

NOVATION AGREEMENT

dated as of 21 December 2016 among:

ABBEEY COVERED BONDS LLP (the "LLP")

and

DEUTSCHE TRUSTEE COMPANY LIMITED

(the "Security Trustee", together with the LLP, the "Remaining Parties"),

BARCLAYS BANK PLC (the "Transferor")

AND

HSBC BANK PLC (the "Transferee").

The Transferor and the Remaining Parties have entered into one Transaction (each an "Old Transaction"), evidenced by a Confirmation (an "Old Confirmation") (attached in Annex 1 hereto), subject to an ISDA 1992 (Multicurrency-Cross Border) Master Agreement with a Schedule dated as of 25 May 2005 and a Credit Support Annex signed by the Transferor on 21 December 2012 and the LLP on 24 December 2012, as amended by an Amendment Agreement dated as of 15 July 2015 (the "Old Agreement") (attached in Annex 2 hereto).

With effect from and including 21 December 2016 (the "Novation Date"), the Transferor wishes to transfer by novation to the Transferee, and the Transferee wishes to accept the transfer by novation of, all the rights, liabilities, duties and obligations of the Transferor under and in respect of the Old Agreement including the Old Transaction, with the effect that the Remaining Parties and the Transferee enter into a new transaction (the "New Transaction") between them, as evidenced by the New Confirmation and New Agreement (each defined below).

The Remaining Parties wish to accept each other and the Transferee as their sole counterparties with respect to the New Transaction.

The Transferor and the Remaining Parties wish to have released and discharged, as a result and to the extent of the transfer described above, their respective obligations under and in respect of the Old Transaction, subject to and in accordance with this Novation Agreement.

Accordingly, the parties agree as follows: -

1 Definitions

Terms defined in (i) the ISDA Master Agreement (Multicurrency-Cross Border) as published in 1992 by the International Swaps and Derivatives Association, Inc., (the "1992 ISDA Master Agreement") and (ii) the amended and restated master definitions and construction agreement made between, *inter alios*, the Remaining Parties on 23 June 2015, as the same may be amended, varied or supplemented from time to time (the "Master Definitions and Construction Agreement") are used herein as so defined, unless otherwise provided herein.

2 Transfer, Release, Discharge and Undertakings.

With effect from and including the Novation Date and in consideration of the mutual representations, warranties and covenants contained in this Novation Agreement and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the parties):

- (a) the Remaining Parties and the Transferor are each released and discharged from further obligations to each other with respect to the Old Agreement including the Old Transaction and their respective rights against each other thereunder are cancelled, provided that such release and discharge shall not affect any rights, liabilities or obligations of the Remaining Parties or the Transferor with respect to payments or other obligations due and payable or due to be performed on or prior to the Novation Date, and all such payments and obligations shall be paid or performed by the Remaining Parties or the Transferor in accordance with the terms of the Old Agreement, including the Old Transaction;
- (b) in respect of the New Transaction, the LLP and the Transferee each undertake liabilities and obligations towards the other and acquire rights against each other identical in their terms to the Old Transaction (and, for the avoidance of doubt, as if the Transferee were the Transferor and with the Remaining Parties remaining the Remaining Parties, save for any rights, liabilities or obligations of the Remaining Parties or the Transferor with respect to payments or other obligations due and payable or due to be performed on or prior to the Novation Date);
- (c) the Transferee undertakes to the Transferor and the Remaining Parties that it will with effect from the Novation Date perform all the duties and discharge all the obligations expressed to be the obligations of the Transferor under the Old Agreement and the Old Confirmation, save for any duties or obligations of the Transferor with respect to payments or other obligations due and payable or due to be performed on or prior to the Novation Date, and be bound by all the terms and conditions of the Old Agreement and the Old Confirmation in every way as if it were named therein as a party to the Old Agreement and the Old Confirmation with effect from the Novation Date in place of the Transferor;
- (d) each of the Remaining Parties (other than the Security Trustee) warrants and undertakes to the Transferee that it has performed and will continue to perform all its duties and has discharged and will continue to discharge all its obligations under the Old Agreement and the Old Confirmation, and that with effect from the Novation Date it will be bound by all the terms and conditions of the Old Agreement and the Old Confirmation in favour of the Transferee in every way as if the Transferee had been named therein as a party to the Old Agreement and the Old Confirmation with effect from the Novation Date in place of the Transferor;
- (e) the Transferor acknowledges that as from the Novation Date, it ceases to (i) be a party to the Deed of Charge as a Secured Creditor and (ii) be bound by any of the provisions of the Master Definitions and Construction Agreement (as the same may be amended, varied or restated from time to time) and the Deed of Charge in its capacity as a Secured Creditor. The Transferor further acknowledges that it shall have no further rights under the aforementioned documents and no amounts are due to it on and from the Novation Date; and

- (f) the offices of the Remaining Parties and the Transferee for purposes of each New Transaction shall be 2 Triton Square, Regent's Place, London NW1 3AN (for the LLP), Winchester House, 1 Great Winchester Street, London EC2N 2DB (for the Security Trustee) and 8 Canada Square, London, E14 5HQ United Kingdom (for the Transferee), respectively and the office of the Transferor for purposes of the Old Transaction shall have been 5 The North Colonnade, Canary Wharf, London E14 4BB,

such Old Agreement and Old Confirmation, each as novated being the "**New Agreement**" and "**New Confirmation**" respectively.

3 Representations and Warranties

- (a) On the date of this Novation Agreement and on the Novation Date:
- (i) Each of the parties (other than the Security Trustee) makes to each of the other parties those representations and warranties set forth in Section 3(a) of the 1992 ISDA Master Agreement with references in such Section to "this Agreement" or "any Credit Support Document" being deemed references to this Novation Agreement alone.
 - (ii) The LLP and the Transferor each makes to the other and the Security Trustee, and the LLP and the Transferee each makes to the other and the Security Trustee, the representation set forth in Section 3(b) of the 1992 ISDA Master Agreement, in each case with respect to the Old Agreement or the New Agreement, as the case may be, and taking into account the parties entering into and performing their obligations under this Novation Agreement.
 - (iii) Except the assignment of the LLP's rights under the Old Agreement to the Security Trustee in accordance with the Deed of Charge, each of the Transferor and the LLP represents and warrants to each other and to the Transferee and the Security Trustee that:
 - A. it has made no prior transfer (whether by way of security or otherwise) of the Old Agreement or any interest or obligation in or under the Old Agreement or in respect of any Old Transaction.; and
 - B. as of the Novation Date, all obligations of the Transferor and the LLP under each Old Transaction required to be performed on or before the Novation Date have been fulfilled.
- (b) The Transferor makes no representation or warranty and does not assume any responsibility with respect to the legality, validity, effectiveness, adequacy or enforceability of any New Transaction or the New Agreement or any documents relating thereto and assumes no responsibility for the condition, financial or otherwise, of the Remaining Parties, the Transferee or any other person or for the performance and observance by the LLP, the Transferee or any other person of any of its obligations under any New Transaction or the New Agreement or any document relating thereto and any and all such conditions and warranties, whether express or implied by law or otherwise, are hereby excluded.
- (c) The Transferee makes the following representations:

- (i) the Transferee's short-term unsecured and unsubordinated debt obligations are at the date of this Novation Agreement rated not less than "A-1 +" by S&P, "Prime-1" by Moody's and "F1" by Fitch (or its equivalent by any substitute rating agency), and the Transferee's long-term, unsecured and unsubordinated debt obligations are at the date of this Novation Agreement rated not less than "A1" by Moody's, or such Transferee's obligations under this Agreement are guaranteed by an entity whose short-term, unsecured and unsubordinated debt obligations are then rated not less than "A-1 +" by S&P, "Prime-1" by Moody's and "F1" by Fitch (or if the Transferee is not rated by a Rating Agency, at such equivalent rating by another internationally recognised rating agency as is acceptable to such rating agency), and whose long-term, unsecured and unsubordinated debt obligations are then rated not less than "A1" by Moody's;
- (ii) as of the Novation Date, the Transferee will not, as a result of such transfer, be required to withhold or deduct on account of any Tax under the New Agreement;
- (iii) a Termination Event or an Event of Default will not occur under the Old Agreement as a result of such transfer; and
- (iv) no additional amount will be payable by the LLP to the Transferor or the Transferee on the next succeeding Scheduled Payment Date as a result of such transfer.

4 Counterparts.

This Novation Agreement (and each amendment, modification and waiver in respect of it) may be executed and delivered in counterparts (including by facsimile transmission), each of which will be deemed an original.

5 The Security Trustee

The parties acknowledge that the Security Trustee is a party to this Novation Agreement solely for the purposes of (i) the enforcement and preservation of its rights hereunder and (ii) acknowledging the terms herein.

6 Costs and Expenses.

The parties will each pay their own costs and expenses (including legal fees) incurred in connection with this Novation Agreement and as a result of the negotiation, preparation and execution of this Novation Agreement, except that the costs and expenses (including legal fees) of the Security Trustee shall be borne by the Transferor.

7 Amendments.

No amendment, modification or waiver in respect of this Novation Agreement will be effective unless in writing (including a writing evidenced by a facsimile transmission) and executed by each of the parties or confirmed by an exchange of telexes or electronic messages on an electronic messaging system.

8 Governing Law.

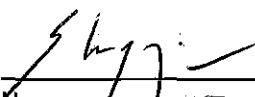
This Novation Agreement and all non-contractual obligations arising out of or in connection with it will be governed by and construed in accordance with the laws of England.

9 Jurisdiction.

The terms of Section 13(b) of the 1992 ISDA Master Agreement shall apply to this Novation Agreement with references in such Section to "this Agreement" being deemed references to this Novation Agreement alone.

IN WITNESS WHEREOF the parties have executed this Novation Agreement on the respective dates specified below with effect from and including the Novation Date.

ABBHEY COVERED BONDS LLP

By 
Name: SVETLANA LUKONJIC
Title: AUTHORISED SIGNATORY
Date: 21 DECEMBER 2016

DEUTSCHE TRUSTEE COMPANY LIMITED

By _____
Name:
Title:
Date:

BARCLAYS BANK PLC

By _____
Name:
Title:
Date:

HSBC BANK PLC

By _____
Name:
Title:
Date:

IN WITNESS WHEREOF the parties have executed this Novation Agreement on the respective dates specified below with effect from and including the Novation Date.

ABBEEY COVERED BONDS LLP

By _____
Name:
Title:
Date:

DEUTSCHE TRUSTEE COMPANY LIMITED

By _____
Name: Christopher English
Title: Associate Director
Date: 21/12/2016

Susan Rose
Associate Director

BARCLAYS BANK PLC

By _____
Name:
Title:
Date:

HSBC BANK PLC

By _____
Name:
Title:
Date:

IN WITNESS WHEREOF the parties have executed this Novation Agreement on the respective dates specified below with effect from and including the Novation Date.

ABBEEY COVERED BONDS LLP

By _____
Name:
Title:
Date:

DEUTSCHE TRUSTEE COMPANY LIMITED

By _____
Name:
Title:
Date:

BARCLAYS BANK PLC

By JB _____
Name: JERZY BURMIEZ
Title: DIRECTOR
Date: 21/DEC/2016

HSBC BANK PLC

By _____
Name:
Title:
Date:

IN WITNESS WHEREOF the parties have executed this Novation Agreement on the respective dates specified below with effect from and including the Novation Date.

ABBHEY COVERED BONDS LLP

By _____
Name:
Title:
Date:

DEUTSCHE TRUSTEE COMPANY LIMITED

By _____
Name:
Title:
Date:

BARCLAYS BANK PLC

By _____
Name:
Title:
Date:

HSBC BANK PLC

By _____
Name:
Title:
Date:



JORGEN TULKENS
AUTHORISED SIGNATORY

Annex 1

Old Confirmation

[Note: Copy to be inserted.]

Covered Bond Swap Confirmation

From: Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London
E14 4BB (Party A)

To: Abbey Covered Bonds LLP (Party B)
Abbey National House
2 Triton Square
Regent's Place
London
NW1 3AN

Attention: Securitisation and Treasury Advisory Group (TS1 C01)

To: Deutsche Trustee Company Limited (the **Security Trustee**)
Winchester House
1 Great Winchester Street
London
EC2N 2DB

Attention: Managing Director

Trade Reference: 1151277B

12 April 2006

Dear Sirs,

Confirmation – Covered Bond Currency Swap

This letter constitutes a Confirmation as referred to in the 1992 ISDA Master Agreement (Multicurrency-Cross Border) dated as of 25 May 2005 entered into between us, you and Deutsche Trustee Company Limited (the **Security Trustee**) on the date hereof as amended and supplemented from time to time (the **Agreement**). The purpose of this Confirmation is to confirm the terms and conditions of the Swap Transaction entered into between us on the Trade Date specified below.

The definitions and provisions contained in the 2000 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. (the **Definitions**) are incorporated into this Confirmation. In the event of any inconsistency between any of the following, the first listed shall govern (i) this Confirmation; (ii) the Master Definitions and Construction Agreement; and (iii) the Definitions. The following expressions shall, for the purpose of this Confirmation, have the following meanings:

The term **Transaction** as used herein shall, for the purposes of the Definitions, have the same meaning as **Swap Transaction**.

The **Covered Bonds** means the €1.5 billion, Series 3, 4.25% Covered Bonds due 2021 issued on the Effective Date hereof.

1. This Confirmation supplements, forms part of, and is subject to, the Agreement. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

2. The terms of the Transaction to which this Confirmation relates are as follows:

Party A:	Barclays Bank PLC
Party B:	Abbey Covered Bonds LLP
Trade Date:	5 April 2006
Effective Date:	12 April 2006
Termination Date:	12 April 2021 (the Final Maturity Date), subject to adjustment in accordance with the Additional Provisions, but in no case shall the Termination Date be later than 12 April 2022 (the Extended Due for Payment Date).
Exchange Rate:	GBP 0.69961 per EUR 1.00
Business Days:	London, TARGET
Business Day Convention:	Following
Calculation Agent:	Party A. Any failure by Party A (as determined by the Security Trustee, acting reasonably and in good faith) to perform its role as Calculation Agent shall entitle Party B, by notice to the parties hereto, to nominate itself or a third party reasonably selected by it as Calculation Agent and, upon such nomination, Party B or such third party shall become the Calculation Agent.

