

EXECUTION COPY

LOAN TRANCHE SUPPLEMENT

DATED 6 DECEMBER 2011

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

FOSSE MASTER ISSUER PLC
(as Issuer)

LAW DEBENTURE TRUST COMPANY OF NEW YORK
(as Funding 1 Security Trustee and as Issuer Security Trustee)

and

CITIBANK, N.A.
(as Agent Bank)

THIS LOAN TRANCHE SUPPLEMENT is dated 6 December 2011

BETWEEN:

- (1) **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 35 Great St. Helen's, London EC3A 6AP (as **Funding 1**);
- (2) **FOSSE MASTER ISSUER PLC** (registered number 5925693), a public limited company incorporated under the laws of England and Wales whose registered office is at 35 Great St. Helen's, London EC3A 6AP (as **Issuer**);
- (3) **LAW DEBENTURE TRUST COMPANY OF NEW YORK**, acting through its office at 400 Madison Avenue – 4th Floor, New York, New York 10017 in its capacity as **Funding 1 Security Trustee** which expression shall include such company and all other persons or companies for the time being acting as security trustee (or co-trustee) pursuant to the terms of the Funding 1 Deed of Charge and in its capacity as Issuer Security Trustee, which expression shall include such company and all other persons or companies for the time being acting as security trustee (or co-trustee) pursuant to the terms of the Issuer Deed of Charge; and
- (4) **CITIBANK, N.A.**, acting through its office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB in its capacity as **Agent Bank**.

This document constitutes the Loan Tranche Supplement relating to the Loan Tranches described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Intercompany Loan Agreement entered into between the parties hereto on 28 November 2006, as amended and restated on 11 March 2010. This Loan Tranche Supplement contains the final terms of the Loan Tranches identified and described herein, is supplemental to and must be read in conjunction with the Intercompany Loan Agreement.

Loan Tranche: The Series 2011-2 Class A1 Notes will fund the Series 2011-2 AAA (Class A1) Loan Tranche which shall have the following terms:

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| 1. | Borrower: | Fosse Funding (No. 1) Limited |
| 2. | Lender: | Fosse Master Issuer plc |
| 3. | Tier of Loan Tranche: | AAA Loan Tranche |
| 4. | Series Number: | Series 2011-2 |
| 5. | Redemption/Payment Basis: | Scheduled Amortisation |
| 6. | Change of Redemption/Payment Basis: | Not applicable |
| 7. | Initial Principal Amount: | £224,358,974 |
| | (a) Closing Date: | 6 December 2011 |
| | (b) Loan Tranche Interest Commencement Date: | 6 December 2011 |
| | (c) Loan Tranche Interest Reset Dates: | The Funding 1 Interest Payment Dates occurring quarterly, commencing with the Funding 1 Interest Payment Date occurring in January 2012 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date occurring monthly |
| 8. | Funding 1 Interest Payment Dates: | The 18th of January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year (or, in each case, if such day is not a Business Day, the next succeeding Business Day), up to and including the Final Maturity Date, commencing on 18 January 2012 |
| 9. | Initial Relevant Screen Reference Rate: | The linear interpolation of one-month Sterling LIBOR and two-month Sterling LIBOR |
| 10. | Initial Loan Tranche Margin per annum: | - 0.10% |
| 11. | Step-Up Date (if any): | Not Applicable |
| 12. | Stepped-Up Loan Tranche Margin per annum: | Not Applicable |
| 13. | Details relating to Bullet Loan Tranches: | Not Applicable |
| 14. | Details relating to Scheduled Amortisation Loan Tranche: | Applicable |

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| (a) | Scheduled Repayment Dates: | The Funding 1 Interest Payment Dates occurring in July 2012 and October 2012 |
| (b) | Repayment Amounts: | <p>£112,179,487 on the Funding 1 Interest Payment Date occurring in July 2012</p> <p>£112,179,487 on the Funding 1 Interest Payment Date occurring in October 2012</p> |
| (c) | Relevant Accumulation Amounts: | Not Applicable |
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| 15. | Details relating to Pass-through Loan Tranches: | Not Applicable |
| 16. | Final Repayment Date: | The Funding 1 Interest Payment Date occurring in October 2012 |
| 17. | Loan Tranche Payment Dates: | Each Funding 1 Interest Payment Date corresponding to a Scheduled Repayment Date |
| 18. | Other terms and special conditions: | Not Applicable |

