematerialised Loans, the Title Deeds

relating to the Loans and their Related Security sold by the Seller to the Mortgages Trustee comprised in the Portfolio to or to the order of the Mortgages Trustee (as trustee of the Beneficiaries) or to such person as the Beneficiaries and the Funding Security Trustees select as a substitute servicer in accordance with the terms of this Agreement upon written request by the Beneficiaries and the Funding Security Trustees made at any time on or after notice of, or on or after, termination of the appointment of the Servicer pursuant to Clause 21; and

- (e) the Seller undertakes that it will use reasonable endeavours to obtain as soon as reasonably practicable the title number to each Property in respect of which a Mortgage is registered at the Land Registry or the Land Register of Scotland to the extent that such title number does not appear in Exhibit 1 to the Mortgage Sale Agreement (or, as the case may be, the relevant New Portfolio Notice).

18. DATA PROTECTION

18.1 In this Clause 18:

Data Protection Laws means the following legislation to the extent applicable from time to time: (a) the Data Protection Act 2018, (b) national laws implementing the UK GDPR; (c) the UK GDPR; and (d) any other applicable laws, binding regulations, binding orders and binding codes of practice in force and as amended or replaced from time to time relating to data protection in any jurisdiction where personal data is being processed;

Personal Data Breach means any actual or suspected breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of or access to Relevant Personal Data transmitted, stored or otherwise processed;

Relevant Personal Data means Personal Data provided or made available to the Servicer for the purpose of providing the Services, performing its obligations or exercising its rights arising under or in connection with this Agreement;

Retained EU law means “retained EU law” as defined in the European Union (Withdrawal) Act 2018; and

UK GDPR means the General Data Protection Regulation 2016/679 as it forms part of Retained EU law (as defined in the EUWA).

- 18.2 the terms **Controller**, **Processor**, **Data Subject**, **Personal Data**, and **processing**, when used in respect of the performance of an activity or obligation, shall each have the meanings set out in the relevant Data Protection Laws at the time at which that activity or obligation was performed and cognate terms shall be construed accordingly. The Servicer and the Mortgages Trustee each acknowledge that, for the purpose of Data Protection Laws, it is a Data Controller of Relevant Personal Data and that it, independently of and not jointly with the other, determines the purposes for which and the manner in which Relevant Personal Data is, or is to be, processed.
- 18.3 Subject to Clause 18.4, the Servicer and the Mortgages Trustee shall each, and the Servicer shall make all reasonable efforts to ensure that each of its subcontractors shall, abide by the Data Protection Laws in connection with this Agreement.
- 18.4 Clause 18.3 does not apply to a breach of Data Protection Law by the Mortgages Trustee which arises as a result of an act or omission of the Servicer or its subcontractor in the processing of personal data on behalf of the Mortgages Trustee.
- 18.5 Each of the Servicer and the Mortgages Trustee shall:

- (a) upon becoming aware of any Personal Data Breach:
 - (i) notify the Mortgages Trustee or Servicer (as applicable) as soon as reasonably practicable and provide the Mortgages Trustee or Servicer (as applicable) with a reasonable description of the Personal Data Breach (including the facts surrounding it and the type of data that was the subject of the Personal Data Breach) promptly upon such information becoming available;
 - (ii) work together with the Mortgages Trustee or Servicer (as applicable), acting reasonably and in good faith, to mitigate any adverse effects of any such breach on the Mortgages Trustee's or Servicer's business (as applicable) and the affected Data Subjects;
 - (iii) not release or publish any filing, communication, notice, press release or report concerning the breach without first consulting the other party with regards to the content of that notice and giving due regard to the Mortgages Trustee's or Servicer's reasonable comments (as applicable), save that it may disclose a Personal Data Breach to the extent required by applicable law; and
 - (iv) bear all its own costs and expenses incurred as a result of any actions and steps undertaken in accordance with this Clause 18.5(a);
- (b) to the extent permitted by law, if it receives any complaint, notice or communication from a supervisory authority which relates directly or indirectly to the Mortgages Trustee's or the Servicer's (as relevant): (1) processing of the Relevant Personal Data; or (2) an actual or potential failure by either the Mortgages Trustee or the Servicer to comply with Data Protection Laws, promptly forward the complaint, notice or communication to the other and provide the other with reasonable co-operation and assistance in relation to the same;
- (c) if, in relation to Relevant Personal Data, a Data Subject makes a written request to the Mortgages Trustee or the Servicer to exercise his or her rights of access, rectification or erasure, to restrict or object to processing of Relevant Personal Data or to data portability: (1) forward the request to the other promptly and in any event within five Business Days of the date of receipt of the request; and (2) respond promptly to such request, acting on behalf of the other where necessary, and meet applicable deadlines under the Data Protection Laws; and
- (d) taking into account the nature, scope, context and purpose of processing, implement and maintain appropriate technical and organisational security measures against accidental or unlawful destruction, loss, alteration, unauthorised disclosure of or access to Relevant Personal Data.