Party A Fixed Amounts:

Party A Fixed Currency Amount:	EUR 500,000,000
Party A Fixed Payment Dates:	12 April in each year from, and including, 12 April 2007 to, and including, the Final Maturity Date, subject to adjustment in accordance with the Business Day Convention.
Party A Fixed Period End Dates:	12 April in each year from, and including, 12 April 2007 to, and including, the Final Maturity Date, with No Adjustment.
Fixed Rate:	4.25 per cent per annum.
Fixed Rate Day Count Fraction:	The Party A Fixed Amount will be calculated in accordance with Rule 251 of the statutes, by-laws, rules and recommendations of the International Securities Market Association, as published in April 1999, as applied to straight and convertible bonds issued after December 31, 1998, as though the Party A Fixed Amount were the interest coupon on such a bond.

Party A Floating Amounts:

Party A Floating Currency Amount:	In respect of each Party A Floating Calculation Period, one third of the Principal Amount Outstanding of the Covered Bonds on the first day of such Party A Floating Calculation Period (after taking into account any redemption of the Covered Bonds on such day).
Party A Floating Payment Dates:	Provided that no Redemption Notice (as defined below) has been given confirming that the Covered Bonds are redeemable in full on a Final Exchange Date on or before the Extension Determination Date (as defined below), the 12th day of each month from, but excluding, the Final Maturity Date to, and including, the Termination Date, subject to adjustment in accordance with the Business Day Convention.
Party A Floating Calculation Periods:	Each period (if any) from, and including, each Party A Floating Payment Date to, but excluding, the next Party A Floating Payment Date, except that (a) the initial Party A Floating Calculation Period will commence on, and include, the Final Maturity Date and (b) the final Party A Floating Calculation Period will end on, but exclude, the Termination Date.
Party A Floating Rate Option:	EUR-EURIBOR-Tolerance
Designated Maturity:	1 month
Spread:	0.11 per cent.
Party A Floating Rate Day Count Fraction:	Actual/360
Reset Dates:	The first day of each Party A Floating Calculation Period,
Party B Floating Amounts:	
Party B Currency Amount:	In respect of each Party B Calculation Period, the Sterling equivalent of the Party A Fixed Currency Amount (or the Party A Floating Currency Amount, as the case may be) on the first day of such Party B Calculation Period converted by reference to the Exchange Rate.
Party B Payment Dates:	The 12th day of each month from, and including, 12 May 2006 to, and including, the Termination Date, subject to adjustment in accordance with the Business Day Convention.
Party B Calculation Periods:	Each period from, and including, each Party B Payment Date to, but excluding, the next Party B Payment Date during the Term of the Swap Transaction, except that (a) the initial Party B Calculation Period will commence on, and include, the Effective Date and end on, but exclude, 12 May 2006 and (b) the final Party B

Calculation Period shall end on, but exclude, the Termination Date.

Party B Floating Rate Option:

GBP-LIBOR-BBA

Designated Maturity:

3 months for each Calculation Period ending on or before the Final Maturity Date, and 1 month for each Calculation Period thereafter.

Spread:

In respect of each Calculation Period ending on or before the Final Maturity Date, 0.0487 per cent, and in respect of each Calculation Period ending after the Final Maturity Date, 0.1157 per cent.

Party B Floating Rate Day Count Fraction:

Actual/365 Fixed

Reset Dates:

The first day of each Party B Calculation Period; provided, however, that in respect of each Calculation Period commencing prior to the Final Maturity Date that does not commence in February, May, August and November, the Floating Rate in effect for that Calculation Period shall be the Floating Rate for the immediately preceding Calculation Period.

Initial Exchange:

Initial Exchange Date:

Effective Date

Party A Initial Exchange Amount:

GBP 348,805,000

Party B Initial Exchange Amount:

EUR 500,000,000

Party A will pay to Party B a fee of EUR 3,805,000 on the Effective Date.

Final Exchanges:

Final Exchange Dates:

(i) The Final Maturity Date in respect of the Covered Bonds, (ii) each Business Day during the period (if any) commencing on, but excluding, the Final Maturity Date to, and including, the Extension Determination Date (if any and as defined below), (iii) the 12th day of each month from, but excluding, the Extension Determination Date (if any and as defined below) to, but excluding, the Extended Due for Payment Date (if any) and (iv) the Extended Due for Payment Date (if any), provided that, if at any time a Redemption Notice (as defined below) is given confirming that the Covered Bonds then outstanding are redeemable in full on a Final Exchange Date, that Final Exchange Date will be the last Final Exchange Date.

Extension Determination Date means the date that is seven calendar days plus two Business Days from, and including, the Final Maturity Date.

Party A Final
Exchange Amounts:

In respect of each Final Exchange Date, the Euro equivalent of the relevant Party B Final Exchange Amount converted by reference to the Exchange Rate.

Party B Final
Exchange Amounts:

In respect of each Final Exchange Date, the relevant Redemption Notice Amount (as defined below), if any.

3. Additional Payment

Notwithstanding Section 2(a)(iii)(2) (but without prejudice to Section 2(a)(iii)(1)) and Section 8(c) of the Agreement, in the event that an Early Termination Date occurs in respect of the Transaction evidenced by this Confirmation as a result of an Additional Termination Event pursuant to Part 1(h)(i) of the Schedule to the Agreement, then on that Early Termination Date:

(i) Party A will pay to Party B an amount in Euro equal to one third of the Principal Amount Outstanding of the Covered Bonds to be redeemed pursuant to Conditions 6.2, 6.3 or 6.4 of the Covered Bonds (the Party A Early Redemption Amount); and

(ii) Party B will pay to Party A an amount in Sterling equal to the Party A Early Redemption Amount, converted by reference to the Exchange Rate.

To the extent that, in respect of any payments described in (i) and (ii) above, Party B makes only a partial payment (or fails to make a full payment) of any amount due to Party A, then Party A shall reduce its corresponding payment to Party B by the same percentage reduction, and shall have no other obligation to Party B in respect of such payment. For the avoidance of doubt, an amount calculated pursuant to Section 8(e) of the Agreement will be due between the parties as a result of such Early Termination Date but such amount shall be calculated after taking into account the payments described in (i) and (ii) above. In the event that Party B intends to make only a partial payment (or to fail to make a full payment) of any amount due to Party A, Party B shall provide Party A with at least two London Business Days' notice of such intention.

4. Additional Provisions

Party B, or the Cash Manager acting on Party B's behalf, shall notify Party A of the amount of principal payments to be made on the Covered Bonds on each Final Exchange Date (for purposes of calculating payment of any Final Exchange Amounts). Such notification may be made in respect of a Final Exchange Date by receipt by Party A of written confirmation from Party B, or the Cash Manager acting on Party B's behalf, of an irrevocable payment instruction to a bank from Party B to make a payment to Party A in an amount equal to an amount in Sterling corresponding to one third of the Covered Bonds to be redeemed on such Final Exchange Date converted by Party B by reference to the Exchange Rate on or prior to 5:00 p.m., London time, two London Business Days prior to such Final Exchange Date (a Redemption Notice, and the Sterling Amount specified in the written confirmation delivered to Party A, the Redemption Notice Amount).

If Party A does not receive a Redemption Notice with respect to any Final Exchange Date, then the parties will not be required to pay any Final Exchange Amounts on such Final Exchange Date. In addition, if Party A does not receive a Redemption Notice confirming that the Covered Bonds are redeemable in full on the Final Maturity Date (and the Covered Bonds are not redeemed in full on or prior to the Extension Determination Date): (i) the Termination Date for this Transaction shall be deemed to be the Final Exchange Date in respect of which a Redemption Notice is given and, taking into account such Redemption Notice and each other Redemption Notice, the sum of all

Redemption Notice Amounts equals the Party A Initial Exchange Amount; (ii) for the avoidance of doubt, Party A's obligation to pay Party A Fixed Amounts shall cease as from the Final Maturity Date and Party A shall from such date be obliged to pay the Party A Floating Amounts to Party B in accordance with paragraph 2 above; (iii) for the avoidance of doubt, Party B shall be obliged to continue to pay the Party B Floating Amounts; and (iv) the final Party A Calculation Period and the final Party B Calculation Period shall end on, but exclude, the Termination Date. Without prejudice to the generality of the above provisions, Party B, or the Cash Manager acting on Party B's behalf, shall notify Party A at least two London Business Days prior to the Final Maturity Date whether or not the Covered Bonds will be redeemed (in whole or in part) on the Final Maturity Date and, if they will not be, whether or not the Covered Bonds will be redeemed (in whole or in part) on or prior to the Extension Determination Date.

If on the Extended Due for Payment Date the sum of all Redemption Notice Amounts specified in Redemption Notices delivered to Party A on or prior to such date is not equal to the Party A Initial Exchange Amount (such difference, the Redemption Shortfall) then on the Extended Due for Payment Date:

- (i) Party B will pay to Party A an amount in Sterling equal to such Redemption Shortfall; and
- (ii) Party A will pay the Euro equivalent of the Redemption Shortfall, converted at the Exchange Rate.

For purposes of calculating any amount due under Section 8(e) of the Agreement in respect of a Termination Event that occurs during the period from, but excluding, the Final Maturity Date to, and including, the Extension Determination Date, the Termination Date shall be deemed to be the Final Maturity Date, unless Party B or the Cash Manager has determined as of that date that Party B has insufficient funds to pay the Guaranteed Amounts, in which case the Termination Date shall be deemed to be the Extended Due for Payment Date (subject as provided above).

Party B agrees as soon as reasonably practicable after a Redemption Notice has been given to advise Party A by telephone (or email if provided in the notice details below) of the fact of such Redemption Notice; provided, however, that the failure by Party B, or the Cash Manager acting on Party B's behalf, to do so shall not affect the validity of any Redemption Notice under the Transaction evidenced by this Confirmation.

5. Account Details

Payments to Party A in Sterling:	Bank: Barclays Bank Plc, 54 Lombard Street, London S/C: 20-00-00 Swift: BARCGB22 A/C: Barclays Swaps A/C No: 00152021
Payments to Party A in Euro:	Bank: Barclays Bank Plc, London Swift: BARCGB22 A/C: Barclays Bank Plc, London A/C No: 78859111
Payments to Party B in Sterling:	To be advised.
Payments to Party B in Euro:	To be advised.

6. Notice Details

Party A:

Email: BGSOperations@barcap.com

With a copy to:

Address: 5 The North Colonnade
Canary Wharf
London
E14 4BB

Facsimile Number: +44 207 773 4932

Telephone Number: +44 207 773 2224

Attention: Derivatives Director, Legal Division (URGENT)

Party B:

Address: Abbey National House
2 Triton Square
Regent's Place
London
NW1 3AN

Attention: Securitisation and Treasury Advisory Group (TS1 C01)

Facsimile Number: +44 20 7756 5862

With a copy to:

Abbey Covered Bonds LLP
c/o Abbey House, (AAM 129)
201 Grafton Gate East
Milton Keynes
MK9 1AN

Attention: Securitisation Team, Consumer Risk

Facsimile No.: +44 1908 343 019

With a copy to the Security Trustee:

Address: Winchester House
1 Great Winchester Street
London
EC2N 2DB

Attention: Managing Director

Facsimile Number: +44 20 7547 5919

Please confirm that the foregoing correctly sets forth the terms of our agreement by signing a copy of this Confirmation and returning it to us by facsimile transmission on the fax number listed below:

Address: Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London
E14 4BB

Facsimile No.: +44 207 773 4932

Attention: Derivatives Director, Legal Division (URGENT)

Yours faithfully,

Barclays Bank PLC

By: 

Name: **Colin Corodius**
Associate Director &
Title: **Head of Documentation Unit**

Confirmed and accepted as of the date first written:

Abbey Covered Bonds LLP

By: _____ By: _____

Name: _____ Name: _____

Title: _____ Title: _____

Deutsche Trustee Company Limited

By: _____ By: _____

Name: _____ Name: _____

Title: _____ Title: _____

Please confirm that the foregoing correctly sets forth the terms of our agreement by signing a copy of this Confirmation and returning it to us by facsimile transmission on the fax number listed below:

Address: Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London
E14 4BB

Facsimile No.: +44 207 773 4932

Attention: Derivatives Director, Legal Division (URGENT)

Yours faithfully,

Barclays Bank PLC

By: _____

Name: _____

Title: _____

Confirmed and accepted as of the date first written:

Abbey Covered Bonds LLP

By: 

Name: Brian Morrison

Title: DIRECTOR

By: 

Name: CHRIS HOLDING

Title: DIRECTOR

Deutsche Trustee Company Limited

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Please confirm that the foregoing correctly sets forth the terms of our agreement by signing a copy of this Confirmation and returning it to us by facsimile transmission on the fax number listed below:

Address: Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London
E14 4BB

Facsimile No.: +44 207 773 4932

Attention: Derivatives Director, Legal Division (URGENT)

Yours faithfully,

Barclays Bank PLC

By: _____

Name: _____

Title: _____

Confirmed and accepted as of the date first written:

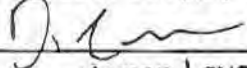
Abbey Covered Bonds LLP

By: _____

Name: _____

Title: _____

Deutsche Trustee Company Limited

By:  _____

Name: **Darren Levene**

Title: **Associate Director**

By: _____

Name: _____

Title: _____

By:  _____

Name: **Abigail Holladay**

Title: **Associate Director**

Annex 2

Old Agreement

[Note: Copy to be inserted.]

(Multicurrency — Cross Border)

ISDA[®]

International Swap Dealers Association, Inc.

MASTER AGREEMENT

dated as of 25 May 2005

BARCLAYS BANK PLC

AND

ABBEEY COVERED BONDS LLP

..... DEUTSCHE TRUSTEE COMPANY LIMITED

have entered and/or anticipate entering into one or more transactions (each a "Transaction") that are or will be governed by this Master Agreement, which includes the schedule (the "Schedule"), and the documents and other confirming evidence (each a "Confirmation") exchanged between the parties confirming those Transactions.

Accordingly, the parties agree as follows: —

1. Interpretation

(a) **Definitions.** The terms defined in Section 14 and in the Schedule will have the meanings therein specified for the purpose of this Master Agreement.

(b) **Inconsistency.** In the event of any inconsistency between the provisions of the Schedule and the other provisions of this Master Agreement, the Schedule will prevail. In the event of any inconsistency between the provisions of any Confirmation and this Master Agreement (including the Schedule), such Confirmation will prevail for the purpose of the relevant Transaction.

(c) **Single Agreement.** All Transactions are entered into in reliance on the fact that this Master Agreement and all Confirmations form a single agreement between the parties (collectively referred to as this "Agreement"), and the parties would not otherwise enter into any Transactions.