Loan Tranche: The Series 2011-2 Class A2 Notes will fund the Series 2011-2 AAA (Class A2) Loan Tranche which shall have the following terms:

1. Borrower: Fosse Funding (No. 1) Limited
2. Lender: Fosse Master Issuer plc
3. Tier of Loan Tranche: AAA Loan Tranche
4. Series Number: Series 2011-2
5. Redemption/Payment Basis: Scheduled Amortisation
6. Change of Redemption/Payment Basis: Not applicable
7. Initial Principal Amount: £449,293,967
 - (a) Closing Date: 6 December 2011
 - (b) Loan Tranche Interest Commencement Date: 6 December 2011
 - (c) Loan Tranche Interest Reset Dates: The Funding 1 Interest Payment Dates occurring quarterly, commencing with the Funding 1 Interest Payment Date occurring in January 2012 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date occurring monthly
8. Funding 1 Interest Payment Dates: The 18th of January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year (or, in each case, if such day is not a Business Day, the next succeeding Business Day), up to and including the Final Maturity Date, commencing on 18 January 2012
9. Initial Relevant Screen Reference Rate: The linear interpolation of one-month Sterling LIBOR and two-month Sterling LIBOR
10. Initial Loan Tranche Margin per annum: + 1.505%
11. Step-Up Date (if any): The Funding 1 Interest Payment Date occurring in January 2015, on which date the Initial Loan Tranche Margin shall be replaced with the Stepped-up Loan Tranche Margin
12. Stepped-Up Loan Tranche Margin per annum: + 3.01%
13. Details relating to Bullet Loan Tranches: Not Applicable

14. Details relating to Scheduled Amortisation Loan Tranche: Applicable
- (a) Scheduled Repayment Dates: The Funding 1 Interest Payment Dates occurring in January 2014, April 2014, July 2014, October 2014 and January 2015
- (b) Repayment Amounts: £30,439,615 on the Funding 1 Interest Payment Date occurring in January 2014
- £29,440,228 on the Funding 1 Interest Payment Date occurring in April 2014
- £28,473,652 on the Funding 1 Interest Payment Date occurring in July 2014
- £27,538,811 on the Funding 1 Interest Payment Date occurring in October 2014
- £333,401,661 on the Funding 1 Interest Payment Date occurring in January 2015
- (c) Relevant Accumulation Amounts: Not Applicable
15. Details relating to Pass-through Loan Tranches: Not Applicable
16. Final Repayment Date: The Funding 1 Interest Payment Date occurring in October 2054
17. Loan Tranche Payment Dates: Each Funding 1 Interest Payment Date corresponding to a Scheduled Repayment Date and, following the occurrence of the Step-Up Date, each Funding 1 Interest Payment Date thereafter for as long as the Series 2011-2 AAA (Class A2) Loan Tranche remains outstanding
18. Other terms and special conditions: Not Applicable

Loan Tranche: The Series 2011-2 Class A3 Notes will fund the Series 2011-2 AAA (Class A3) Loan Tranche which shall have the following terms:

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| 1. | Borrower: | Fosse Funding (No. 1) Limited |
| 2. | Lender: | Fosse Master Issuer plc |
| 3. | Tier of Loan Tranche: | AAA Loan Tranche |
| 4. | Series Number: | Series 2011-2 |
| 5. | Redemption/Payment Basis: | Scheduled Amortisation |
| 6. | Change of Redemption/Payment Basis: | Not applicable |
| 7. | Initial Principal Amount: | £88,450,000 |
| | (a) Closing Date: | 6 December 2011 |
| | (b) Loan Tranche Interest Commencement Date: | 6 December 2011 |
| | (c) Loan Tranche Interest Reset Dates: | The Funding 1 Interest Payment Dates occurring quarterly, commencing with the Funding 1 Interest Payment Date occurring in January 2012 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date occurring monthly |
| 8. | Funding 1 Interest Payment Dates: | The 18th of January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year (or, in each case, if such day is not a Business Day, the next succeeding Business Day), up to and including the Final Maturity Date, commencing on 18 January 2012 |
| 9. | Initial Relevant Screen Reference Rate: | The linear interpolation of one-month Sterling LIBOR and two-month Sterling LIBOR |
| 10. | Initial Loan Tranche Margin per annum: | + 1.965% |
| 11. | Step-Up Date (if any): | The Funding 1 Interest Payment Date occurring in January 2015, on which date the Initial Loan Tranche Margin shall be replaced with the Stepped-up Loan Tranche Margin |
| 12. | Stepped-Up Loan Tranche Margin per annum: | + 3.93% |
| 13. | Details relating to Bullet Loan Tranches: | Not Applicable |

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| 14. | Details relating to Scheduled Amortisation Loan Tranche: | Applicable |
| (a) | Scheduled Repayment Dates: | The Funding 1 Interest Payment Dates occurring in January 2014, April 2014, July 2014, October 2014 and January 2015 |
| (b) | Repayment Amounts: | <p>£5,992,477 on the Funding 1 Interest Payment Date occurring in January 2014</p> <p>£5,795,734 on the Funding 1 Interest Payment Date occurring in April 2014</p> <p>£5,605,449 on the Funding 1 Interest Payment Date occurring in July 2014</p> <p>£5,421,412 on the Funding 1 Interest Payment Date occurring in October 2014</p> <p>£65,634,928 on the Funding 1 Interest Payment Date occurring in January 2015</p> |
| (c) | Relevant Accumulation Amounts: | Not Applicable |
| 15. | Details relating to Pass-through Loan Tranches: | Not Applicable |
| 16. | Final Repayment Date: | The Funding 1 Interest Payment Date occurring in October 2054 |
| 17. | Loan Tranche Payment Dates: | Each Funding 1 Interest Payment Date corresponding to a Scheduled Repayment Date and, following the occurrence of the Step-Up Date, each Funding 1 Interest Payment Date thereafter for as long as the Series 2011-2 AAA (Class A3) Loan Tranche remains outstanding |
| 18. | Other terms and special conditions: | Not Applicable |

Loan Tranche: The Series 2011-2 Class A4 Notes will fund the Series 2011-2 AAA (Class A4) Loan Tranche which shall have the following terms:

1. Borrower: Fosse Funding (No. 1) Limited
2. Lender: Fosse Master Issuer plc
3. Tier of Loan Tranche: AAA Loan Tranche
4. Series Number: Series 2011-2
5. Redemption/Payment Basis: Scheduled Amortisation
6. Change of Redemption/Payment Basis: Not applicable
7. Initial Principal Amount: £192,307,692
 - (a) Closing Date: 6 December 2011
 - (b) Loan Tranche Interest Commencement Date: 6 December 2011
 - (c) Loan Tranche Interest Reset Dates: The Funding 1 Interest Payment Dates occurring quarterly, commencing with the Funding 1 Interest Payment Date occurring in January 2012 until a Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date occurring monthly
8. Funding 1 Interest Payment Dates: The 18th of January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year (or, in each case, if such day is not a Business Day, the next succeeding Business Day), up to and including the Final Maturity Date, commencing on 18 January 2012
9. Initial Relevant Screen Reference Rate: The linear interpolation of one-month Sterling LIBOR and two-month Sterling LIBOR
10. Initial Loan Tranche Margin per annum: + 1.522%
11. Step-Up Date (if any): The Funding 1 Interest Payment Date occurring in January 2016, on which date the Initial Loan Tranche Margin shall be replaced with the Stepped-up Loan Tranche Margin
12. Stepped-Up Loan Tranche Margin per annum: + 3.044%
13. Details relating to Bullet Loan Tranches: Not Applicable