18.6 Notwithstanding Clause 18.2, the Servicer shall provide fair processing information in accordance with relevant Data Protection Laws, on behalf of both the Servicer and the Mortgages Trustee, to all Data Subjects to whom Relevant Personal Data relates.

18.7 Each Party (except for the Security Trustee) shall ensure that it has legitimate grounds under the Data Protection Laws for the processing of Relevant Personal Data.

18.8 The Servicer warrants that as at the date hereof the Servicer has and hereafter it will maintain all appropriate registrations, licences and authorities (if any) required under the applicable Data Protection Laws to enable each of them to perform their respective obligations under this Agreement.

19. COVENANTS OF SERVICER

19.1 The Servicer hereby covenants with and undertakes to each of the Mortgages Trustee, the Beneficiaries and the Funding Security Trustees that without prejudice to any of its specific obligations hereunder it will:

- (a) administer the Loans and their Related Security sold by the Seller to the Mortgages Trustee (i) in accordance with this Agreement and (ii) as if the same had not been sold to the Mortgages Trustee but had remained with the Seller and in accordance with the Seller's procedures and administration and enforcement policies as they apply to those Loans from time to time;
- (b) provide the Services in such manner and with the same level of skill, care and diligence as would a Reasonable, Prudent Mortgage Lender;
- (c) comply with any proper directions, orders and instructions which the Mortgages Trustee or the Beneficiaries may from time to time give to it in accordance with the provisions of this Agreement;
- (d) maintain all approvals, authorisations, permissions, consents and licences required in order properly to service the Loans and their Related Security and to perform or comply with its obligations under this Agreement, and to prepare and submit all necessary applications and requests for any further approvals, authorisations, permissions, consents and licences required in connection with the performance of the Services under this Agreement and in particular any necessary registrations under the Data Protection Laws and any authorisation and permissions under FSMA;
- (e) save as otherwise agreed with the Mortgages Trustee and each Beneficiary, provide to the Mortgages Trustee and each Beneficiary (to the extent the Servicer is reasonably able to provide and subject to any customary restrictions, including, but not limited to, in respect of access to premises) in consideration for the Administration Fee, office space, facilities, equipment and staff sufficient to enable the Mortgages Trustee and the each Beneficiary to fulfil its obligations under this Agreement;
- (f) not knowingly fail to comply with any legal requirements in the performance of the Services;
- (g) make all payments required to be made by it pursuant to this Agreement on the due date for payment thereof in sterling (or as otherwise required under the Transaction Documents) in immediately available funds for value on such day without set-off (including, without limitation, in respect of any fees owed to it) or counterclaim;
- (h) not without the prior written consent of the Funding Security Trustees amend or terminate any of the Transaction Documents save in accordance with their terms; and
- (i) forthwith upon becoming aware of any event which may reasonably give rise to an obligation of the Seller to repurchase any Loan sold by the Seller to the Mortgages Trustee pursuant to the Mortgage Sale Agreement, notify the Mortgages Trustee and the Beneficiaries in writing of such event,

PROVIDED THAT the Servicer will not commit any act or omission in relation to any Loan or its Related Security or the relevant Borrower that would require the Mortgages Trustee, any of the Funding Companies, the Funding Security Trustees or the Issuer to hold any authorisation or permission under FSMA.

- 19.2 The covenants of the Servicer in Clause 19.1 shall remain in force until this Agreement is terminated but without prejudice to any right or remedy of the Mortgages Trustee and/or the Beneficiaries, the Funding Security Trustees and/or the Seller arising from breach of any such covenant prior to the date of termination of this Agreement.

20. SERVICES NON-EXCLUSIVE

Nothing in this Agreement shall prevent the Servicer from rendering or performing services similar to those provided for in this Agreement to or for itself or other persons, firms or companies or from carrying on business similar to or in competition with the business of the Mortgages Trustee and the Beneficiaries.

21. TERMINATION

- 21.1 If any of the following events (each, a Servicer Termination Event and, in relation to the events referred to in Clauses 21.1(a) to 21.1(c), a Servicer Event of Default) shall occur:

- (a) default is made by the Servicer in the payment on the due date of any payment due and payable by it under this Agreement and such default continues unremedied for a period of five (5) London Business Days after the earlier of the Servicer becoming aware of such default and receipt by the Servicer of written notice from the Mortgages Trustee and/or any Funding Company and/or the Funding Security Trustees requiring the same to be remedied;
- (b) default is made by the Servicer in the performance or observance of any of its other covenants and obligations under this Agreement, which the Funding Security Trustees have been directed by the respective Issuer Security Trustees and the Issuer Security Trustees have been directed by the respective Note Trustees is, in the reasonable opinion of the Note Trustees, materially prejudicial to the interests of the holders of any Notes and (if capable of remedy) the Servicer does not remedy that failure within 20 London Business Days after becoming aware of the failure or of receipt of written notice from the Mortgages Trustee and/or the Funding Companies and/or the Funding Security Trustees, as the case may be, requiring the Servicer's non-compliance to be remedied; or
- (c) the occurrence of an Insolvency Event in relation to the Servicer,

then the Mortgages Trustee and/or the Funding Companies (with the prior written consent of the Funding Security Trustees) may at once or at any time thereafter while such default continues by notice in writing to the Servicer terminate its appointment as Servicer under this Agreement with effect from a date (not earlier than the date of the notice) specified in the notice. Upon the termination of the Servicer as servicer under this Agreement, the Mortgages Trustee and the Beneficiaries shall use their reasonable endeavours to appoint a substitute servicer that satisfies the conditions set forth in Clauses 21.2(c), (d), (e) and (f).