2. Obligations

(a) General Conditions.

(i) Each party will make each payment or delivery specified in each Confirmation to be made by it, subject to the other provisions of this Agreement.

(ii) Payments under this Agreement will be made on the due date for value on that date in the place of the account specified in the relevant Confirmation or otherwise pursuant to this Agreement, in freely transferable funds and in the manner customary for payments in the required currency. Where settlement is by delivery (that is, other than by payment), such delivery will be made for receipt on the due date in the manner customary for the relevant obligation unless otherwise specified in the relevant Confirmation or elsewhere in this Agreement.

(iii) Each obligation of each party under Section 2(a)(i) is subject to (1) the condition precedent that no Event of Default or Potential Event of Default with respect to the other party has occurred and is continuing, (2) the condition precedent that no Early Termination Date in respect of the relevant Transaction has occurred or been effectively designated and (3) each other applicable condition precedent specified in this Agreement.

(b) **Change of Account.** Either party may change its account for receiving a payment or delivery by giving notice to the other party at least five Local Business Days prior to the scheduled date for the payment or delivery to which such change applies unless such other party gives timely notice of a reasonable objection to such change.

(c) **Netting.** If on any date amounts would otherwise be payable:—

- (i) in the same currency; and
- (ii) in respect of the same Transaction,

by each party to the other, then, on such date, each party's obligation to make payment of any such amount will be automatically satisfied and discharged and, if the aggregate amount that would otherwise have been payable by one party exceeds the aggregate amount that would otherwise have been payable by the other party, replaced by an obligation upon the party by whom the larger aggregate amount would have been payable to pay to the other party the excess of the larger aggregate amount over the smaller aggregate amount.

The parties may elect in respect of two or more Transactions that a net amount will be determined in respect of all amounts payable on the same date in the same currency in respect of such Transactions, regardless of whether such amounts are payable in respect of the same Transaction. The election may be made in the Schedule or a Confirmation by specifying that subparagraph (ii) above will not apply to the Transactions identified as being subject to the election, together with the starting date (in which case subparagraph (ii) above will not, or will cease to, apply to such Transactions from such date). This election may be made separately for different groups of Transactions and will apply separately to each pairing of Offices through which the parties make and receive payments or deliveries.

(d) **Deduction or Withholding for Tax.**

(i) **Gross-Up.** All payments under this Agreement will be made without any deduction or withholding for or on account of any Tax unless such deduction or withholding is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, then in effect. If a party is so required to deduct or withhold, then that party ("X") will:—

- (1) promptly notify the other party ("Y") of such requirement;
- (2) pay to the relevant authorities the full amount required to be deducted or withheld (including the full amount required to be deducted or withheld from any additional amount paid by X to Y under this Section 2(d)) promptly upon the earlier of determining that such deduction or withholding is required or receiving notice that such amount has been assessed against Y;
- (3) promptly forward to Y an official receipt (or a certified copy), or other documentation reasonably acceptable to Y, evidencing such payment to such authorities; and
- (4) if such Tax is an Indemnifiable Tax, pay to Y, in addition to the payment to which Y is otherwise entitled under this Agreement, such additional amount as is necessary to ensure that the net amount actually received by Y (free and clear of Indemnifiable Taxes, whether assessed against X or Y) will equal the full amount Y would have received had no such deduction or withholding been required. However, X will not be required to pay any additional amount to Y to the extent that it would not be required to be paid but for:—

(A) the failure by Y to comply with or perform any agreement contained in Section 4(a)(i), 4(a)(iii) or 4(d); or

(B) the failure of a representation made by Y pursuant to Section 3(f) to be accurate and true unless such failure would not have occurred but for (I) any action taken by a taxing authority, or brought in a court of competent jurisdiction, on or after the date on which a Transaction is entered into (regardless of whether such action is taken or brought with respect to a party to this Agreement) or (II) a Change in Tax Law.

(ii) **Liability.** If: —

- (1) X is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, to make any deduction or withholding in respect of which X would not be required to pay an additional amount to Y under Section 2(d)(i)(4);
- (2) X does not so deduct or withhold; and
- (3) a liability resulting from such Tax is assessed directly against X,

then, except to the extent Y has satisfied or then satisfies the liability resulting from such Tax, Y will promptly pay to X the amount of such liability (including any related liability for interest, but including any related liability for penalties only if Y has failed to comply with or perform any agreement contained in Section 4(a)(i), 4(a)(iii) or 4(d)).

(e) **Default Interest; Other Amounts.** Prior to the occurrence or effective designation of an Early Termination Date in respect of the relevant Transaction, a party that defaults in the performance of any payment obligation will, to the extent permitted by law and subject to Section 6(c), be required to pay interest (before as well as after judgment) on the overdue amount to the other party on demand in the same currency as such overdue amount, for the period from (and including) the original due date for payment to (but excluding) the date of actual payment, at the Default Rate. Such interest will be calculated on the basis of daily compounding and the actual number of days elapsed. If, prior to the occurrence or effective designation of an Early Termination Date in respect of the relevant Transaction, a party defaults in the performance of any obligation required to be settled by delivery, it will compensate the other party on demand if and to the extent provided for in the relevant Confirmation or elsewhere in this Agreement.

3. Representations

Each party represents to the other party (which representations will be deemed to be repeated by each party on each date on which a Transaction is entered into and, in the case of the representations in Section 3(f), at all times until the termination of this Agreement) that:—

(a) **Basic Representations.**

- (i) **Status.** It is duly organised and validly existing under the laws of the jurisdiction of its organisation or incorporation and, if relevant under such laws, in good standing;
- (ii) **Powers.** It has the power to execute this Agreement and any other documentation relating to this Agreement to which it is a party, to deliver this Agreement and any other documentation relating to this Agreement that it is required by this Agreement to deliver and to perform its obligations under this Agreement and any obligations it has under any Credit Support Document to which it is a party and has taken all necessary action to authorise such execution, delivery and performance;
- (iii) **No Violation or Conflict.** Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets;
- (iv) **Consents.** All governmental and other consents that are required to have been obtained by it with respect to this Agreement or any Credit Support Document to which it is a party have been obtained and are in full force and effect and all conditions of any such consents have been complied with; and
- (v) **Obligations Binding.** Its obligations under this Agreement and any Credit Support Document to which it is a party constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

(b) **Absence of Certain Events.** No Event of Default or Potential Event of Default or, to its knowledge, Termination Event with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement or any Credit Support Document to which it is a party.

(c) **Absence of Litigation.** There is not pending or, to its knowledge, threatened against it or any of its Affiliates any action, suit or proceeding at law or in equity or before any court, tribunal, governmental body, agency or official or any arbitrator that is likely to affect the legality, validity or enforceability against it of this Agreement or any Credit Support Document to which it is a party or its ability to perform its obligations under this Agreement or such Credit Support Document.

(d) **Accuracy of Specified Information.** All applicable information that is furnished in writing by or on behalf of it to the other party and is identified for the purpose of this Section 3(d) in the Schedule is, as of the date of the information, true, accurate and complete in every material respect.

(e) **Payer Tax Representation.** Each representation specified in the Schedule as being made by it for the purpose of this Section 3(e) is accurate and true.

(f) **Payee Tax Representations.** Each representation specified in the Schedule as being made by it for the purpose of this Section 3(f) is accurate and true.

4. Agreements

Each party agrees with the other that, so long as either party has or may have any obligation under this Agreement or under any Credit Support Document to which it is a party:—

(a) **Furnish Specified Information.** It will deliver to the other party or, in certain cases under subparagraph (iii) below, to such government or taxing authority as the other party reasonably directs:—

(i) any forms, documents or certificates relating to taxation specified in the Schedule or any Confirmation;

(ii) any other documents specified in the Schedule or any Confirmation; and

(iii) upon reasonable demand by such other party, any form or document that may be required or reasonably requested in writing in order to allow such other party or its Credit Support Provider to make a payment under this Agreement or any applicable Credit Support Document without any deduction or withholding for or on account of any Tax or with such deduction or withholding at a reduced rate (so long as the completion, execution or submission of such form or document would not materially prejudice the legal or commercial position of the party in receipt of such demand), with any such form or document to be accurate and completed in a manner reasonably satisfactory to such other party and to be executed and to be delivered with any reasonably required certification,

in each case by the date specified in the Schedule or such Confirmation or, if none is specified, as soon as reasonably practicable.

(b) **Maintain Authorisations.** It will use all reasonable efforts to maintain in full force and effect all consents of any governmental or other authority that are required to be obtained by it with respect to this Agreement or any Credit Support Document to which it is a party and will use all reasonable efforts to obtain any that may become necessary in the future.

(c) **Comply with Laws.** It will comply in all material respects with all applicable laws and orders to which it may be subject if failure so to comply would materially impair its ability to perform its obligations under this Agreement or any Credit Support Document to which it is a party.

(d) **Tax Agreement.** It will give notice of any failure of a representation made by it under Section 3(f) to be accurate and true promptly upon learning of such failure.

(e) **Payment of Stamp Tax.** Subject to Section 11, it will pay any Stamp Tax levied or imposed upon it or in respect of its execution or performance of this Agreement by a jurisdiction in which it is incorporated,

organised, managed and controlled, or considered to have its seat, or in which a branch or office through which it is acting for the purpose of this Agreement is located ("Stamp Tax Jurisdiction") and will indemnify the other party against any Stamp Tax levied or imposed upon the other party or in respect of the other party's execution or performance of this Agreement by any such Stamp Tax Jurisdiction which is not also a Stamp Tax Jurisdiction with respect to the other party.

5. Events of Default and Termination Events

(a) **Events of Default.** The occurrence at any time with respect to a party or, if applicable, any Credit Support Provider of such party or any Specified Entity of such party of any of the following events constitutes an event of default (an "Event of Default") with respect to such party:—

(i) **Failure to Pay or Deliver.** Failure by the party to make, when due, any payment under this Agreement or delivery under Section 2(a)(i) or 2(e) required to be made by it if such failure is not remedied on or before the third Local Business Day after notice of such failure is given to the party;

(ii) **Breach of Agreement.** Failure by the party to comply with or perform any agreement or obligation (other than an obligation to make any payment under this Agreement or delivery under Section 2(a)(i) or 2(e) or to give notice of a Termination Event or any agreement or obligation under Section 4(a)(i), 4(a)(iii) or 4(d)) to be complied with or performed by the party in accordance with this Agreement if such failure is not remedied on or before the thirtieth day after notice of such failure is given to the party;

(iii) **Credit Support Default.**

(1) Failure by the party or any Credit Support Provider of such party to comply with or perform any agreement or obligation to be complied with or performed by it in accordance with any Credit Support Document if such failure is continuing after any applicable grace period has elapsed;

(2) the expiration or termination of such Credit Support Document or the failing or ceasing of such Credit Support Document to be in full force and effect for the purpose of this Agreement (in either case other than in accordance with its terms) prior to the satisfaction of all obligations of such party under each Transaction to which such Credit Support Document relates without the written consent of the other party; or

(3) the party or such Credit Support Provider disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, such Credit Support Document;

(iv) **Misrepresentation.** A representation (other than a representation under Section 3(e) or (f)) made or repeated or deemed to have been made or repeated by the party or any Credit Support Provider of such party in this Agreement or any Credit Support Document proves to have been incorrect or misleading in any material respect when made or repeated or deemed to have been made or repeated;

(v) **Default under Specified Transaction.** The party, any Credit Support Provider of such party or any applicable Specified Entity of such party (1) defaults under a Specified Transaction and, after giving effect to any applicable notice requirement or grace period, there occurs a liquidation of, an acceleration of obligations under, or an early termination of, that Specified Transaction, (2) defaults, after giving effect to any applicable notice requirement or grace period, in making any payment or delivery due on the last payment, delivery or exchange date of, or any payment on early termination of, a Specified Transaction (or such default continues for at least three Local Business Days if there is no applicable notice requirement or grace period) or (3) disaffirms, disclaims, repudiates or rejects, in whole or in part, a Specified Transaction (or such action is taken by any person or entity appointed or empowered to operate it or act on its behalf);

(vi) **Cross Default.** If "Cross Default" is specified in the Schedule as applying to the party, the occurrence or existence of (1) a default, event of default or other similar condition or event (however

described) in respect of such party, any Credit Support Provider of such party or any applicable Specified Entity of such party under one or more agreements or instruments relating to Specified Indebtedness of any of them (individually or collectively) in an aggregate amount of not less than the applicable Threshold Amount (as specified in the Schedule) which has resulted in such Specified Indebtedness becoming, or becoming capable at such time of being declared, due and payable under such agreements or instruments, before it would otherwise have been due and payable or (2) a default by such party, such Credit Support Provider or such Specified Entity (individually or collectively) in making one or more payments on the due date thereof in an aggregate amount of not less than the applicable Threshold Amount under such agreements or instruments (after giving effect to any applicable notice requirement or grace period);

(vii) **Bankruptcy.** The party, any Credit Support Provider of such party or any applicable Specified Entity of such party: —

(1) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (2) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (3) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (4) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof; (5) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (6) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (7) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter; (8) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (1) to (7) (inclusive); or (9) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts; or

(viii) **Merger Without Assumption.** The party or any Credit Support Provider of such party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer: —

(1) the resulting, surviving or transferee entity fails to assume all the obligations of such party or such Credit Support Provider under this Agreement or any Credit Support Document to which it or its predecessor was a party by operation of law or pursuant to an agreement reasonably satisfactory to the other party to this Agreement; or

(2) the benefits of any Credit Support Document fail to extend (without the consent of the other party) to the performance by such resulting, surviving or transferee entity of its obligations under this Agreement.