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| 14. | Details relating to Scheduled Amortisation Loan Tranche: | Applicable |
| (a) | Scheduled Repayment Dates: | The Funding 1 Interest Payment Dates occurring in April 2015, July 2015, October 2015 and January 2016 |
| (b) | Repayment Amounts: | <p>£19,373,865 on the Funding 1 Interest Payment Date occurring in April 2015</p> <p>£18,737,786 on the Funding 1 Interest Payment Date occurring in July 2015</p> <p>£18,122,591 on the Funding 1 Interest Payment Date occurring in October 2015</p> <p>£136,073,451 on the Funding 1 Interest Payment Date occurring in January 2016</p> |
| (c) | Relevant Accumulation Amounts: | Not Applicable |
| 15. | Details relating to Pass-through Loan Tranches: | Not Applicable |
| 16. | Final Repayment Date: | The Funding 1 Interest Payment Date occurring in October 2054 |
| 17. | Loan Tranche Payment Dates: | Each Funding 1 Interest Payment Date corresponding to a Scheduled Repayment Date and, following the occurrence of the Step-Up Date, each Funding 1 Interest Payment Date thereafter for as long as the Series 2011-2 AAA (Class A4) Loan Tranche remains outstanding |
| 18. | Other terms and special conditions: | Not Applicable |

Loan Tranche: The Series 2011-2 Class A5 Notes will fund the Series 2011-2 AAA (Class A5) Loan Tranche which shall have the following terms:

1. Borrower: Fosse Funding (No. 1) Limited
2. Lender: Fosse Master Issuer plc
3. Tier of Loan Tranche: AAA Loan Tranche
4. Series Number: Series 2011-2
5. Redemption/Payment Basis: Scheduled Amortisation
6. Change of Redemption/Payment Basis: Not applicable
7. Initial Principal Amount: £161,707,633
 - (a) Closing Date: 6 December 2011
 - (b) Loan Tranche Interest Commencement Date: 6 December 2011
 - (c) Loan Tranche Interest Reset Dates: The Funding 1 Interest Payment Dates occurring quarterly, commencing with the Funding 1 Interest Payment Date occurring in January 2012 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date occurring monthly
8. Funding 1 Interest Payment Dates: The 18th of January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year (or, in each case, if such day is not a Business Day, the next succeeding Business Day), up to and including the Final Maturity Date, commencing on 18 January 2012
9. Initial Relevant Screen Reference Rate: The linear interpolation of one-month Sterling LIBOR and two-month Sterling LIBOR
10. Initial Loan Tranche Margin per annum: + 1.89%
11. Step-Up Date (if any): The Funding 1 Interest Payment Date occurring in January 2022, on which date the Initial Loan Tranche Margin shall be replaced with the Stepped-up Loan Tranche Margin
12. Stepped-Up Loan Tranche Margin per annum: + 3.78%
13. Details relating to Bullet Loan Tranches: Not Applicable

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| 14. | Details relating to Scheduled Amortisation Loan Tranche: | Applicable |
| | (a) Scheduled Repayment Dates: | The Funding 1 Interest Payment Date occurring in January 2022 |
| | (b) Repayment Amounts: | £161,707,633 on the Funding 1 Interest Payment Date occurring in January 2022 |
| | (c) Relevant Accumulation Amounts: | Not Applicable |
| 15. | Details relating to Pass-through Loan Tranches: | Not Applicable |
| 16. | Final Repayment Date: | The Funding 1 Interest Payment Date occurring in October 2054 |
| 17. | Loan Tranche Payment Dates: | Each Funding 1 Interest Payment Date corresponding to a Scheduled Repayment Date and, following the occurrence of the Step-Up Date, each Funding 1 Interest Payment Date thereafter for as long as the Series 2011-2 AAA (Class A5) Loan Tranche remains outstanding |
| 18. | Other terms and special conditions: | Not Applicable |

Loan Tranche: The Series 2011-2 Class Z Notes will fund the Series 2011-2 NR (Class Z) Loan Tranche which shall have the following terms:

1. Borrower: Fosse Funding (No. 1) Limited
2. Lender: Fosse Master Issuer plc
3. Tier of Loan Tranche: NR Loan Tranche
4. Series Number: Series 2011-2
5. Redemption/Payment Basis: Pass-Through
6. Change of Redemption/Payment Basis: Not Applicable
7. Initial Principal Amount: £233,965,000
 - (a) Closing Date: 6 December 2011
 - (b) Loan Tranche Interest Commencement Date: 6 December 2011
 - (c) Loan Tranche Interest Reset Dates: The Funding 1 Interest Payment Dates occurring quarterly, commencing with the Funding 1 Interest Payment Date occurring in January 2012 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date occurring monthly
8. Funding 1 Interest Payment Dates: The 18th of January, April, July and October in each year, or following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year (or, in each case, if such day is not a Business Day, the next succeeding Business Day), up to and including the Final Maturity Date, commencing on 18 January 2012
9. Initial Relevant Screen Reference Rate: The linear interpolation of one-month Sterling LIBOR and two-month Sterling LIBOR
10. Initial Loan Tranche Margin per annum: + 0.70%
11. Step-Up Date (if any): Not Applicable
12. Stepped-Up Loan Tranche Margin per annum: Not Applicable
13. Details relating to Bullet Loan Tranches: Not Applicable
14. Details relating to Scheduled Amortisation Loan Tranche: Not Applicable

15. Details relating to Pass-through Loan Applicable Tranches:

The NR Loan Tranche relating to the Series 2011-2 Class Z Notes shall be due and payable up to and amount of £200,067,000 on and following the Loan Tranche Payment Date occurring in October 2016 and due and payable in full on and following the Loan Tranche Payment Date in January 2022 and on each applicable Loan Tranche Payment Date thereafter

16. Final Repayment Date:

The Funding 1 Interest Payment Date occurring in October 2054

17. Loan Tranche Payment Dates:

Each Funding 1 Interest Payment Date (up to an amount of £200,067,000) on and from the Funding 1 Interest Payment Date in October 2016 and each Funding 1 Interest Payment Date on and from the Funding 1 Interest Payment Date in January 2022

18. Other terms and special conditions:

Not Applicable

Confirmations and certifications:

Funding 1 confirms that:

- (a) no Intercompany Loan Event of Default has occurred and is continuing which has not been waived or would result from the making of such Loan Tranche;
- (b) the representations and warranties set out in Clause 13 of the Intercompany Loan Agreement are true on and as of the Closing Date specified in this Loan Tranche Supplement by reference to the facts and circumstances then existing; and
- (c) as of the Closing Date specified in this Loan Tranche Supplement, there will be no debit balance on the Funding 1 Principal Deficiency Ledger.

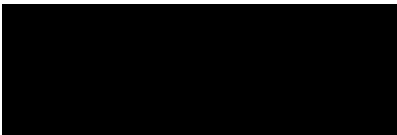
Funding 1 hereby makes each of the certifications set out in Clause 3 of the Intercompany Loan Agreement save, in relation to Clause 3(b), that Linklaters LLP will not be providing the legal opinions referred to in Schedule 1 of the Intercompany Loan Agreement.

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

EXECUTION PAGE
for Loan Tranche Supplement

Funding 1

EXECUTED by SFM Directors Limited, as director)
for and on behalf of)
FOSSE FUNDING (NO. 1) LIMITED)
by:)



Name: 

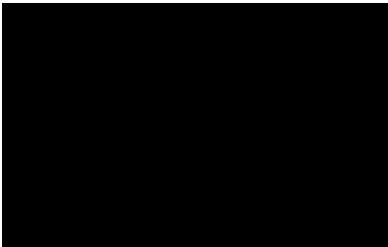
EXECUTED by SFM Directors (No.2) Limited, as director)
for and on behalf of)
FOSSE FUNDING (NO. 1) LIMITED)
by:)



Name: Vinoy Nursiah
Director

Issuer

EXECUTED by SFM Directors Limited, as director)
for and on behalf of)
FOSSE MASTER ISSUER PLC)
by:)



Name: 

Funding 1 Security Trustee and Issuer Security Trustee

EXECUTED for and on behalf of)
LAW DEBENTURE TRUST COMPANY)
OF NEW YORK)
by:)

Name:

Funding 1

Name:

Name:

Name:

Name:

Agent Bank

EXECUTED for and on behalf of
CITIBANK, N.A.

by

[REDACTED]

Name:

[REDACTED]

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