- 21.2 The appointment of the Servicer under this Agreement may be terminated by the Servicer upon the expiry of not less than 12 months' notice of termination given by the Servicer to the Funding Security Trustees, Mortgages Trustee and the Beneficiaries, PROVIDED THAT:

- (a) the Mortgages Trustee and Beneficiaries consent in writing to such termination;
- (b) a substitute servicer shall be appointed, such appointment to be effective not later than the date of such termination and the Servicer shall notify the Rating Agencies in writing of the identity of such substitute servicer;

- (c) such substitute servicer holds all approvals, authorisations, permissions, consents and licences required in connection with the provision of the Services (including, without limitation, those required under the Data Protection Laws and FSMA);
- (d) such substitute servicer has a management team with experience of administering mortgages of residential property in the United Kingdom and is approved by the Mortgages Trustee and the Beneficiaries;
- (e) such substitute servicer enters into an agreement substantially on the same terms as the relevant provisions of this Agreement (which shall, without limitation, include providing the Services at the same (or a lesser) level of fees, costs and expenses as set out herein and any modifications to comply with applicable laws or regulations at the relevant time) and the Servicer shall not be released from its obligations under the relevant provisions of this Agreement until such substitute servicer has entered into such new agreement; and
- (f) the then current ratings of the Rated Notes then outstanding or any rated debt instruments of a Funding Company (if applicable) then outstanding are not withdrawn, qualified or downgraded as a result of such termination, unless the termination is otherwise agreed by an Extraordinary Resolution of the holders of the Notes (or the equivalent approval is obtained in respect of such other debt instruments).

21.3 For the avoidance of doubt none of the Funding Security Trustees shall be obliged to act or shall act as a substitute servicer.

21.4 On and after termination of the appointment of the Servicer under this Agreement pursuant to this Clause 21, all authority and power of the Servicer under this Agreement shall be terminated and be of no further effect and the Servicer shall not thereafter hold itself out in any way as the agent of the Mortgages Trustee pursuant to this Agreement.

21.5 Upon termination of the appointment of the Servicer under this Agreement pursuant to this Clause 21, the Servicer shall:

- (a) forthwith deliver (and in the meantime hold on trust for, and to the order of, the Funding Security Trustees) to the Mortgages Trustee or as it shall direct the Customer Files, the Title Deeds (to the extent they are retained by the Seller), all books of account, papers, records, registers, correspondence and documents in its possession or under its control relating to the affairs of or belonging to the Mortgages Trustee (as trustee for the Beneficiaries) and the Loans sold by the Seller to the Mortgages Trustee comprised in the Portfolio and any other Related Security, (if practicable, on the date of receipt by the Servicer) any monies then held by the Servicer on behalf of the Mortgages Trustee and any other assets of the Mortgages Trustee and the Beneficiaries;
- (b) take such further action as the Mortgages Trustee, the Funding Companies and the Funding Security Trustees may reasonably direct at the expense of the Servicer (including in relation to the appointment of a substitute servicer) provided that the Mortgages Trustee shall not be required to take or direct to be taken further action unless it has been indemnified to its satisfaction;
- (c) provide all relevant information contained on computer records in the form of magnetic tape (or other portable electronic data storage medium), together with details of the layout of the files encoded on such magnetic tapes (or other portable electronic data storage medium);
- (d) co-operate and consult with and assist the Mortgages Trustee, the Funding Companies, the Funding Security Trustees and their nominees (which shall, for the avoidance of doubt, include any new servicer appointed by any of them) for the purposes of explaining the file

layouts and the format of the magnetic tapes (or other portable electronic data storage medium) generally containing such computer records on the computer system of the Mortgages Trustee or such nominee; and

- (e) permit the Mortgages Trustee, the Funding Companies and the Funding Security Trustees to have access at reasonable times to the relevant Insurance Policies.