(b) **Termination Events.** The occurrence at any time with respect to a party or, if applicable, any Credit Support Provider of such party or any Specified Entity of such party of any event specified below constitutes an Illegality if the event is specified in (i) below, a Tax Event if the event is specified in (ii) below or a Tax Event Upon Merger if the event is specified in (iii) below, and, if specified to be applicable, a Credit Event

Upon Merger if the event is specified pursuant to (iv) below or an Additional Termination Event if the event is specified pursuant to (v) below:—

- (i) **Illegality.** Due to the adoption of, or any change in, any applicable law after the date on which a Transaction is entered into, or due to the promulgation of, or any change in, the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law after such date, it becomes unlawful (other than as a result of a breach by the party of Section 4(b)) for such party (which will be the Affected Party): —
- (1) to perform any absolute or contingent obligation to make a payment or delivery or to receive a payment or delivery in respect of such Transaction or to comply with any other material provision of this Agreement relating to such Transaction; or
 - (2) to perform, or for any Credit Support Provider of such party to perform, any contingent or other obligation which the party (or such Credit Support Provider) has under any Credit Support Document relating to such Transaction;
- (ii) **Tax Event.** Due to (x) any action taken by a taxing authority, or brought in a court of competent jurisdiction, on or after the date on which a Transaction is entered into (regardless of whether such action is taken or brought with respect to a party to this Agreement) or (y) a Change in Tax Law, the party (which will be the Affected Party) will, or there is a substantial likelihood that it will, on the next succeeding Scheduled Payment Date (1) be required to pay to the other party an additional amount in respect of an Indemnifiable Tax under Section 2(d)(i)(4) (except in respect of interest under Section 2(e), 6(d)(ii) or 6(e)) or (2) receive a payment from which an amount is required to be deducted or withheld for or on account of a Tax (except in respect of interest under Section 2(e), 6(d)(ii) or 6(e)) and no additional amount is required to be paid in respect of such Tax under Section 2(d)(i)(4) (other than by reason of Section 2(d)(i)(4)(A) or (B));
- (iii) **Tax Event Upon Merger.** The party (the "Burdened Party") on the next succeeding Scheduled Payment Date will either (1) be required to pay an additional amount in respect of an Indemnifiable Tax under Section 2(d)(i)(4) (except in respect of interest under Section 2(e), 6(d)(ii) or 6(e)) or (2) receive a payment from which an amount has been deducted or withheld for or on account of any Indemnifiable Tax in respect of which the other party is not required to pay an additional amount (other than by reason of Section 2(d)(i)(4)(A) or (B)), in either case as a result of a party consolidating or amalgamating with, or merging with or into, or transferring all or substantially all its assets to, another entity (which will be the Affected Party) where such action does not constitute an event described in Section 5(a)(viii);
- (iv) **Credit Event Upon Merger.** If "Credit Event Upon Merger" is specified in the Schedule as applying to the party, such party ("X"), any Credit Support Provider of X or any applicable Specified Entity of X consolidates or amalgamates with, or merges with or into, or transfers all or substantially all its assets to, another entity and such action does not constitute an event described in Section 5(a)(viii) but the creditworthiness of the resulting, surviving or transferee entity is materially weaker than that of X, such Credit Support Provider or such Specified Entity, as the case may be, immediately prior to such action (and, in such event, X or its successor or transferee, as appropriate, will be the Affected Party); or
- (v) **Additional Termination Event.** If any "Additional Termination Event" is specified in the Schedule or any Confirmation as applying, the occurrence of such event (and, in such event, the Affected Party or Affected Parties shall be as specified for such Additional Termination Event in the Schedule or such Confirmation).
- (c) **Event of Default and Illegality.** If an event or circumstance which would otherwise constitute or give rise to an Event of Default also constitutes an Illegality, it will be treated as an Illegality and will not constitute an Event of Default.

6. Early Termination

(a) **Right to Terminate Following Event of Default.** If at any time an Event of Default with respect to a party (the "Defaulting Party") has occurred and is then continuing, the other party (the "Non-defaulting Party") may, by not more than 20 days notice to the Defaulting Party specifying the relevant Event of Default, designate a day not earlier than the day such notice is effective as an Early Termination Date in respect of all outstanding Transactions. If, however, "Automatic Early Termination" is specified in the Schedule as applying to a party, then an Early Termination Date in respect of all outstanding Transactions will occur immediately upon the occurrence with respect to such party of an Event of Default specified in Section 5(a)(vii)(1), (3), (5), (6) or, to the extent analogous thereto, (8), and as of the time immediately preceding the institution of the relevant proceeding or the presentation of the relevant petition upon the occurrence with respect to such party of an Event of Default specified in Section 5(a)(vii)(4) or, to the extent analogous thereto, (8).

(b) Right to Terminate Following Termination Event.

(i) **Notice.** If a Termination Event occurs, an Affected Party will, promptly upon becoming aware of it, notify the other party, specifying the nature of that Termination Event and each Affected Transaction and will also give such other information about that Termination Event as the other party may reasonably require.

(ii) **Transfer to Avoid Termination Event.** If either an Illegality under Section 5(b)(i)(1) or a Tax Event occurs and there is only one Affected Party, or if a Tax Event Upon Merger occurs and the Burdened Party is the Affected Party, the Affected Party will, as a condition to its right to designate an Early Termination Date under Section 6(b)(iv), use all reasonable efforts (which will not require such party to incur a loss, excluding immaterial, incidental expenses) to transfer within 20 days after it gives notice under Section 6(b)(i) all its rights and obligations under this Agreement in respect of the Affected Transactions to another of its Offices or Affiliates so that such Termination Event ceases to exist.

If the Affected Party is not able to make such a transfer it will give notice to the other party to that effect within such 20 day period, whereupon the other party may effect such a transfer within 30 days after the notice is given under Section 6(b)(i).

Any such transfer by a party under this Section 6(b)(ii) will be subject to and conditional upon the prior written consent of the other party, which consent will not be withheld if such other party's policies in effect at such time would permit it to enter into transactions with the transferee on the terms proposed.

(iii) **Two Affected Parties.** If an Illegality under Section 5(b)(i)(1) or a Tax Event occurs and there are two Affected Parties, each party will use all reasonable efforts to reach agreement within 30 days after notice thereof is given under Section 6(b)(i) on action to avoid that Termination Event.

(iv) Right to Terminate. If: —

(1) a transfer under Section 6(b)(ii) or an agreement under Section 6(b)(iii), as the case may be, has not been effected with respect to all Affected Transactions within 30 days after an Affected Party gives notice under Section 6(b)(i); or

(2) an Illegality under Section 5(b)(i)(2), a Credit Event Upon Merger or an Additional Termination Event occurs, or a Tax Event Upon Merger occurs and the Burdened Party is not the Affected Party,

either party in the case of an Illegality, the Burdened Party in the case of a Tax Event Upon Merger, any Affected Party in the case of a Tax Event or an Additional Termination Event if there is more than one Affected Party, or the party which is not the Affected Party in the case of a Credit Event Upon Merger or an Additional Termination Event if there is only one Affected Party may, by not more than 20 days notice to the other party and provided that the relevant Termination Event is then

continuing, designate a day not earlier than the day such notice is effective as an Early Termination Date in respect of all Affected Transactions.

(c) ***Effect of Designation.***

(i) If notice designating an Early Termination Date is given under Section 6(a) or (b), the Early Termination Date will occur on the date so designated, whether or not the relevant Event of Default or Termination Event is then continuing.

(ii) Upon the occurrence or effective designation of an Early Termination Date, no further payments or deliveries under Section 2(a)(i) or 2(e) in respect of the Terminated Transactions will be required to be made, but without prejudice to the other provisions of this Agreement. The amount, if any, payable in respect of an Early Termination Date shall be determined pursuant to Section 6(e).

(d) ***Calculations.***

(i) ***Statement.*** On or as soon as reasonably practicable following the occurrence of an Early Termination Date, each party will make the calculations on its part, if any, contemplated by Section 6(e) and will provide to the other party a statement (1) showing, in reasonable detail, such calculations (including all relevant quotations and specifying any amount payable under Section 6(e)) and (2) giving details of the relevant account to which any amount payable to it is to be paid. In the absence of written confirmation from the source of a quotation obtained in determining a Market Quotation, the records of the party obtaining such quotation will be conclusive evidence of the existence and accuracy of such quotation.

(ii) ***Payment Date.*** An amount calculated as being due in respect of any Early Termination Date under Section 6(e) will be payable on the day that notice of the amount payable is effective (in the case of an Early Termination Date which is designated or occurs as a result of an Event of Default) and on the day which is two Local Business Days after the day on which notice of the amount payable is effective (in the case of an Early Termination Date which is designated as a result of a Termination Event). Such amount will be paid together with (to the extent permitted under applicable law) interest thereon (before as well as after judgment) in the Termination Currency, from (and including) the relevant Early Termination Date to (but excluding) the date such amount is paid, at the Applicable Rate. Such interest will be calculated on the basis of daily compounding and the actual number of days elapsed.

(e) ***Payments on Early Termination.*** If an Early Termination Date occurs, the following provisions shall apply based on the parties' election in the Schedule of a payment measure, either "Market Quotation" or "Loss", and a payment method, either the "First Method" or the "Second Method". If the parties fail to designate a payment measure or payment method in the Schedule, it will be deemed that "Market Quotation" or the "Second Method", as the case may be, shall apply. The amount, if any, payable in respect of an Early Termination Date and determined pursuant to this Section will be subject to any Set-off.

(i) ***Events of Default.*** If the Early Termination Date results from an Event of Default: —

(1) ***First Method and Market Quotation.*** If the First Method and Market Quotation apply, the Defaulting Party will pay to the Non-defaulting Party the excess, if a positive number, of (A) the sum of the Settlement Amount (determined by the Non-defaulting Party) in respect of the Terminated Transactions and the Termination Currency Equivalent of the Unpaid Amounts owing to the Non-defaulting Party over (B) the Termination Currency Equivalent of the Unpaid Amounts owing to the Defaulting Party.

(2) ***First Method and Loss.*** If the First Method and Loss apply, the Defaulting Party will pay to the Non-defaulting Party, if a positive number, the Non-defaulting Party's Loss in respect of this Agreement.

(3) ***Second Method and Market Quotation.*** If the Second Method and Market Quotation apply, an amount will be payable equal to (A) the sum of the Settlement Amount (determined by the

Non-defaulting Party) in respect of the Terminated Transactions and the Termination Currency Equivalent of the Unpaid Amounts owing to the Non-defaulting Party less (B) the Termination Currency Equivalent of the Unpaid Amounts owing to the Defaulting Party. If that amount is a positive number, the Defaulting Party will pay it to the Non-defaulting Party; if it is a negative number, the Non-defaulting Party will pay the absolute value of that amount to the Defaulting Party.

(4) *Second Method and Loss.* If the Second Method and Loss apply, an amount will be payable equal to the Non-defaulting Party's Loss in respect of this Agreement. If that amount is a positive number, the Defaulting Party will pay it to the Non-defaulting Party; if it is a negative number, the Non-defaulting Party will pay the absolute value of that amount to the Defaulting Party.

(ii) *Termination Events.* If the Early Termination Date results from a Termination Event: —

(1) *One Affected Party.* If there is one Affected Party, the amount payable will be determined in accordance with Section 6(e)(i)(3), if Market Quotation applies, or Section 6(e)(i)(4), if Loss applies, except that, in either case, references to the Defaulting Party and to the Non-defaulting Party will be deemed to be references to the Affected Party and the party which is not the Affected Party, respectively, and, if Loss applies and fewer than all the Transactions are being terminated, Loss shall be calculated in respect of all Terminated Transactions.

(2) *Two Affected Parties.* If there are two Affected Parties: —

(A) if Market Quotation applies, each party will determine a Settlement Amount in respect of the Terminated Transactions, and an amount will be payable equal to (I) the sum of (a) one-half of the difference between the Settlement Amount of the party with the higher Settlement Amount ("X") and the Settlement Amount of the party with the lower Settlement Amount ("Y") and (b) the Termination Currency Equivalent of the Unpaid Amounts owing to X less (II) the Termination Currency Equivalent of the Unpaid Amounts owing to Y; and

(B) if Loss applies, each party will determine its Loss in respect of this Agreement (or, if fewer than all the Transactions are being terminated, in respect of all Terminated Transactions) and an amount will be payable equal to one-half of the difference between the Loss of the party with the higher Loss ("X") and the Loss of the party with the lower Loss ("Y").

If the amount payable is a positive number, Y will pay it to X; if it is a negative number, X will pay the absolute value of that amount to Y.

(iii) *Adjustment for Bankruptcy.* In circumstances where an Early Termination Date occurs because "Automatic Early Termination" applies in respect of a party, the amount determined under this Section 6(e) will be subject to such adjustments as are appropriate and permitted by law to reflect any payments or deliveries made by one party to the other under this Agreement (and retained by such other party) during the period from the relevant Early Termination Date to the date for payment determined under Section 6(d)(ii).

(iv) *Pre-Estimate.* The parties agree that if Market Quotation applies an amount recoverable under this Section 6(e) is a reasonable pre-estimate of loss and not a penalty. Such amount is payable for the loss of bargain and the loss of protection against future risks and except as otherwise provided in this Agreement neither party will be entitled to recover any additional damages as a consequence of such losses.

7. Transfer

Subject to Section 6(b)(ii), neither this Agreement nor any interest or obligation in or under this Agreement may be transferred (whether by way of security or otherwise) by either party without the prior written consent of the other party, except that: —

- (a) a party may make such a transfer of this Agreement pursuant to a consolidation or amalgamation with, or merger with or into, or transfer of all or substantially all its assets to, another entity (but without prejudice to any other right or remedy under this Agreement); and
- (b) a party may make such a transfer of all or any part of its interest in any amount payable to it from a Defaulting Party under Section 6(e).

Any purported transfer that is not in compliance with this Section will be void.

8. Contractual Currency

(a) **Payment in the Contractual Currency.** Each payment under this Agreement will be made in the relevant currency specified in this Agreement for that payment (the "Contractual Currency"). To the extent permitted by applicable law, any obligation to make payments under this Agreement in the Contractual Currency will not be discharged or satisfied by any tender in any currency other than the Contractual Currency, except to the extent such tender results in the actual receipt by the party to which payment is owed, acting in a reasonable manner and in good faith in converting the currency so tendered into the Contractual Currency, of the full amount in the Contractual Currency of all amounts payable in respect of this Agreement. If for any reason the amount in the Contractual Currency so received falls short of the amount in the Contractual Currency payable in respect of this Agreement, the party required to make the payment will, to the extent permitted by applicable law, immediately pay such additional amount in the Contractual Currency as may be necessary to compensate for the shortfall. If for any reason the amount in the Contractual Currency so received exceeds the amount in the Contractual Currency payable in respect of this Agreement, the party receiving the payment will refund promptly the amount of such excess.

