

EXECUTION VERSION

**AMENDED AND RESTATED
FUNDING 1 BANK ACCOUNT AGREEMENT**

1 OCTOBER 2010

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

and

**SANTANDER UK PLC
as Cash Manager**

and

**SANTANDER UK PLC
as Funding 1 Account Bank**

and

**CITICORP TRUSTEE COMPANY LIMITED
as Funding 1 Security Trustee**

ALLEN & OVERY

Allen & Overy LLP

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THIS AMENDED AND RESTATED FUNDING 1 BANK ACCOUNT AGREEMENT (this Agreement) is made on 1 October 2010

BETWEEN:

- (1) **LANGTON FUNDING (NO.1) LIMITED** (registered number 6432610), a private limited company incorporated under the laws of England and Wales, whose registered office is c/o Structured Finance Management Limited, 35 Great St. Helen's, London EC3A 6AP (referred to herein as **Funding 1**);
- (2) **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 **Cash Manager** to Funding 1);
- (3) **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 **Funding 1 Account Bank**); and
- (4) **CITICORP TRUSTEE COMPANY LIMITED** (registered number 0235914) acting through its offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (in its capacity as **Funding 1 Security Trustee**).

WHEREAS

- (A) The parties hereto are parties to the Funding 1 Bank Account Agreement dated 25 January 2008 (the **Existing Funding 1 Bank Account Agreement**) (as it may be supplemented, amended, restated, varied and/or novated from time to time, including without limitation on the date hereof). The parties hereto have agreed to amend and restate the terms of the Existing Funding 1 Bank Account Agreement on the terms set out herein. /
- (B) Pursuant to the Part VII Scheme, all of Alliance & Leicester's business was transferred to Santander UK. All accrued rights and obligations of Alliance & Leicester in its capacities as the Funding 1 Account Bank and the Cash Manager under this Agreement and all future rights and obligations of Alliance & Leicester in its capacities as the Funding 1 Account Bank and the Cash Manager under this Agreement have been transferred to, and have vested in or become liabilities of (as applicable), Santander UK on the Part VII Effective Date.

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 25 January 2008 (as the same may be amended, restated, varied and/or supplemented from time to time with the consent of the parties thereto, including, without limitation, on 5 March 2008, 17 June 2008, 23 November 2009, 27 May 2010 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 (as so amended, restated, varied and/or supplemented from time to time) shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Agreement, and this Agreement shall be construed in accordance with the interpretation provisions set out in Clause 3 of the Master Definitions and Construction Schedule.

- 1.2 As at the date of this Agreement (the **Effective Date**), any future rights or obligations (excluding, for the avoidance of doubt, such rights and obligations accrued to the Effective Date) of a party under the Existing Funding 1 Bank Account Agreement shall be extinguished and shall instead be governed by this Agreement.

2. THE FUNDING 1 ACCOUNTS

2.1 Instructions from the Cash Manager

Subject to Clause 6.3 (Consequences of an Intercompany Loan Acceleration Notice), the Funding 1 Account Bank shall comply with any direction of the Cash Manager to effect a payment by debiting the Funding 1 Transaction Account, the Funding 1 GIC Account or the Funding 1 Collateral Account (if applicable) if such direction (a) is in writing, is by way of email, is given by telephone and confirmed in writing not later than close of business on the London Business Day on which such direction is given, or is given by the internet banking service provided by the Funding 1 Account Bank and/or otherwise (b) complies with the Funding 1 Transaction Account Mandate, the Funding 1 GIC Account Mandate or the Funding 1 Collateral Account Mandate (if applicable), as appropriate.

2.2 Timing of Payment

Without prejudice to the provisions of Clause 3 (Payment), the Funding 1 Account Bank agrees that if directed pursuant to Clause 2.1 (Instructions from the Cash Manager) to make any payment then, subject to Clauses 2.4 (No Negative Balance) and 6.3 (Consequences of an Intercompany Loan Acceleration Notice) below, it will do so prior to close of business on the London Business Day on which such direction is received and for value that day provided that, if any direction is received later than 2.00 p.m. on any London Business Day, the Funding 1 Account Bank shall make such payment at the commencement of business on the following London Business Day for value that day.

2.3 Funding 1 Account Bank Charges

The charges of the Funding 1 Account Bank for the operation of each of the Funding 1 Bank Accounts shall be debited to the Funding 1 Transaction Account only on each Funding 1 Interest Payment Date in accordance with the order of priority set out in the Funding 1 Deed of Charge, and Funding 1 by its execution hereof irrevocably agrees that this shall be done. The charges shall be payable at the same rates as are generally applicable to the business customers of the Funding 1 Account Bank.

2.4 No Negative Balance

Notwithstanding the provisions of Clause 2.1 (Instructions from the Cash Manager), amounts shall only be withdrawn from any Funding 1 Bank Account to the extent that such withdrawal does not cause the relevant Funding 1 Bank Account to become overdrawn.