- 21.6 The Servicer shall deliver to the Mortgages Trustee, the Beneficiaries and the Funding Security Trustees as soon as reasonably practicable but in any event within five London Business Days of becoming aware thereof a notice of any Servicer Termination Event or any event which with the giving of notice or lapse of time or certification would constitute the same. Such notification shall specify which event in Clause 21 has occurred and was the cause of such Servicer Termination Event (or any event which with the giving of notice or lapse of time or certification would constitute a Servicer Termination Event), a description of such Servicer Termination Event, and, if relevant, a reference to the provision in this Agreement or the other Transaction Documents which the Servicer has breached.
- 21.7 Termination of this Agreement or the appointment of the Servicer under this Agreement shall be without prejudice to the liabilities of the Mortgages Trustee and the Beneficiaries to the Servicer or vice versa incurred before the date of such termination. The Servicer shall have no right of set-off or any lien in respect of such amounts against amounts held by it on behalf of the Mortgages Trustee.
- 21.8 This Agreement shall terminate at such time as the Funding Companies have no further interest in the Trust Property and the Intercompany Loan and any New Intercompany Loan and any existing indebtedness of each Funding Company has been repaid in full.
- 21.9 On termination of the appointment of the Servicer under the provisions of this Clause 21, the Servicer shall be entitled to receive all fees and other monies accrued up to the date of termination but shall not be entitled to any other or further compensation. Such monies so receivable by the Servicer shall be paid by the Mortgages Trustee on the dates on which they would otherwise have fallen due hereunder. For the avoidance of doubt, such termination shall not affect the Servicer's rights to receive payment of all amounts (if any) due to it from the Mortgages Trustee other than under this Agreement.
- 21.10 Prior to termination of this Agreement, the Servicer, the Mortgages Trustee and the Beneficiaries shall co-operate to obtain the agreement of the Borrowers to a new bank mandate permitting the Mortgages Trustee to operate the Direct Debiting Scheme with respect to the Loans in the Portfolio.
- 21.11 Any provision of this Agreement which is stated to continue after termination of the Agreement shall remain in full force and effect notwithstanding termination.

22. FURTHER ASSURANCE

- 22.1 The parties hereto agree that they will co-operate fully to do all such further acts and things and execute any further documents as may be necessary or desirable to give full effect to the arrangements contemplated by this Agreement or (subject to confirmation by the Rating Agencies that the then current ratings of the Rated Notes then outstanding or any rated debt instruments of a Funding Company (if applicable) then outstanding will not be downgraded, withdrawn or qualified as a result (it being acknowledged that none of the Rating Agencies has any obligation to provide such confirmation at any time and that, pursuant to Condition 16, the confirmation of one of the Rating Agencies may be sufficient for such purpose in respect of the Issuer Notes) to provide for the accession of any Further Funding Company or Further Funding Security Trustee.
- 22.2 Without prejudice to the generality of Clause 22.1, the Mortgages Trustee and the Beneficiaries shall upon request by the Servicer forthwith give to the Servicer such further powers of attorney or other

written authorisations, mandates or instruments as are necessary to enable the Servicer to perform the Services.

22.3 In the event that there is any change in the identity of the Mortgages Trustee or an additional Mortgages Trustee is appointed, the remaining Mortgages Trustee and/or the retiring Mortgages Trustee, as the case may be, shall execute such documents with any other parties to this Agreement and take such actions as such new Mortgages Trustee may reasonably require for the purposes of vesting in such new Mortgages Trustee the rights of the Mortgages Trustee under this Agreement and releasing the retiring Mortgages Trustee from further obligations thereunder and while any Note or debt instrument of any Funding Company (if applicable) remains outstanding shall give notice thereof to the Rating Agencies.

22.4 Nothing herein contained shall impose any obligation or liability on the Mortgages Trustee to assume or perform any of the obligations of the Servicer hereunder or render it liable for any breach thereof.

23. [RESERVED]

24. MISCELLANEOUS

24.1 Subject to Clause 24.2, in the event that the funds available to the Mortgages Trustee on any Distribution Date are not sufficient to satisfy in full the aggregate amount payable to the Servicer by the Mortgages Trustee on such Distribution Date, then the amount payable to the Servicer on such Distribution Date shall be reduced by the amount of the shortfall and such shortfall shall (subject always to the provisions of this Clause 24) be payable on the immediately succeeding Distribution Date.

In the event that on the latest occurring Final Repayment Date of a Loan Tranche the remaining sums available to the Mortgages Trustee are insufficient to satisfy in full the outstanding fees or other claims of the Servicer, such fees shall be reduced by the amount of the deficiency.

24.2 Each of the Seller and the Servicer agrees that it will not:

- (a) set off or purport to set off any amount which the Mortgages Trustee or any Funding Company is or will become obliged to pay to it under any of the Transaction Documents against any amount from time to time standing to the credit of or to be credited to the Mortgages Trustee GIC Account, the Funding 1 GIC Account or the Funding 1 Transaction Account or in any other account prior to transfer to the Mortgages Trustee GIC Account, the Funding 1 GIC Account or the Funding 1 Transaction Account, as appropriate; or
- (b) make or exercise any claims or demands, any rights of counterclaim or any other equities against or withhold payment of any and all sums of money which may at any time and from time to time be standing to the credit of the Mortgages Trustee GIC Account, the Funding 1 GIC Account or the Funding 1 Transaction Account.