(b) **Judgments.** To the extent permitted by applicable law, if any judgment or order expressed in a currency other than the Contractual Currency is rendered (i) for the payment of any amount owing in respect of this Agreement, (ii) for the payment of any amount relating to any early termination in respect of this Agreement or (iii) in respect of a judgment or order of another court for the payment of any amount described in (i) or (ii) above, the party seeking recovery, after recovery in full of the aggregate amount to which such party is entitled pursuant to the judgment or order, will be entitled to receive immediately from the other party the amount of any shortfall of the Contractual Currency received by such party as a consequence of sums paid in such other currency and will refund promptly to the other party any excess of the Contractual Currency received by such party as a consequence of sums paid in such other currency if such shortfall or such excess arises or results from any variation between the rate of exchange at which the Contractual Currency is converted into the currency of the judgment or order for the purposes of such judgment or order and the rate of exchange at which such party is able, acting in a reasonable manner and in good faith in converting the currency received into the Contractual Currency, to purchase the Contractual Currency with the amount of the currency of the judgment or order actually received by such party. The term "rate of exchange" includes, without limitation, any premiums and costs of exchange payable in connection with the purchase of or conversion into the Contractual Currency.

(c) **Separate Indemnities.** To the extent permitted by applicable law, these indemnities constitute separate and independent obligations from the other obligations in this Agreement, will be enforceable as separate and independent causes of action, will apply notwithstanding any indulgence granted by the party to which any payment is owed and will not be affected by judgment being obtained or claim or proof being made for any other sums payable in respect of this Agreement.

(d) **Evidence of Loss.** For the purpose of this Section 8, it will be sufficient for a party to demonstrate that it would have suffered a loss had an actual exchange or purchase been made.

9. Miscellaneous

- (a) **Entire Agreement.** This Agreement constitutes the entire agreement and understanding of the parties with respect to its subject matter and supersedes all oral communication and prior writings with respect thereto.
- (b) **Amendments.** No amendment, modification or waiver in respect of this Agreement will be effective unless in writing (including a writing evidenced by a facsimile transmission) and executed by each of the parties or confirmed by an exchange of telexes or electronic messages on an electronic messaging system.
- (c) **Survival of Obligations.** Without prejudice to Sections 2(a)(iii) and 6(c)(ii), the obligations of the parties under this Agreement will survive the termination of any Transaction.
- (d) **Remedies Cumulative.** Except as provided in this Agreement, the rights, powers, remedies and privileges provided in this Agreement are cumulative and not exclusive of any rights, powers, remedies and privileges provided by law.
- (e) **Counterparts and Confirmations.**
- (i) This Agreement (and each amendment, modification and waiver in respect of it) may be executed and delivered in counterparts (including by facsimile transmission), each of which will be deemed an original.
 - (ii) The parties intend that they are legally bound by the terms of each Transaction from the moment they agree to those terms (whether orally or otherwise). A Confirmation shall be entered into as soon as practicable and may be executed and delivered in counterparts (including by facsimile transmission) or be created by an exchange of telexes or by an exchange of electronic messages on an electronic messaging system, which in each case will be sufficient for all purposes to evidence a binding supplement to this Agreement. The parties will specify therein or through another effective means that any such counterpart, telex or electronic message constitutes a Confirmation.
- (f) **No Waiver of Rights.** A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise, of that right, power or privilege or the exercise of any other right, power or privilege.
- (g) **Headings.** The headings used in this Agreement are for convenience of reference only and are not to affect the construction of or to be taken into consideration in interpreting this Agreement.

10. Offices; Multibranch Parties

- (a) If Section 10(a) is specified in the Schedule as applying, each party that enters into a Transaction through an Office other than its head or home office represents to the other party that, notwithstanding the place of booking office or jurisdiction of incorporation or organisation of such party, the obligations of such party are the same as if it had entered into the Transaction through its head or home office. This representation will be deemed to be repeated by such party on each date on which a Transaction is entered into.
- (b) Neither party may change the Office through which it makes and receives payments or deliveries for the purpose of a Transaction without the prior written consent of the other party.
- (c) If a party is specified as a Multibranch Party in the Schedule, such Multibranch Party may make and receive payments or deliveries under any Transaction through any Office listed in the Schedule, and the Office through which it makes and receives payments or deliveries with respect to a Transaction will be specified in the relevant Confirmation.

11. Expenses

A Defaulting Party will, on demand, indemnify and hold harmless the other party for and against all reasonable out-of-pocket expenses, including legal fees and Stamp Tax, incurred by such other party by reason of the enforcement and protection of its rights under this Agreement or any Credit Support Document

to which the Defaulting Party is a party or by reason of the early termination of any Transaction, including, but not limited to, costs of collection.

12. Notices

(a) **Effectiveness.** Any notice or other communication in respect of this Agreement may be given in any manner set forth below (except that a notice or other communication under Section 5 or 6 may not be given by facsimile transmission or electronic messaging system) to the address or number or in accordance with the electronic messaging system details provided (see the Schedule) and will be deemed effective as indicated:—

- (i) if in writing and delivered in person or by courier, on the date it is delivered;
- (ii) if sent by telex, on the date the recipient's answerback is received;
- (iii) if sent by facsimile transmission, on the date that transmission is received by a responsible employee of the recipient in legible form (it being agreed that the burden of proving receipt will be on the sender and will not be met by a transmission report generated by the sender's facsimile machine);
- (iv) if sent by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), on the date that mail is delivered or its delivery is attempted; or
- (v) if sent by electronic messaging system, on the date that electronic message is received,

unless the date of that delivery (or attempted delivery) or that receipt, as applicable, is not a Local Business Day or that communication is delivered (or attempted) or received, as applicable, after the close of business on a Local Business Day, in which case that communication shall be deemed given and effective on the first following day that is a Local Business Day.

(b) **Change of Addresses.** Either party may by notice to the other change the address, telex or facsimile number or electronic messaging system details at which notices or other communications are to be given to it.

13. Governing Law and Jurisdiction

(a) **Governing Law.** This Agreement will be governed by and construed in accordance with the law specified in the Schedule.

(b) **Jurisdiction.** With respect to any suit, action or proceedings relating to this Agreement ("Proceedings"), each party irrevocably:—

- (i) submits to the jurisdiction of the English courts, if this Agreement is expressed to be governed by English law, or to the non-exclusive jurisdiction of the courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York City, if this Agreement is expressed to be governed by the laws of the State of New York; and
- (ii) waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such party.

Nothing in this Agreement precludes either party from bringing Proceedings in any other jurisdiction (outside, if this Agreement is expressed to be governed by English law, the Contracting States, as defined in Section 1(3) of the Civil Jurisdiction and Judgments Act 1982 or any modification, extension or re-enactment thereof for the time being in force) nor will the bringing of Proceedings in any one or more jurisdictions preclude the bringing of Proceedings in any other jurisdiction.

(c) **Service of Process.** Each party irrevocably appoints the Process Agent (if any) specified opposite its name in the Schedule to receive, for it and on its behalf, service of process in any Proceedings. If for any

reason any party's Process Agent is unable to act as such, such party will promptly notify the other party and within 30 days appoint a substitute process agent acceptable to the other party. The parties irrevocably consent to service of process given in the manner provided for notices in Section 12. Nothing in this Agreement will affect the right of either party to serve process in any other manner permitted by law.

(d) **Waiver of Immunities.** Each party irrevocably waives, to the fullest extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from (i) suit, (ii) jurisdiction of any court, (iii) relief by way of injunction, order for specific performance or for recovery of property, (iv) attachment of its assets (whether before or after judgment) and (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any Proceedings in the courts of any jurisdiction and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any such immunity in any Proceedings.

14. Definitions

As used in this Agreement:—

"Additional Termination Event" has the meaning specified in Section 5(b).

"Affected Party" has the meaning specified in Section 5(b).

"Affected Transactions" means (a) with respect to any Termination Event consisting of an Illegality, Tax Event or Tax Event Upon Merger, all Transactions affected by the occurrence of such Termination Event and (b) with respect to any other Termination Event, all Transactions.

"Affiliate" means, subject to the Schedule, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, "control" of any entity or person means ownership of a majority of the voting power of the entity or person.

"Applicable Rate" means:—

- (a) in respect of obligations payable or deliverable (or which would have been but for Section 2(a)(iii)) by a Defaulting Party, the Default Rate;
- (b) in respect of an obligation to pay an amount under Section 6(e) of either party from and after the date (determined in accordance with Section 6(d)(ii)) on which that amount is payable, the Default Rate;
- (c) in respect of all other obligations payable or deliverable (or which would have been but for Section 2(a)(iii)) by a Non-defaulting Party, the Non-default Rate; and
- (d) in all other cases, the Termination Rate.

"Burdened Party" has the meaning specified in Section 5(b).

"Change in Tax Law" means the enactment, promulgation, execution or ratification of, or any change in or amendment to, any law (or in the application or official interpretation of any law) that occurs on or after the date on which the relevant Transaction is entered into.

"consent" includes a consent, approval, action, authorisation, exemption, notice, filing, registration or exchange control consent.

"Credit Event Upon Merger" has the meaning specified in Section 5(b).

"Credit Support Document" means any agreement or instrument that is specified as such in this Agreement.

"Credit Support Provider" has the meaning specified in the Schedule.

"Default Rate" means a rate per annum equal to the cost (without proof or evidence of any actual cost) to the relevant payee (as certified by it) if it were to fund or of funding the relevant amount plus 1% per annum.

"Defaulting Party" has the meaning specified in Section 6(a).

"Early Termination Date" means the date determined in accordance with Section 6(a) or 6(b)(iv).

"Event of Default" has the meaning specified in Section 5(a) and, if applicable, in the Schedule.

"Illegality" has the meaning specified in Section 5(b).

"Indemnifiable Tax" means any Tax other than a Tax that would not be imposed in respect of a payment under this Agreement but for a present or former connection between the jurisdiction of the government or taxation authority imposing such Tax and the recipient of such payment or a person related to such recipient (including, without limitation, a connection arising from such recipient or related person being or having been a citizen or resident of such jurisdiction, or being or having been organised, present or engaged in a trade or business in such jurisdiction, or having or having had a permanent establishment or fixed place of business in such jurisdiction, but excluding a connection arising solely from such recipient or related person having executed, delivered, performed its obligations or received a payment under, or enforced, this Agreement or a Credit Support Document).

"law" includes any treaty, law, rule or regulation (as modified, in the case of tax matters, by the practice of any relevant governmental revenue authority) and **"lawful"** and **"unlawful"** will be construed accordingly.

"Local Business Day" means, subject to the Schedule, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) (a) in relation to any obligation under Section 2(a)(i), in the place(s) specified in the relevant Confirmation or, if not so specified, as otherwise agreed by the parties in writing or determined pursuant to provisions contained, or incorporated by reference, in this Agreement, (b) in relation to any other payment, in the place where the relevant account is located and, if different, in the principal financial centre, if any, of the currency of such payment, (c) in relation to any notice or other communication, including notice contemplated under Section 5(a)(i), in the city specified in the address for notice provided by the recipient and, in the case of a notice contemplated by Section 2(b), in the place where the relevant new account is to be located and (d) in relation to Section 5(a)(v)(2), in the relevant locations for performance with respect to such Specified Transaction.

"Loss" means, with respect to this Agreement or one or more Terminated Transactions, as the case may be, and a party, the Termination Currency Equivalent of an amount that party reasonably determines in good faith to be its total losses and costs (or gain, in which case expressed as a negative number) in connection with this Agreement or that Terminated Transaction or group of Terminated Transactions, as the case may be, including any loss of bargain, cost of funding or, at the election of such party but without duplication, loss or cost incurred as a result of its terminating, liquidating, obtaining or reestablishing any hedge or related trading position (or any gain resulting from any of them). Loss includes losses and costs (or gains) in respect of any payment or delivery required to have been made (assuming satisfaction of each applicable condition precedent) on or before the relevant Early Termination Date and not made, except, so as to avoid duplication, if Section 6(e)(i)(1) or (3) or 6(e)(ii)(2)(A) applies. Loss does not include a party's legal fees and out-of-pocket expenses referred to under Section 11. A party will determine its Loss as of the relevant Early Termination Date, or, if that is not reasonably practicable, as of the earliest date thereafter as is reasonably practicable. A party may (but need not) determine its Loss by reference to quotations of relevant rates or prices from one or more leading dealers in the relevant markets.

"Market Quotation" means, with respect to one or more Terminated Transactions and a party making the determination, an amount determined on the basis of quotations from Reference Market-makers. Each quotation will be for an amount, if any, that would be paid to such party (expressed as a negative number) or by such party (expressed as a positive number) in consideration of an agreement between such party (taking into account any existing Credit Support Document with respect to the obligations of such party) and the quoting Reference Market-maker to enter into a transaction (the "Replacement Transaction") that would have the effect of preserving for such party the economic equivalent of any payment or delivery (whether the underlying obligation was absolute or contingent and assuming the satisfaction of each applicable condition precedent) by the parties under Section 2(a)(i) in respect of such Terminated Transaction or group of Terminated Transactions that would, but for the occurrence of the relevant Early Termination Date, have

been required after that date. For this purpose, Unpaid Amounts in respect of the Terminated Transaction or group of Terminated Transactions are to be excluded but, without limitation, any payment or delivery that would, but for the relevant Early Termination Date, have been required (assuming satisfaction of each applicable condition precedent) after that Early Termination Date is to be included. The Replacement Transaction would be subject to such documentation as such party and the Reference Market-maker may, in good faith, agree. The party making the determination (or its agent) will request each Reference Market-maker to provide its quotation to the extent reasonably practicable as of the same day and time (without regard to different time zones) on or as soon as reasonably practicable after the relevant Early Termination Date. The day and time as of which those quotations are to be obtained will be selected in good faith by the party obliged to make a determination under Section 6(e), and, if each party is so obliged, after consultation with the other. If more than three quotations are provided, the Market Quotation will be the arithmetic mean of the quotations, without regard to the quotations having the highest and lowest values. If exactly three such quotations are provided, the Market Quotation will be the quotation remaining after disregarding the highest and lowest quotations. For this purpose, if more than one quotation has the same highest value or lowest value, then one of such quotations shall be disregarded. If fewer than three quotations are provided, it will be deemed that the Market Quotation in respect of such Terminated Transaction or group of Terminated Transactions cannot be determined.

"Non-default Rate" means a rate per annum equal to the cost (without proof or evidence of any actual cost) to the Non-defaulting Party (as certified by it) if it were to fund the relevant amount.

"Non-defaulting Party" has the meaning specified in Section 6(a).

"Office" means a branch or office of a party, which may be such party's head or home office.

"Potential Event of Default" means any event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default.