3. PAYMENT

3.1 Instructions from the Cash Manager

- (a) The Cash Manager shall before the date upon which any payment is due to be made from any Funding 1 Bank Account (including the payments due to be made on each Funding 1 Interest Payment Date), submit to the Funding 1 Account Bank irrevocable written instructions, instructions by way of e-mail or instructions by way of the internet banking service provided by the Funding 1 Account Bank as to the payments

to be made out of such Funding 1 Bank Account or Funding 1 Bank Accounts (as the case may be) on such date.

- (b) The Funding 1 Account Bank shall comply with the instructions described in Clause 3.1(a) and shall effect the payments specified in such instructions not later than the time specified for payment therein (provided that the Funding 1 Account Bank shall not have any liability to any person if it fails to effect timely payment by reason of strike, computer failure, power cut or other matters beyond its control) on the relevant date if the instructions comply with the relevant Mandate.

4. MANDATES

4.1 Signing and Delivery of Mandates

Funding 1 has delivered to the Funding 1 Account Bank prior to the Initial Closing Date the duly executed relevant Mandates in or substantially in the forms set out in Schedule 1 (Forms of Mandate) hereto and relating to the Funding 1 GIC Account and the Funding 1 Transaction Account, and the Funding 1 Account Bank hereby confirms to Funding 1 and the Funding 1 Security Trustee that the Mandates have been provided to it, that such Funding 1 Bank Accounts are open and that the respective Mandates are operative. As soon as practicable after (i) Funding 1 receives notice that the ratings of the Funding 1 Swap Provider have been downgraded below the minimum levels specified under the Funding 1 Swap Agreement and (ii) the Funding 1 Swap Provider advises Funding 1 that it intends to post collateral in accordance with the requirements of the Funding 1 Swap Agreement, Funding 1 shall deliver a signed Mandate in or substantially in the form set out in Schedule 1 Part 3 (Bank Mandate Funding 1 Collateral Account) hereto to the Funding 1 Account Bank in order to establish the Funding 1 Collateral Account. As soon as practicable after the receipt of the Mandate the Funding 1 Account Bank shall confirm to Funding 1 and the Funding 1 Security Trustee that the Funding 1 Collateral Account is open and that the Mandate is operative. The Funding 1 Account Bank acknowledges that the Mandates and any other mandates delivered from time to time pursuant to the terms hereof shall be subject to the terms of the Funding 1 Deed of Charge and this Agreement.

4.2 Amendment or Revocation

The Funding 1 Account Bank agrees that it shall notify the Funding 1 Security Trustee as soon as is reasonably practicable and in accordance with Clause 12 (Notices) if it receives any amendment to or revocation of any Mandate relating to the Funding 1 Bank Accounts (other than a change of Authorised Signatory) and shall require the prior written consent of the Funding 1 Security Trustee to any such amendment or revocation (other than a change of Authorised Signatory) but, unless such Mandate is revoked, the Funding 1 Account Bank may continue to comply with such Mandate (as it may from time to time be amended in accordance with the provisions of this Clause 4.2) unless: (i) it receives notice in writing from the Funding 1 Security Trustee to the effect that an Intercompany Loan Acceleration Notice has been served, as provided in Clause 6.3 (Consequences of an Intercompany Loan Acceleration Notice), or (ii) the appointment of Santander UK as Cash Manager under the Cash Management Agreement has been terminated and no replacement cash manager has been appointed and shall, if requested by the Funding 1 Security Trustee, thereafter, act solely on the instructions of the Funding 1 Security Trustee and in accordance with the terms thereof as provided in Clause 6.3 (Consequences of an Intercompany Loan Acceleration Notice) of this Agreement.

5. ACKNOWLEDGEMENT BY THE FUNDING 1 ACCOUNT BANK

5.1 Restriction on the Funding 1 Account Bank's Rights

Notwithstanding anything to the contrary in the Mandates, the Funding 1 Account Bank hereby:

- (a) waives any right it has or may hereafter acquire to combine, consolidate or merge any of the Funding 1 Bank Accounts with any other account of the Cash Manager, the Mortgages Trustee, Funding 1, the Seller, the Funding 1 Security Trustee or any other person or any liabilities of the Cash Manager, the Mortgages Trustee, Funding 1, the Seller, the Funding 1 Security Trustee or any other person owing to it;
- (b) agrees that it may not exercise any lien or, to the extent permitted by law, any set-off or transfer any sum standing to the credit of or to be credited to any of the Funding 1 Bank Accounts in or towards satisfaction of any liabilities to it of the Cash Manager, the Mortgages Trustee, Funding 1, the Seller, the Funding 1 Security Trustee or any other person owing to it;
- (c) in addition to and without prejudice to its rights and obligations as a Funding 1 Secured Creditor, agrees that it will not take, and shall not take, any steps whatsoever to recover any amount due or owing to it pursuant to this Agreement or any other debts whatsoever owing to it by Funding 1, or procure the winding-up or liquidation of Funding 1 or the making of an administration order in relation to Funding 1 in respect of any of the liabilities of Funding 1 whatsoever;
- (d) agrees that it shall have recourse only to sums paid to or received by (or on behalf of) Funding 1 pursuant to this Agreement, the Mortgage Sale Agreement, the Mortgages Trust Deed, the Issuer Intercompany Loan Agreement, any New Intercompany Loan Agreement, the Funding 1 Start-Up Loan Agreement, any new Funding 1 Start-Up Loan Agreement, the Funding 1 Swap Agreement or any other document entered into by Funding 1 in relation to the Issuer Intercompany Loan, New Intercompany Loan, the Funding 1 Start-Up Loan Agreement or any new Funding 1 Start-Up Loan Agreement;
- (e) agrees that it will notify in accordance with Clause 12 (Notices) the Cash Manager, Funding 1 and the Funding 1 Security Trustee if compliance with any instruction would cause the relevant Funding 1 Bank Account(s) to which such instruction relates to have a negative balance, such notification to be given on the same London Business Day that it determines that compliance with such instruction would cause any such account to have a negative balance; and
- (f) acknowledges that Funding 1 has, pursuant to the Funding 1 Deed of Charge, *inter alia*, charged by way of fixed charge all its rights, title, interest and benefit, present and future, in and to, all sums from time to time standing to the credit of the Funding 1 Bank Accounts and all of its rights under this Agreement to the Funding 1 Security Trustee.