24.3 The Servicer hereby acknowledges and agrees that it is bound by clause 5.3 (*No enforcement by Funding 1 Secured Creditors*) of the Funding 1 Deed of Charge and, except as provided therein, it will not take any steps or proceedings to procure the winding up, administration or liquidation of Funding 1 and it will not take any other steps or action against Funding 1 for the purpose of recovering any of the amounts owing to the Servicer pursuant to this Agreement (including by exercising any rights of set-off) or enforcing any rights arising out of this Agreement.

24.4 The Servicer hereby acknowledges and agrees that all obligations of Funding 1 to the Servicer in respect of amounts owing to the Servicer pursuant to this Agreement are subject to the terms of clauses 5.4 (*Limited recourse*) of the Funding 1 Deed of Charge.

- 24.5 The Servicer agrees that for so long as any Notes are outstanding it will not petition nor commence proceedings for the administration or winding up of the Mortgages Trustee nor participate in any ex parte proceedings with regard thereto.
- 24.6 In relation to all sums due and payable by the Mortgages Trustee to the Servicer, the Servicer agrees that it shall have recourse only to sums paid to or received by (or on behalf of) the Mortgages Trustee pursuant to the provisions of the Mortgage Sale Agreement, the other Transaction Documents and in relation to the Loans and their Related Security.
- 24.7 For the avoidance of doubt, neither Beneficiary shall be liable to pay any amounts due under Clauses 11 and 13 without prejudice to the obligations of the Mortgages Trustee in respect of such amounts.
- 24.8 Notwithstanding any other provisions of this Agreement, all obligations to, and rights of, a Funding Company under or in connection with this Agreement (other than its obligations under Clause 25) shall automatically terminate upon the discharge in full of all amounts owing by it under the Intercompany Loan Agreement and any New Intercompany Loan Agreements and the debt instruments of each Funding Company, PROVIDED THAT this shall be without prejudice to any claims in respect of such obligations and rights arising on or prior to such date.

25. CONFIDENTIALITY

During the continuance of this Agreement or after its termination, each party shall use its best endeavours not to disclose to any person, firm or company whatsoever any information relating to the business, finances or other matters of a confidential nature of any other party hereto of which it may exclusively by virtue of being party to the Transaction Documents have become possessed and shall use all reasonable endeavours to prevent any such disclosure as aforesaid, PROVIDED however THAT the provisions of this Clause 25 shall not apply:

- (a) to any information already known to such party otherwise than as a result of entering into any of the Transaction Documents;
- (b) to any information subsequently received by such party which it would otherwise be free to disclose;
- (c) to any information which is or becomes public knowledge otherwise than as a result of the conduct of such party;
- (d) to any extent that such party is required to disclose the same pursuant to any Transaction Document or any law or order of any court or pursuant to any direction, request or requirement (whether or not having the force of law) of any central bank or any governmental or other authority (including, without limitation, any official bank examiners, regulators or takeover authority);
- (e) to the extent that such party needs to disclose the same for determining the existence of, or declaring, an Intercompany Loan Event of Default under the Intercompany Loan Agreement, an Intercompany Loan Event of Default under a New Intercompany Loan Agreement, a default under the debt instruments of any Funding Company or a Servicer Termination Event, the protection or enforcement of any of its rights under any of the Transaction Documents or in connection herewith or therewith or for the purpose of discharging, in such manner as it thinks fit, its duties or functions under or in connection with such agreements in each case to such persons as require to be informed of such information for such purposes;
- (f) in relation to any information disclosed to the professional advisers of such party or (in connection with any review of the current ratings of any Rated Notes, the rated debt

instruments of a Funding Company or with a prospective rating of any Notes to be issued by the Issuer or any New Issuer) to any credit rating agency or any prospective new servicer; or

- (g) in connection with any debt raised by any Funding Company (other than Funding 1).

26. NOTICES

Any notices to be given pursuant to this Agreement to any of the parties hereto shall be in writing and shall be sufficiently served to the addressees set out below if sent by prepaid first class post, by hand or by email (and in the case of the Servicer, the Mortgages Trustee, the Seller and Funding 1 shall only be sufficiently served to the Servicer, the Mortgages Trustee, the Seller and Funding 1 if sent by email) and shall be deemed to be given (in the case of email) when despatched if despatched before 17.00 hours on a Business Day or on the next Business Day if despatched thereafter, (in the case of delivery by hand) on the day of delivery if delivered before 17.00 hours on a Business Day or the next Business Day if delivered thereafter or (in the case of first class post) when it would be received in the ordinary course of the post and shall be sent:

- (a) in the case of the Seller and the Servicer, to Santander UK plc at 2 Triton Square, Regent's Place, London NW1 3AN (e-mail: MTF@santander.co.uk and FundingLegal@santander.co.uk) for the attention of Funding, Asset Rotation and Investor Relations and Funding Legal;
- (b) in the case of Funding 1, to Fosse Funding (No. 1) Limited, c/o CSC Management Services (UK) Limited, 5 Churchill Place, 10th Floor, London, United Kingdom, E14 5HU (telephone: +44 (0)20 7398 6300 and e-mail: directors-uk@intertrustgroup.com) for the attention of The Directors with a copy to Santander UK plc at 2 Triton Square, Regent's Place, London NW1 3AN (e-mail: MTF@santander.co.uk and FundingLegal@santander.co.uk) for the attention of Funding, Asset Rotation and Investor Relations and Funding Legal ;
- (c) in the case of the Mortgages Trustee, to Fosse Trustee (UK) Limited, 2 Triton Square, Regent's Place, London NW1 3AN (telephone: +44 (0)20 7398 6300 and e-mail: directors-uk@intertrustgroup.com) for the attention of The Directors with a copy to Santander UK plc at 2 Triton Square, Regent's Place, London NW1 3AN (e-mail: MTF@santander.co.uk and FundingLegal@santander.co.uk) for the attention of Funding, Asset Rotation and Investor Relations and Funding Legal ; and
- (d) in the case of the Funding 1 Security Trustee, to The Bank of New York Mellon, London Branch, 160 Queen Victoria Street, London EC4V 4LA (email: corpsov4@bnymellon.com) for the attention of Trustee Administration Manager,

or to such other address or email or for the attention of such other person or entity as may from time to time be notified by any party to the others by written notice in accordance with the provisions of this Clause 26. All notices served under this Agreement shall be simultaneously copied to the Funding Security Trustees by the person serving the same.

27. AMENDMENTS, WAIVERS AND CONSENTS

- 27.1 Subject to the Controlling Beneficiary Deed (as applicable) and the relevant Funding Deed of Charge, no amendment or waiver of any provision of this Agreement shall be effective unless the same shall be in writing and signed by (or by some person duly authorised by) each of the parties to this Agreement. In the case of a waiver, such waiver shall be effective only in the specific instance and as against the party or parties giving it for the specific purpose for which it is given. No single or partial exercise of, or failure or delay in exercising, any right under this Agreement shall constitute a waiver or preclude any other or further exercise of that or any other right. No variation

or waiver of this Agreement shall be made if the same would cause the then current ratings of any of the Rated Notes then outstanding or any rated debt instruments of a Funding Company (if applicable) then outstanding to be downgraded, withdrawn or qualified.

- 27.2 It is hereby acknowledged and agreed that each Funding Company and each Funding Security Trustee will exercise all rights, powers, benefits, duties, functions and/or discretions conferred on it under this Agreement (including, without limitation, in giving its consent, approval or authorisation to any event, matter or thing requested or making any determination hereunder) in accordance with and subject to the provisions of the Controlling Beneficiary Deed (as applicable) and the relevant Funding Deed of Charge.

28. NO PARTNERSHIP

It is hereby acknowledged and agreed by the parties that nothing in this Agreement shall be construed as giving rise to any partnership between any of the parties.

29. ASSIGNMENT

- 29.1 The Mortgages Trustee may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of each of the Beneficiaries.
- 29.2 The Servicer may not assign or transfer any of its rights and obligations under this Agreement without the prior written consent of the Mortgages Trustee (as trustee of the Beneficiaries) and each of the Beneficiaries.
- 29.3 The Servicer acknowledges that the Funding Companies have assigned their rights under this Agreement to the Funding Security Trustees pursuant to the Funding 1 Deed of Charge and/or the relevant Further Funding Company Deed of Charge and acknowledges that pursuant to the terms of the Funding 1 Deed of Charge and/or the relevant Further Funding Company Deed of Charge, the Funding Companies have, *inter alia*, authorised the Funding Security Trustees, prior to the Funding 1 Security or the security of any Further Funding Company becoming enforceable, to exercise, or refrain from exercising, all rights, powers, authorities, discretions and remedies under or in respect of the Transaction Documents, including this Agreement, in such manner as in its absolute discretion it shall think fit.

30. CHANGE OF FUNDING SECURITY TRUSTEE

- 30.1 If there is any change in the identity of any Funding Security Trustee in accordance with the Funding 1 Deed of Charge and/or the relevant Further Funding Company Deed of Charge, the Servicer, the Beneficiaries and the Mortgages Trustee shall execute such documents and take such action as the successor Funding Security Trustee and the outgoing Funding Security Trustee may reasonably require for the purpose of vesting in the successor Funding Security Trustee the rights and obligations of the outgoing Funding Security Trustee under this Agreement and releasing the outgoing Funding Security Trustee from its future obligations under this Agreement.
- 30.2 It is hereby acknowledged and agreed that the Funding Security Trustees shall not assume or have any of the obligations or liabilities of the Servicer, the Beneficiaries or the Mortgages Trustee under this Agreement and that the Funding Security Trustees have agreed to become a party to this Agreement for the purpose only of taking the benefit of this Agreement and agreeing to amendments to this Agreement pursuant to Clause 27. For the avoidance of doubt, the parties to this Agreement acknowledge that the rights and obligations of the Funding Security Trustees are governed by the relevant Funding Deed of Charge. Any liberty or right which may be exercised or determination which may be made under this Agreement by the Funding Security Trustees may be exercised or made in the Funding Security Trustees' absolute discretion without any obligation to give reasons therefore and the Funding Security Trustees shall not be responsible for any liability occasioned by

so acting if acting pursuant to Clause 13.1 of the Funding 1 Deed of Charge without prejudice to its obligation to act reasonably where so required pursuant to the terms of the Transaction Documents.