"Reference Market-makers" means four leading dealers in the relevant market selected by the party determining a Market Quotation in good faith (a) from among dealers of the highest credit standing which satisfy all the criteria that such party applies generally at the time in deciding whether to offer or to make an extension of credit and (b) to the extent practicable, from among such dealers having an office in the same city.

"Relevant Jurisdiction" means, with respect to a party, the jurisdictions (a) in which the party is incorporated, organised, managed and controlled or considered to have its seat, (b) where an Office through which the party is acting for purposes of this Agreement is located, (c) in which the party executes this Agreement and (d) in relation to any payment, from or through which such payment is made.

"Scheduled Payment Date" means a date on which a payment or delivery is to be made under Section 2(a)(i) with respect to a Transaction.

"Set-off" means set-off, offset, combination of accounts, right of retention or withholding or similar right or requirement to which the payer of an amount under Section 6 is entitled or subject (whether arising under this Agreement, another contract, applicable law or otherwise) that is exercised by, or imposed on, such payer.

"Settlement Amount" means, with respect to a party and any Early Termination Date, the sum of: —

(a) the Termination Currency Equivalent of the Market Quotations (whether positive or negative) for each Terminated Transaction or group of Terminated Transactions for which a Market Quotation is determined; and

(b) such party's Loss (whether positive or negative and without reference to any Unpaid Amounts) for each Terminated Transaction or group of Terminated Transactions for which a Market Quotation cannot be determined or would not (in the reasonable belief of the party making the determination) produce a commercially reasonable result.

"Specified Entity" has the meanings specified in the Schedule.

"Specified Indebtedness" means, subject to the Schedule, any obligation (whether present or future, contingent or otherwise, as principal or surety or otherwise) in respect of borrowed money.

"Specified Transaction" means, subject to the Schedule, (a) any transaction (including an agreement with respect thereto) now existing or hereafter entered into between one party to this Agreement (or any Credit Support Provider of such party or any applicable Specified Entity of such party) and the other party to this Agreement (or any Credit Support Provider of such other party or any applicable Specified Entity of such other party) which is a rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions), (b) any combination of these transactions and (c) any other transaction identified as a Specified Transaction in this Agreement or the relevant confirmation.

"Stamp Tax" means any stamp, registration, documentation or similar tax.

"Tax" means any present or future tax, levy, impost, duty, charge, assessment or fee of any nature (including interest, penalties and additions thereto) that is imposed by any government or other taxing authority in respect of any payment under this Agreement other than a stamp, registration, documentation or similar tax.

"Tax Event" has the meaning specified in Section 5(b).

"Tax Event Upon Merger" has the meaning specified in Section 5(b).

"Terminated Transactions" means with respect to any Early Termination Date (a) if resulting from a Termination Event, all Affected Transactions and (b) if resulting from an Event of Default, all Transactions (in either case) in effect immediately before the effectiveness of the notice designating that Early Termination Date (or, if "Automatic Early Termination" applies, immediately before that Early Termination Date).

"Termination Currency" has the meaning specified in the Schedule.

"Termination Currency Equivalent" means, in respect of any amount denominated in the Termination Currency, such Termination Currency amount and, in respect of any amount denominated in a currency other than the Termination Currency (the "Other Currency"), the amount in the Termination Currency determined by the party making the relevant determination as being required to purchase such amount of such Other Currency as at the relevant Early Termination Date, or, if the relevant Market Quotation or Loss (as the case may be), is determined as of a later date, that later date, with the Termination Currency at the rate equal to the spot exchange rate of the foreign exchange agent (selected as provided below) for the purchase of such Other Currency with the Termination Currency at or about 11:00 a.m. (in the city in which such foreign exchange agent is located) on such date as would be customary for the determination of such a rate for the purchase of such Other Currency for value on the relevant Early Termination Date or that later date. The foreign exchange agent will, if only one party is obliged to make a determination under Section 6(e), be selected in good faith by that party and otherwise will be agreed by the parties.

"Termination Event" means an Illegality, a Tax Event or a Tax Event Upon Merger or, if specified to be applicable, a Credit Event Upon Merger or an Additional Termination Event.

"Termination Rate" means a rate per annum equal to the arithmetic mean of the cost (without proof or evidence of any actual cost) to each party (as certified by such party) if it were to fund or of funding such amounts.

"Unpaid Amounts" owing to any party means, with respect to an Early Termination Date, the aggregate of (a) in respect of all Terminated Transactions, the amounts that became payable (or that would have become payable but for Section 2(a)(iii)) to such party under Section 2(a)(i) on or prior to such Early Termination Date and which remain unpaid as at such Early Termination Date and (b) in respect of each Terminated Transaction, for each obligation under Section 2(a)(i) which was (or would have been but for Section 2(a)(iii)) required to be settled by delivery to such party on or prior to such Early Termination Date and which has not been so settled as at such Early Termination Date, an amount equal to the fair market

value of that which was (or would have been) required to be delivered as of the originally scheduled date for delivery, in each case together with (to the extent permitted under applicable law) interest, in the currency of such amounts, from (and including) the date such amounts or obligations were or would have been required to have been paid or performed to (but excluding) such Early Termination Date, at the Applicable Rate. Such amounts of interest will be calculated on the basis of daily compounding and the actual number of days elapsed. The fair market value of any obligation referred to in clause (b) above shall be reasonably determined by the party obliged to make the determination under Section 6(e) or, if each party is so obliged, it shall be the average of the Termination Currency Equivalents of the fair market values reasonably determined by both parties.

IN WITNESS WHEREOF the parties have executed this document on the respective dates specified below with effect from the date specified on the first page of this document.

BARCLAYS BANK PLC

ABBEEY COVERED BONDS LLP

(Name of Party)

(Name of Party)

By:

By:

Name: **Caroline Ellis**
Title: **Director**
Date: **Barclays Bank PLC**

Name:
Title:
Date:

21/12/2012

DEUTSCHE TRUSTEE COMPANY
LIMITED

By:

Name:
Title:
Date:

value of that which was (or would have been) required to be delivered as of the originally scheduled date for delivery, in each case together with (to the extent permitted under applicable law) interest, in the currency of such amounts, from (and including) the date such amounts or obligations were or would have been required to have been paid or performed to (but excluding) such Early Termination Date, at the Applicable Rate. Such amounts of interest will be calculated on the basis of daily compounding and the actual number of days elapsed. The fair market value of any obligation referred to in clause (b) above shall be reasonably determined by the party obliged to make the determination under Section 6(e) or, if each party is so obliged, it shall be the average of the Termination Currency Equivalents of the fair market values reasonably determined by both parties.

IN WITNESS WHEREOF the parties have executed this document on the respective dates specified below with effect from the date specified on the first page of this document.

BARCLAYS BANK PLC

ABBHEY COVERED BONDS LLP

(Name of Party)

(Name of Party)

By:

Name:

Title:

Date:

By: *J Zakrzewski*

Name: JARED ZAKRZEWSKI

Title: SENIOR MANAGER

Date: 24.12.12

DEUTSCHE TRUSTEE COMPANY
LIMITED

By:

Name:

Title:

Date:

value of that which was (or would have been) required to be delivered as of the originally scheduled date for delivery, in each case together with (to the extent permitted under applicable law) interest, in the currency of such amounts, from (and including) the date such amounts or obligations were or would have been required to have been paid or performed to (but excluding) such Early Termination Date, at the Applicable Rate. Such amounts of interest will be calculated on the basis of daily compounding and the actual number of days elapsed. The fair market value of any obligation referred to in clause (b) above shall be reasonably determined by the party obliged to make the determination under Section 6(e) or, if each party is so obliged, it shall be the average of the Termination Currency Equivalents of the fair market values reasonably determined by both parties.

IN WITNESS WHEREOF the parties have executed this document on the respective dates specified below with effect from the date specified on the first page of this document.

BARCLAYS BANK PLC

ABBEEY COVERED BONDS LLP

(Name of Party)

(Name of Party)

By:

Name:

Title:

Date:

By:

Name:

Title:

Date:

DEUTSCHE TRUSTEE COMPANY
LIMITED

By:

Name:

Title:

Date:

Alan Coster
Associate Director

Clive Rakestrow
Associate Director

24/12/2012

**SCHEDULE
to the
Master Agreement**

dated as of 25 May 2005

between

- (1) BARCLAYS BANK PLC (**Party A**);
- (2) ABBEY COVERED BONDS LLP (**Party B**); and
- (3) DEUTSCHE TRUSTEE COMPANY LIMITED (the **Security Trustee**, which expression shall include its successors and assigns and which has agreed to become a party to this Agreement solely for the purpose of taking the benefit of Parts 5(b) and (p) and assuming the obligations under Part 5(f) of the Schedule to this Agreement).

Part 1. Termination Provisions

- (a) "**Specified Entity**" means in relation to Party A for the purpose of:-

Section 5(a)(v), none

Section 5(a)(vi), none

Section 5(a)(vii), none

Section 5(b)(iv), none

and in relation to Party B for the purpose of:-

Section 5(a)(v), none

Section 5(a)(vi), none

Section 5(a)(vii), none

Section 5(b)(iv), none

- (b) "**Specified Transaction**" will have the meaning specified in Section 14.
- (c) The "**Cross Default**" provisions of Section 5(a)(vi) will not apply to Party A and will not apply to Party B.

-
- (d) The "***Credit Event Upon Merger***" provisions of Section 5(b)(iv) will not apply to Party A and will not apply to Party B.
- (e) The "***Automatic Early Termination***" provision of Section 6(a) will not apply to Party A and will not apply to Party B.
- (f) ***Payments on Early Termination.*** For the purposes of Section 6(e) of this Agreement:-
- (i) Market Quotation will apply.
- (ii) The Second Method will apply.
- (g) "***Termination Currency***" means Sterling.
- (h) **Additional Termination Event** will apply. In addition to the Additional Termination Events set forth in Part 5(f)(viii) of this Schedule, each of the following will constitute Additional Termination Events (in whole or, as the case may be, in part):
- (i) **Redemption and Prepayment in whole of the relevant Series of Covered Bonds.**
- The relevant Series of Covered Bonds is redeemed in whole pursuant to Conditions 6.2 (*Redemption for taxation reasons*), 6.4 (*Redemption at the option of the Issuer*) or 6.6 (*Redemption due to illegality or invalidity*) of the Terms and Conditions of the Covered Bonds, in which case:
- (A) Party B shall be the sole Affected Party;
- (B) the Transaction or Transactions related to that Series of Covered Bonds shall be Affected Transactions; and
- (C) the Early Termination Date in respect of the Affected Transactions shall be the due date for redemption of that Series of Covered Bonds.
- Any amount payable pursuant to Section 6(e) of this Agreement will be payable on the Early Termination Date. Party B shall notify Party A of such redemption no later than three Business Days prior to the relevant redemption date.
- (ii) **Amendment to the Priorities of Payments.** If any of (1) the Pre-Acceleration Revenue Priority of Payments, (2) the Pre-Acceleration Principal Priority of Payments, (3) the Guarantee Priority of Payments or (4) the Post-Enforcement Priority of Payments (each as set out in the LLP Deed or Deed of Charge, as applicable) is amended (in any case, other than in accordance with the Deed of Charge), such that Party B's obligations to Party A under this Agreement are further contractually subordinated to Party B's obligations to any other Secured Creditor (in which case Party B shall be the sole Affected Party and all Transactions shall be Affected Transactions).
- (iii) **Purchase and Cancellation of the relevant Series of Covered Bonds.**

The relevant Series of Covered Bonds is purchased and surrendered in whole or in part for cancellation pursuant to Condition 6.10 (*Purchases*) of the Terms and Conditions of the Covered Bonds, in which case:

- (A) Party B shall be the sole Affected Party;
- (B) the Transaction or Transactions related to that Series of Covered Bonds shall be Affected Transactions; and
- (C) the Early Termination Date in respect of the Affected Transactions shall be the due date for redemption of that Series of Covered Bonds,

provided that, in the event of a purchase and cancellation of the relevant Series of Covered Bonds in part, the Transaction or Transactions related to that Series of Covered Bonds will partially terminate in respect of a Notional Amount equal to a pro rata proportion of the relevant amount of Covered Bonds purchased and surrendered for cancellation, and the provisions of Section 6 shall apply *mutatis mutandis* in connection with such partial termination. For the avoidance of doubt, the remaining part of such Transaction or Transactions will not be terminated as a result of such partial termination, and an Early Termination Date will only occur in respect of the terminated part of the Transaction or Transactions. Any amount payable pursuant to Section 6(e) of this Agreement will be payable on the Early Termination Date. Party B shall notify Party A of such purchase and surrender no later than three Business Days prior to the relevant purchase date.

(iv) **Redemption and Prepayment in part of the relevant Series of Covered Bonds at the option of the Issuer.**

The relevant Series of Covered Bonds is redeemed in part pursuant to Condition 6.4 (*Redemption at the option of the Issuer*) of the Terms and Conditions of the Covered Bonds, in which case:

- (A) Party B shall be the sole Affected Party;
- (B) the Transaction or Transactions related to that Series of Covered Bonds shall be Affected Transactions; and
- (C) the Early Termination Date in respect of the Affected Transactions shall be the due date for redemption of that Series of Covered Bonds,

provided that, in the event of a purchase and cancellation of the relevant Series of Covered Bonds in part, the Transaction or Transactions related to that Series of Covered Bonds will only partially terminate in respect of a Notional Amount equal to a pro rata proportion of the relevant amount of Covered Bonds so redeemed, and the provisions of Section 6 shall apply *mutatis mutandis* in connection with such partial termination. For the avoidance of doubt, the remaining part of such Transaction or Transactions will not be terminated as a result of such partial termination, and an Early Termination Date will only occur in respect of the terminated part of the Transaction or Transactions. Any amount payable pursuant to Section 6(e) of this Agreement will be payable on the Early Termination Date. Party B shall notify Party

A of such redemption no later than three Business Days prior to the relevant redemption date

Part 2. Tax Representations

- (a) **Payer Representations.** For the purpose of Section 3(e) of this Agreement, Party A and Party B will each make the following representation:

It is not required by any applicable law, as modified by the practice of any relevant governmental revenue authority, of any Relevant Jurisdiction to make any deduction or withholding for or on account of any Tax from any payment (other than interest under Section 2(e), 6(d)(ii) or 6(e) of this Agreement) to be made by it to the other party under this Agreement. In making this representation, it may rely on (i) the accuracy of any representations made by the other party pursuant to Section 3(f) of this Agreement, (ii) the satisfaction of the agreement contained in Section 4(a)(i) or 4(a)(iii) of this Agreement and the accuracy and effectiveness of any document provided by the other party pursuant to Section 4(a)(i) or 4(a)(iii) of this Agreement and (iii) the satisfaction of the agreement of the other party contained in Section 4(d) of this Agreement, provided that it shall not be a breach of this representation where reliance is placed on clause (ii) and the other party does not deliver a form or document under Section 4(a)(iii) by reason of material prejudice to its legal or commercial position.