5.2 Acknowledgment of Funding 1 Collateral Account Mandate

The Funding 1 Account Bank agrees that promptly upon receipt of a signed Mandate in or substantially in the form set out in Part 3 (Bank Mandate Funding 1 Collateral Account) of Schedule 1 hereto, the Funding 1 Account Bank shall sign and duly return to Funding 1, with a copy to the Funding 1 Security Trustee, a consent to assignment and charge in (or

substantially in) the form of consent to assignment and charge set out in Schedule 2 to the Funding 1 Deed of Charge.

5.3 Monthly Statement

Unless and until directed otherwise by Funding 1 in accordance with Clause 12 (Notices), the Funding 1 Account Bank shall provide each of the Cash Manager, Funding 1 and (if requested) the Funding 1 Security Trustee with a written statement setting out the amounts standing to the credit of each Funding 1 Bank Account on a monthly basis and, in any event, within three London Business Days of the relevant statement date and also as soon as reasonably practicable after receipt of a request for a statement. The Funding 1 Account Bank is hereby authorised by Funding 1 to provide statements in respect of each Funding 1 Bank Account to the Cash Manager and (if requested) the Funding 1 Security Trustee.

6. CERTIFICATION, INDEMNITY AND ACCELERATION NOTICE

6.1 Funding 1 Account Bank to Comply with Cash Manager's Instructions

Unless otherwise directed in writing by the Funding 1 Security Trustee pursuant to Clause 6.3 (Consequences of an Intercompany Loan Acceleration Notice), in making any transfer or payment from any Funding 1 Bank Account in accordance with this Agreement, the Funding 1 Account Bank shall be entitled to act as directed by the Cash Manager pursuant to Clauses 2.1 (Instructions from the Cash Manager) and 3.1 (Instructions from the Cash Manager) and to rely as to the amount of any such transfer or payment on the Cash Manager's instructions in accordance with the relevant Mandate, and the Funding 1 Account Bank shall have no liability to the Cash Manager, the Mortgages Trustee, Funding 1, the Seller or the Funding 1 Security Trustee for having acted on such instructions except in the case of its wilful default, fraud or negligence.

6.2 Funding 1's Indemnity

Subject to the priority of payments set out in the Funding 1 Deed of Charge, Funding 1 shall indemnify the Funding 1 Account Bank or, pursuant to Clause 6.3 (Consequences of an Intercompany Loan Acceleration Notice), the Funding 1 Security Trustee, as the case may be, to the extent of funds then standing to the credit of the Funding 1 Transaction Account and/or the Funding 1 GIC Account against any loss, cost, damage, charge or expense incurred by the Funding 1 Account Bank or the Funding 1 Security Trustee, as the case may be, in complying with any instruction delivered pursuant to and in accordance with this Agreement, save that this indemnity shall not extend to:

- (a) the charges of the Funding 1 Account Bank (if any) for the operation of the Funding 1 Transaction Account and/or the Funding 1 GIC Account other than as provided in this Agreement; and
- (b) any loss, cost, damage, charge or expense arising from any wilful default, fraud or negligence or any breach by the Funding 1 Account Bank of its obligations under this Agreement.

6.3 Consequences of an Intercompany Loan Acceleration Notice

- (a) Notwithstanding anything contained herein the Funding 1 Account Bank acknowledges and agrees that, if it receives notice in writing from the Funding 1 Security Trustee to the effect that an Intercompany Loan Acceleration Notice has

SIGNATURES

Funding 1

Shirley Jones, SPVA Director Finance, as director
of Langton Funding 1
LANGTON FUNDING (NO. 1) LIMITED

Cash Manager as Funding 1 Account Bank

Shirley Jones
in and on behalf of
SANTANDER UK PLC
acting by its duly authorised officer

Funding 1 Secretary Trustee

Shirley Jones
in and on behalf of
CITICORP TRUSTEE COMPANY LIMITED
acting by its duly authorised officer