31. EXCLUSION OF THIRD PARTY RIGHTS

The parties to this Agreement do not intend that any term of this Agreement should be enforced, by virtue of the Contracts (Rights of Third Parties) Act 1999, by any person who is not a party to this Agreement.

32. COUNTERPARTS AND SEVERABILITY

- 32.1 This Agreement may be executed in any number of counterparts (manually or by email or electronic transmission) and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument.
- 32.2 Where any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations under this Agreement, or of such provision or obligation in any other jurisdiction, shall not be affected or impaired thereby.

33. GOVERNING LAW

- 33.1 This Agreement (and any non-contractual obligations arising out of or in connection with it) is governed by, and shall be construed in accordance with, the laws of England.
- 33.2 Each party agrees that the courts of England shall have exclusive jurisdiction to settle any dispute (including, without limitation, claims for set-off and counterclaim) which may arise in connection with the creation, validity, effect, interpretation or performance of, or the legal relationships established by or pursuant to this Agreement (including in relation to any claim or dispute relating to any non-contractual obligations arising out of or in connection with this Agreement) and the Master Definitions and Construction Schedule to the extent that it is incorporated in this Agreement and for such purposes irrevocably submits to the jurisdiction of the courts of England.
- 33.3 Each of the parties hereto:
- (a) waives any objection to the choice of or submission to the courts of England on the grounds of inconvenient forum or otherwise as regards proceeding in connection with this Agreement (and any non-contractual obligations arising out of or in connection with it) and the Master Definitions and Construction Schedule to the extent that it is incorporated in this Agreement; and
 - (b) agrees that a judgement, declaration or order (whether interim or final) of a court of England is conclusive and binding on it and may be enforced against it in the courts of any other jurisdiction.

34. FORCE MAJEURE EVENT

- 34.1 If the Servicer is rendered unable to carry out its obligations under this Agreement as a result of any Force Majeure Event, the Servicer shall not be liable for any failure to carry out those of its obligations under this Agreement which are affected by the Force Majeure Event in question and, for so long as such circumstances continue, shall be relieved of such obligations under this Agreement without liability, provided that this Clause 34.1 shall not apply if any such Force Majeure Event arose solely as a result of the fraud, negligence or wilful default of the Servicer or its sub-contractors or delegates (and their respective directors, officers and employees).
- 34.2 The Servicer shall, notwithstanding that it is relieved from certain of its obligations pursuant to Clause 34.1, take all reasonable steps available to it to procure that any event described in Clause 34.1 ceases to exist as soon as reasonably practicable and to take reasonable practical steps to mitigate the adverse effect of the Force Majeure Event.
- 34.3 During any period in which the Servicer is prevented from performing any of its obligations under this Agreement as a result of a Force Majeure Event, the Servicer shall be entitled to a reasonable fee for the performance of those obligations which it is able to perform and which it continues to perform, and such fee shall be agreed between the parties hereto (acting reasonably). The Servicer shall, notwithstanding the occurrence of a Force Majeure Event remain entitled to reimbursement of any liabilities pursuant to Clause 11 (Costs and Expenses).

IN WITNESS WHEREOF the parties have caused this Agreement to be executed as a deed the day and year first before written.

SCHEDULE 1

THE SERVICES

In addition to the Services set out in the body of this Agreement, the Servicer shall:

- (a) keep records and books of account on behalf of the Mortgages Trustee in relation to the Loans and their Related Security sold by the Seller to the Mortgages Trustee comprised in the Portfolio;
- (b) keep any records necessary for all Taxation purposes;
- (c) notify relevant Borrowers of any change in their Monthly Payments;
- (d) assist the auditors of the Mortgages Trustee and provide information to them upon reasonable request;
- (e) provide a redemption statement upon the request of a relevant Borrower or the Borrower's solicitor, licensed conveyancer or qualified conveyancer;
- (f) notify relevant Borrowers of any other matter or thing which the applicable Mortgage Conditions or Offer Conditions require them to be notified of in the manner and at the time required by the relevant Mortgage Terms;
- (g) subject to the provisions of this Agreement (including without limitation Clause 5.2) take all reasonable steps, in accordance with the usual procedures undertaken by a Reasonable, Prudent Mortgage Lender, to recover all sums due to the Mortgages Trustee including, without limitation, the institution of proceedings and/or the enforcement of any Loan sold by the Seller to the Mortgages Trustee comprised in the Portfolio or its Related Security;
- (h) take all other action and do all other things which it would be reasonable to expect a Reasonable, Prudent Mortgage Lender to do in administering its loans and their related security;
- (i) provide such other information to the Funding Security Trustees and the Mortgages Trustee as reasonably requested by the Funding Security Trustees or the Mortgages Trustee; and
- (j) act as collection agent for the Mortgages Trustee and the Beneficiaries for the purpose of collecting amounts due from Borrowers under the Loans and their Related Security under the Direct Debiting Scheme in accordance with the provisions of this Agreement.