- (b) **Payee Representations.** For the purposes of Section 3(f) of the Agreement, Party A makes the representation specified below (the **Additional Tax Representation**):

Party A represents, warrants and undertakes to Party B (which representation, warranty and undertaking will be deemed to be repeated at all times until the termination of this Agreement) that:

It is, and will be throughout the course of each Transaction, resident in the United Kingdom for United Kingdom tax purposes.

For the purposes of Section 3(f) of the Agreement, Party B makes the following representation:

None.

- (c) **Additional Termination Event.** The Additional Tax Representation proves to have been incorrect or misleading in any material respect with respect to one or more Transactions (each an "Affected Transaction" for the purposes of this Additional Termination Event) when made or repeated or deemed to have been made or repeated. The Affected Party shall be Party A only.

Part 3. Agreement to Deliver Documents

For the purpose of Sections 4(a)(i) and (ii) of this Agreement, each party agrees to deliver the following documents, as applicable:-

- (a) Tax forms, documents or certificates to be delivered are:-

Party required to deliver document	Form/Document/Certificate	Date by which to be delivered
	None	

- (b) Other documents to be delivered are:-

Party required to deliver document	Form/Document/Certificate	Date by which to be delivered	Covered by Section 3(d) Representation
Party A and Party B	Appropriate evidence of its signatory's authority	On signing of this Agreement	Yes
Party B	Certified copy of management board resolution of Party B approving the entry into, execution and performance of its obligations under this Agreement and each Transaction and constitutional documents	On signing of this Agreement	Yes

Part 4. Miscellaneous

- (a) ***Addresses for Notices.*** For the purpose of Section 12(a) of this Agreement:-

Addresses for notices or communications to Party A:

For notices regarding operation, payment and confirmation matters only, notices should be sent to the address of the relevant branch set out in the relevant Confirmation (as may be amended from time to time),

With a copy in the case of notices or communications relating to Sections 5, 6, 7, 11 or 13 to:

Address: 5 The North Colonnade, Canary Wharf, London E14 4BB
Attention: Securitisation Derivatives Director, Legal Division (marked urgent)
Facsimile No: +44 (0)20 7516 9515
Telephone No: +44 (0)20 3134 1143
Email: **BGSOperations@barclays.com**

Address for notices or communications to Party B:

Address: Abbey Covered Bonds LLP
Abbey National House
2 Triton Square
Regent's Place
London
NW1 3AN
Attention: Mortgage Backed Funding (TS1 C)
Facsimile No.: +44 20 7756 5862

With a copy to:

Abbey Covered Bonds LLP
c/o Santander UK plc
c/o Abbey House, (AAM 129)
201 Grafton Gate East
Milton Keynes
MK9 1AN
Attention: Securitisation Team, Retail Credit Risk
Facsimile No.: +44 1908 343 019

With a copy to the Security Trustee:

Address: Winchester House
1 Great Winchester Street
London
EC2N 2DB

Attention: Managing Director

Facsimile No.: +44 20 7547 5919

- (b) **Process Agent.** For the purpose of Section 13(c) of this Agreement:-

Party A appoints as its Process Agent: None.

Party B appoints as its Process Agent: None.

- (c) **Offices.** The provisions of Section 10(a) will apply to this Agreement.

- (d) **Multibranch Party.** For the purpose of Section 10(c) of this Agreement:-

Party A is not a Multibranch Party.

Party B is not a Multibranch Party.

- (e) **Calculation Agent.** The Calculation Agent is Party A. Any failure by Party A, (as determined by the Security Trustee, acting reasonably and in good faith), to perform its role as Calculation Agent shall entitle Party B, by notice to the other parties hereto, to nominate itself or a third party reasonably selected by it as Calculation Agent and, upon such nomination, Party B or such third party shall become the Calculation Agent.

- (f) **Credit Support Document.** Details of any Credit Support Document:-

In respect of Party A, none.

In respect of Party B, none.

- (g) **Credit Support Provider.** Credit Support Provider means in relation to Party A, none.

Credit Support Provider means in relation to Party B, none.

- (h) **Governing Law.** This Agreement and any non-contractual obligations arising out of or in connection with it will be governed by and construed in accordance with English law.

- (i) **Netting of Payments.** Subparagraph (ii) of Section 2(c) of this Agreement will apply to Transactions entered into under this Agreement unless otherwise specified in a Confirmation.

- (j) **"Affiliate"** will have the meaning specified in Section 14 of this Agreement.

Part 5. Other Provisions

(a) *No Set-Off*

- (i) All payments under this Agreement shall be made without set-off or counterclaim, except as expressly provided for in Section 2(c) or Section 6.
- (ii) Section 6(e) shall be amended by the deletion of the following sentence:

"The amount, if any, payable in respect of an Early Termination Date and determined pursuant to this Section will be subject to any Set-off."

(b) *Security Interest*

Notwithstanding Section 7, Party A hereby agrees and consents to the assignment by way of security by Party B of its right, title and interest under this Agreement (without prejudice to, and after giving effect to, any contractual netting provision contained in this Agreement) to the Security Trustee (or any successor thereto) pursuant to and in accordance with the Deed of Charge and Deed of Accession and acknowledges notice of such assignment. Each of the parties hereby confirms and agrees that the Security Trustee shall not be liable for any of the obligations of Party B hereunder.

(c) *Disapplication of Certain Events of Default*

Sections 5(a)(ii), 5(a)(iii), 5(a)(iv), 5(a)(v), 5(a)(vii)(2),(5),(6),(7) and (9), and 5(a)(viii) will not apply in respect of Party B.

Section 5(a)(vii)(8) will not apply to Party B to the extent that it applies to Section 5(a)(vii)(2) (5),(6),(7) and (9).

(d) *Disapplication of Certain Termination Events*

The "Tax Event" and "Tax Event upon Merger" provisions of Section 5(b)(ii) and 5(b)(iii) will not apply to Party A or to Party B.

(e) *Additional Event of Default*

The following shall constitute an additional Event of Default with respect to Party B:

"LLP Acceleration Notice. The Bond Trustee serves an LLP Acceleration Notice on Party B (which shall be the Defaulting Party)."

(f) *Ratings Events*

- (i) In the event that the short-term, unsecured and unsubordinated debt obligations of Party A (or its successor) or any Credit Support Provider from time to time in respect of Party A cease to be rated at least as high as "A-1+" by Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. (S&P) and, as a result of such cessation, the then current rating of the relevant Series of the Covered Bonds is downgraded or placed under review for

possible downgrade by S&P (an **Initial S&P Rating Event**), then Party A will, within 30 days of the occurrence of such Initial S&P Rating Event, at its own cost either:

- (A) post collateral in accordance with the provisions of the CSA;
- (B) take commercially reasonable efforts to transfer all of its rights and obligations with respect to this Agreement to a replacement third party whose short-term, unsecured and unsubordinated debt obligations are rated at least "A-1+" by S&P or such other rating as is commensurate with the rating assigned to the relevant Series of Covered Bonds by S&P from time to time; or
- (C) take commercially reasonable efforts to procure another person to become co-obligor or guarantor in respect of the obligations of Party A with respect to this Agreement, whose short-term, unsecured and unsubordinated debt obligations are rated at least "A-1+" by S&P or such other rating as is commensurate with the rating assigned to the relevant Series of Covered Bonds by S&P from time to time; or
- (D) take such other action (which may, for the avoidance of doubt, include taking no action) as notified to S&P as will result in (a) the rating of the relevant Series of Covered Bonds being maintained at, or restored to, the level it would have been but for such Initial S&P Rating Event or Subsequent S&P Rating Event, as applicable, regardless of any other capacity in which Party A may act in respect of the Covered Bonds; and (b) the relevant Series of Covered Bonds not being placed on credit watch by S&P as a result of the Initial S&P Rating Event or Subsequent S&P Rating Event, as applicable.

If any of sub-paragraphs (i)(B), (i)(C) or (i)(D) above are satisfied at any time, all collateral (or the equivalent thereof, as appropriate) transferred by Party A pursuant to sub-paragraph (i)(A) will be transferred to Party A and Party A will not be required to transfer any additional collateral in respect of such Initial S&P Rating Event.

- (ii) In the event that the rating of the long-term, unsecured and unsubordinated debt obligations of Party A (or its successor) or any Credit Support Provider from time to time in respect of Party A cease to be rated at least as high as "BBB-" by S&P and, as a result of such cessation, the then current rating of the relevant Series of Covered Bonds may in the reasonable opinion of S&P be downgraded or placed under review for possible downgrade by S&P (such event, a **Subsequent S&P Rating Event**), then Party A will:

- (A) at its own cost and expense, use its best endeavours to take the action set out in sub-paragraphs (i)(B), (i)(C) or (i)(D) above within 10 days of the occurrence of such Subsequent S&P Rating Event; and
- (B) if, at the time such Subsequent S&P Rating Event occurs, Party A has provided collateral pursuant to the CSA following an Initial S&P Rating Event, continue to post collateral notwithstanding the occurrence of such Subsequent S&P Rating Event until such time as the action set out in sub-paragraph (ii)(A) above has been taken.

If the action set out in sub-paragraph (ii)(A) above is taken at any time, all collateral (or the equivalent thereof, as appropriate) transferred by Party A pursuant to sub-paragraphs (i)(A) or (ii)(B) above will be transferred to Party A and Party A will not be required to transfer any additional collateral in respect of such Subsequent S&P Rating Event.

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- (iii) In the event that the long-term, unsecured and unsubordinated debt obligations of Party A (or its successor) or any Credit Support Provider in respect of Party A cease to be rated at least as high as "A1" (or its equivalent) by Moody's or the short-term, unsecured and unsubordinated debt obligations of Party A (or its successor) or any Credit Support Provider in respect of Party A cease to be rated as high as "Prime-1" (or its equivalent) by Moody's, (such cessation being an **Initial Moody's Rating Event**), then Party A will, within 30 days of the occurrence of such Initial Moody's Rating Event, at its own cost either:
- (A) transfer all of its rights and obligations with respect to this Agreement to either (aa) a replacement third party with the Required Ratings (as defined below) domiciled in the same legal jurisdiction as Party A or Party B, or (bb) a replacement third party as Party A may agree with Moody's;
 - (B) procure another person to become co-obligor or guarantor in respect of the obligations of Party A with respect to this Agreement, which co-obligor or guarantor may be either (aa) a person with the Required Ratings (as defined below) domiciled in the same legal jurisdiction as Party A or Party B, or (bb) such other person as Party A may agree with Moody's;
 - (C) take such other action (which may, for the avoidance of doubt, include taking no action) as notified to Moody's as will result in (a) the rating of the relevant Series of Covered Bonds being maintained at, or restored to, the level it would have been but for such Initial Moody's Rating Event, regardless of any other capacity in which Party A may act in respect of the Covered Bonds; and (b) the relevant Series of Covered Bonds not being placed on credit watch by Moody's as a result of the Initial Moody's Rating Event; or
 - (D) post collateral in accordance with the provisions of the CSA.

If any of sub-paragraphs (iii)(A), (iii)(B) or (iii)(C) above are satisfied at any time, all collateral (or the equivalent thereof, as appropriate) transferred by Party A pursuant to sub-paragraph (iii)(D) above will be transferred to Party A and Party A will not be required to transfer any additional collateral in respect of such Initial Moody's Rating Event.

- (iv) In the event that the long-term, unsecured and unsubordinated debt obligations of Party A (or its successor) or any Credit Support Provider in respect of Party A cease to be rated as high as "A3" (or its equivalent) by Moody's or the short-term, unsecured and unsubordinated debt obligations of Party A (or its successor) or any Credit Support Provider of Party A cease to be rated as high as "Prime-2" (or its equivalent) by Moody's (such cessation being a **Subsequent Moody's Rating Event**), then Party A will:
- (A) within 30 days of the occurrence of such Subsequent Moody's Rating Event on a reasonable efforts basis, and at its own cost, take commercially reasonable efforts either to:
 - (1) transfer all of its rights and obligations with respect to this Agreement to either (I) a replacement third party with the Required Ratings (as defined below) domiciled in the same legal jurisdiction as Party A or Party B, or (II) a replacement third party as Party A may agree with Moody's; or

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- (2) procure another person to become co-obligor or guarantor in respect of the obligations of Party A with respect to this Agreement, which co-obligor or guarantor may be either (I) a person with the Required Ratings (as defined below) domiciled in the same legal jurisdiction as Party A or Party B, or (II) such other person as Party A may agree with Moody's; or
 - (3) take such other action (which may, for the avoidance of doubt, include taking no action) as notified to Moody's as will result in (a) the rating of the relevant Series of Covered Bonds being maintained at, or restored to, the level it would have been but for such Subsequent Moody's Rating Event, regardless of any other capacity in which Party A may act in respect of the Covered Bonds; and (b) the relevant Series of Covered Bonds not being placed on credit watch by Moody's as a result of the Subsequent Moody's Rating Event; and
- (B) within the later of 10 days of the occurrence of such Subsequent Moody's Rating Event and 30 days of the occurrence of an Initial Moody's Rating Event, post collateral pursuant to the CSA, provided that Party A shall continue, on a best efforts basis, to make all reasonable attempts to take the actions specified in sub-paragraph (f)(iv)(A) above.

If any of sub-paragraphs (iv)(A)(1), (iv)(A)(2) or (iv)(A)(3) above are satisfied at any time, all collateral (or the equivalent thereof, as appropriate) transferred by Party A pursuant to sub-paragraphs (iii)(D) or (iv)(B) above will be transferred to Party A and Party A will not be required to transfer any additional collateral in respect of such Subsequent Moody's Rating Event.

For the purposes of sub-paragraphs (iii) and (iv) of this Part 5(f), **Required Ratings** means, in respect of the relevant entity, its short-term, unsecured and unsubordinated debt obligations are rated at least as high as "Prime-1" by Moody's and its long-term, unsecured and unsubordinated debt obligations are rated at least as high as "A1" by Moody's, or such other ratings as may be agreed with Moody's from time to time.