SCHEDULE 2

CERTIFICATE OF BENEFICIAL OWNERSHIP

..... (the INVESTOR), hereby certifies that it is the beneficial owner of notes issued by Fosse Master Issuer plc (the ISSUER)

Unless otherwise defined herein, terms used herein shall have the same meaning as used in the Servicing Agreement dated 28 November 2006 (as amended and restated on 11 March 2010, 21 April 2011, 27 April 2012, 19 August 2013, 29 April 2016, 13 September 2019, 29 July 2021, 28 June 2022 and 24 June 2025 and as may be further amended, restated, varied, supplemented and/or novated from time to time). Pursuant to Clause 12.4(d) of the Servicing Agreement, the Investor requests that the Servicer deliver to it by e-mail the Monthly Reports [(including all previous Monthly Reports)].

The Investor shall promptly notify the Servicer if it ceases to be a beneficial owner of the notes.

Upon ceasing to be a beneficial owner of the notes, the Investor acknowledges that the Servicer shall have no further obligation to deliver Monthly Reports to it.

The notice details for the Servicer and the Investor are as follows:

SERVICER

Address: Santander UK plc, 2 Triton Square, Regent's Place, London NW1 3AN.

e-mail: MTF@santander.co.uk and FundingLegal@santander.co.uk

For the Attention of: Funding, Asset Rotation and Investor Relations and Funding Legal

INVESTOR

Email address: []

Signed by as authorised representative on behalf of Investor.

.....

Dated []

SIGNATORIES

Servicer and Seller

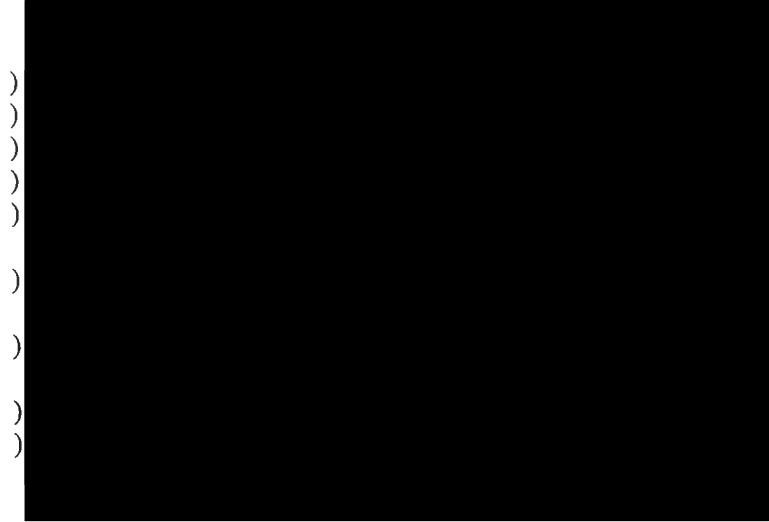
EXECUTED as a **DEED** by
SANTANDER UK PLC
acting by its duly authorised attorney

in the presence of

Witness's signature:

Name:

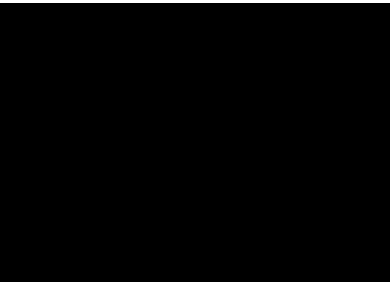
Address:



Mortgages Trustee

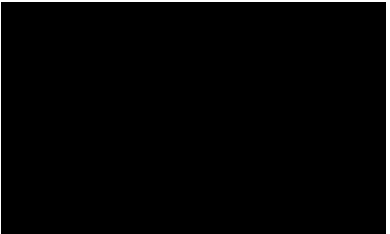
EXECUTED as a **DEED** by)
FOSSE TRUSTEE (UK) LIMITED)
Per pro CSC Directors (No. 3) Limited as)
Director

Per pro CSC Directors (No. 4) Limited as)
Director



Funding 1

EXECUTED as a **DEED** by)
FOSSE FUNDING (NO. 1) LIMITED)
Per pro CSC Directors (No. 3) Limited as)
Director
Per pro CSC Directors (No. 4) Limited as)
Director



Funding 1 Security Trustee

EXECUTED as a **DEED** by
THE BANK OF NEW YORK MELLON,
LONDON BRANCH
acting by its duly authorised signatory

)
)
)
)
)