- (v) In the event that the long-term, unsecured and unsubordinated debt obligations of Party A (or its successor) or any Credit Support Provider from time to time in respect of Party A cease to be rated at least as high as "A+" (or its equivalent) by Fitch Ratings Ltd (**Fitch**) or the short-term, unsecured and unsubordinated debt obligations of Party A (or its successor) or any Credit Support Provider from time to time in respect of Party A cease to be rated at least as high as "F1" (or its equivalent) by Fitch and, as a result of such cessation, the then current rating of the relevant Series of Covered Bonds is downgraded by Fitch or placed under credit watch for possible downgrade by Fitch (an **Initial Fitch Rating Event**) then Party A will, on a reasonable efforts basis within 30 days of the occurrence of such Initial Fitch Rating Event, at its own cost, either:
- (A) post collateral in accordance with the provisions of the CSA;
 - (B) transfer all of its rights and obligations with respect to this Agreement to a replacement third party whose long-term, unsecured and unsubordinated debt obligations are rated at least as high as "A+" by Fitch and whose short-term, unsecured and unsubordinated debt obligations are rated at least "F1" by Fitch or, in

either case, such lower rating as is commensurate with the rating assigned to the relevant Series of Covered Bonds by Fitch from time to time;

- (C) procure another person to become co-obligor or guarantor in respect of the obligations of Party A under this Agreement, whose long-term, unsecured and unsubordinated debt obligations are rated at least as high as "A+" by Fitch and whose short-term, unsecured and unsubordinated debt obligations are rated at least "F1" by Fitch or, in either case, such lower rating as is commensurate with the rating assigned to the relevant Series of Covered Bonds by Fitch from time to time; or
- (D) take such other action (which may, for the avoidance of doubt, include taking no action) as notified to Fitch as will result in (a) the rating of the relevant Series of Covered Bonds being maintained at, or restored to, the level it would have been but for such Initial Fitch Rating Event, regardless of any other capacity in which Party A may act in respect of the Covered Bonds; and (b) the relevant Series of Covered Bonds not being placed on credit watch by Fitch as a result of the Initial Fitch Rating Event.

If any of sub-paragraphs (v)(B), (v)(C) or (v)(D) above are satisfied at any time, all collateral (or the equivalent thereof, as appropriate) transferred by Party A pursuant to sub-paragraph (v)(A) above will be transferred to Party A and Party A will not be required to transfer any additional collateral in respect of such Initial Fitch Rating Event.

- (vi) In the event that the long-term, unsecured and unsubordinated debt obligations of Party A (or its successor) or any Credit Support Provider from time to time in respect of Party A cease to be rated at least as high as "BBB+" (or its equivalent) by Fitch or the short-term, unsecured and unsubordinated debt obligations of Party A (or its successor) or any Credit Support Provider from time to time in respect of Party A cease to be rated at least as high as "F2" (or its equivalent) by Fitch and, as a result of such cessation, the then current rating of the relevant Series of Covered Bonds is downgraded or placed on credit watch for possible downgrade by Fitch (a **First Subsequent Fitch Rating Event**) then Party A will, on a reasonable efforts basis, either:
 - (A) within 30 days of the occurrence of such First Subsequent Fitch Rating Event and at its own cost, provide collateral in the form of cash or securities or both in support of its obligations under this Agreement in accordance with the provisions of the CSA (provided that the mark-to-market calculations and the correct and timely posting of collateral thereunder are verified by an independent third party (with the costs of such independent verification being borne by Party A)); or
 - (B) within 30 days of the occurrence of such First Subsequent Fitch Rating Event, at its own cost, attempt either to:
 - (1) transfer all of its rights and obligations with respect to this Agreement to a replacement third party whose long-term, unsecured and unsubordinated debt obligations are rated at least "A+" by Fitch and whose short-term, unsecured and unsubordinated debt obligations are rated at least "F1" by Fitch or, in either case, such lower rating as is commensurate with the rating assigned to the relevant Series of Covered Bonds by Fitch from time to time;

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- (2) obtain a guarantee of its rights and obligations with respect to this Agreement from a third party whose long-term, unsecured and unsubordinated debt obligations are rated at least "A+" by Fitch and whose short-term, unsecured and unsubordinated debt obligations are rated at least "F1" by Fitch or, in either case, such lower rating as is commensurate with the rating assigned to the relevant Series of Covered Bonds by Fitch from time to time; or
 - (3) take such other action (which may, for the avoidance of doubt, include taking no action) as notified to Fitch as will result in (a) the rating of the relevant Series of Covered Bonds being maintained at, or restored to, the level it would have been but for such First Subsequent Fitch Rating Event, regardless of any other capacity in which Party A may act in respect of the Covered Bonds; and (b) the relevant Series of Covered Bonds not being placed on credit watch by Fitch as a result of the First Subsequent Fitch Rating Event.

If any of sub-paragraphs (vi)(B)(1), (2) or (3) above are satisfied at any time, all collateral (or the equivalent thereof, as appropriate) transferred by Party A pursuant to the CSA in accordance with sub-paragraph (v)(A) above or sub-paragraph (vi)(A) will be transferred to Party A and Party A will not be required to transfer any additional collateral in respect of that First Subsequent Fitch Rating Event.

- (vii) In the event that the long-term, unsecured and unsubordinated debt obligations of Party A (or its successor) or any Credit Support Provider from time to time in respect of Party A cease to be rated at least as high as "BBB-" (or its equivalent) by Fitch or the rating of the short-term, unsecured and unsubordinated debt obligations of Party A (or its successor) or any Credit Support Provider from time to time in respect of Party A cease to be rated at least as high as "F3" (or its equivalent) by Fitch and as a result of such cessation, the then current rating of the relevant Series of Covered Bonds is downgraded or placed on credit watch for possible downgrade by Fitch (a **Second Subsequent Fitch Rating Event**), then Party A will on a reasonable efforts basis within 30 days of the occurrence of such Second Subsequent Fitch Rating Event, at its own cost, attempt either to:
 - (A) transfer all of its rights and obligations with respect to this Agreement to a replacement third party whose long-term, unsecured and unsubordinated debt obligations are rated at least "A+" by Fitch and whose short-term, unsecured and unsubordinated debt obligations are rated at least "F1" by Fitch or, in either case, such lower rating as is commensurate with the rating assigned to the relevant Series of Covered Bonds by Fitch from time to time;
 - (B) procure another person to become a co-obligor or guarantor in respect of the obligations of Party A with respect to this Agreement whose long-term, unsecured and unsubordinated debt obligations are rated at least "A+" by Fitch and whose short-term, unsecured and unsubordinated debt obligations are rated at least "F1" by Fitch or, in either case, such lower rating as is commensurate with the rating assigned to the relevant Series of Covered Bonds by Fitch from time to time; or
 - (C) take such other action (which may, for the avoidance of doubt, include taking no action) as notified to Fitch as will result in (a) the rating of the relevant Series of Covered Bonds being maintained at, or restored to, the level it would have been but for such Second Subsequent Fitch Rating Event and regardless of any other capacity in which Party A may act in respect of the Covered Bonds; and (b) the relevant Series

of Covered Bonds not being placed on credit watch by Fitch as a result of the Second Subsequent Fitch Rating Event.

Pending compliance with any of sub-paragraphs (vii)(A), (B) or (C) above, Party A will within 10 days of the occurrence of the Second Subsequent Fitch Rating Event and at its own cost, provide collateral in the form of cash or securities or both in support of its obligations under this Agreement in accordance with the provisions of the CSA (provided that the mark-to-market calculations and the correct and timely posting of collateral thereunder are verified by an independent third party (with the costs of such independent verification being borne by Party A)). If any of sub-paragraphs (vii)(A), (B) or (C) above are satisfied at any time, all collateral (or the equivalent thereof, as appropriate) transferred by Party A under the CSA will be transferred to Party A and Party A will not be required to transfer any additional collateral in respect of that Second Subsequent Fitch Rating Event.

- (viii) (A) If Party A does not take any of the measures described in sub-paragraph (i) above, such failure shall not be or give rise to an Event of Default but shall constitute an Additional Termination Event with respect to Party A which shall be deemed to have occurred on the thirtieth day following the Initial S&P Rating Event with Party A as the sole Affected Party and all Transactions as Affected Transactions.
- (B) If, at the time a Subsequent S&P Rating Event occurs, Party A has provided collateral pursuant to sub-paragraph (i)(A) above and fails to continue to post collateral pending compliance with sub-paragraph (ii)(A) above, such failure will not be or give rise to an Event of Default but will constitute an Additional Termination Event with respect to Party A which will be deemed to have occurred on the later of the tenth day following such Subsequent S&P Rating Event and the thirtieth day following the Initial S&P Rating Event with Party A as the sole Affected Party and all Transactions as Affected Transactions. Further, an Additional Termination Event with respect to Party A shall be deemed to have occurred if, even if Party A continues to post collateral as required by sub-paragraph (ii)(B) above, and notwithstanding Section 5(a)(ii), Party A does not take the action described in sub-paragraph (ii)(A) above. Such Additional Termination Event will be deemed to have occurred on the thirtieth day following the Subsequent S&P Rating Event with Party A as the sole Affected Party and all Transactions as Affected Transactions.
- (C) If Party A does not take any of the measures described in sub-paragraph (iii) above, such failure shall not be or give rise to an Event of Default but shall constitute an Additional Termination Event with respect to Party A which shall be deemed to have occurred on the thirtieth day following the occurrence of such Initial Moody's Rating Event with Party A as the sole Affected Party and all Transactions as Affected Transactions.
- (D) If Party A does not take the measures described in sub-paragraph (iv)(B) above, such failure shall give rise to an Event of Default with respect to Party A which shall be deemed to have occurred on the thirtieth day following such Subsequent Moody's Rating Event (or, if Party A has provided collateral pursuant to sub-paragraph (iii)(D) above, such Event of Default shall be deemed to have occurred on the tenth day following such Subsequent Moody's Rating Event) with Party A as the Defaulting Party. Further, it shall constitute an Additional Termination Event with respect to Party A if, even after satisfying the requirement to post collateral as required by sub-

paragraph (iv)(B) above, and notwithstanding Section 5(a)(ii), Party A does not, irrespective of whether or not Party A has applied reasonable efforts, take any of the measures described in sub-paragraph (iv)(A). Such Additional Termination Event shall be deemed to have occurred on the thirtieth day following the Subsequent Moody's Rating Event with Party A as the sole Affected Party and all Transactions as Affected Transactions.

- (E) If Party A does not take any of the measures described in sub-paragraph (v) above, such failure shall not be or give rise to an Event of Default but shall constitute an Additional Termination Event with respect to Party A which shall be deemed to have occurred on the thirtieth day following the Initial Fitch Rating Event with Party A as the sole Affected Party and all Transactions as Affected Transactions.
- (F) If Party A does not take any of the measures described in sub-paragraph (vi) above, such failure shall not be or give rise to an Event of Default but shall constitute an Additional Termination Event with respect to Party A which shall be deemed to have occurred on the thirtieth day following the First Subsequent Fitch Rating Event with Party A as the sole Affected Party and all Transactions as Affected Transactions.
- (G) If Party A does not, pending compliance with any of sub-paragraphs (vii)(A), (B) or (C), continue to comply with the terms of the CSA such failure will not give rise to an Event of Default but shall constitute an Additional Termination Event with respect to Party A which will be deemed to have occurred on the tenth day following such Second Subsequent Fitch Rating Event with Party A as the sole Affected Party and all Transactions as Affected Transactions. Further, it will constitute an Additional Termination Event with respect to Party A if, even after satisfying the above requirements, Party A has failed, within 10 days after receiving notice of failure to use reasonable efforts (which notice will not be given until at least 30 days following such Second Subsequent Fitch Rating Event), to either transfer as described in sub-paragraph (vii)(A), find a co-obligor or guarantor as described in sub-paragraph (vii)(B) or take such other action as described in sub-paragraph (vii)(C). Such Additional Termination Event will be deemed to have occurred on the tenth day after receiving notice of failure to use reasonable efforts (unless, on or prior to such day, Party A has effected a transfer as described in sub-paragraph (vii)(A), found a co-obligor or guarantor as described in sub-paragraph (vii)(B) or taken such other action as described in sub-paragraph (vii) (C)) with Party A as the sole Affected Party and all Transactions as Affected Transactions.
- (H) In the event that Party B were to designate an Early Termination Date, Party B may only designate such Early Termination Date in respect of an Additional Termination Event under this Part 5(f)(viii) if Party B has received an offer from an Eligible Replacement that was, when made, commercially reasonable and capable of becoming legally binding upon acceptance, to enter into replacement transactions with Party B in respect of the Affected Transactions on terms that reflect as closely as reasonably possible, as determined by Party B in its sole and absolute discretion, the economic, legal and credit terms of the Terminated Transactions and Party B has obtained the Security Trustee's prior written consent thereto.
- (I) Each of Party B and the Security Trustee shall use their reasonable endeavours to co-operate with Party A including entering into such documents as may reasonably be

requested by Party A in connection with any of the measures which Party A may take under this Part 5(f) following the rating events described herein.

- (J) In respect of any Additional Termination Event or Event of Default set forth in this Part 5(f)(viii) (each a "**Rating Termination Event**"), Party B shall only be entitled to designate an Early Termination Date in reliance on such Rating Termination Event at any time following the occurrence of such Rating Termination Event, provided such Rating Termination Event is then continuing and, for such purposes, a Rating Termination Event as set forth in this Part 5(f)(viii) will not be continuing if, at such time Party A has taken relevant Remedial Action in respect of such Rating Termination Event, even if such Remedial Action has been taken after the applicable time period specified for such Remedial Action to be taken in this Part 5(f).

(g) ***Additional Representations***

- (i) Section 3 is amended by the addition at the end thereof of the following additional representation:

"(g) ***No Agency.*** It is entering into this Agreement and each Transaction as principal and not as agent of any person."

- (ii) The following additional representations shall be given by Party A only:

"(h) ***Pari Passu.*** Its obligations under this Agreement rank pari passu with all of its other unsecured, unsubordinated obligations except those obligations preferred by operation of law.

- (i) ***Authorised Person.*** Party A represents to Party B (which representation will be deemed to be repeated by Party A on each date on which a Transaction is entered into) that, to the extent that entering into this Agreement, including any Transaction, constitutes regulated activity in the United Kingdom, Party A is an authorised person permitted to carry on that regulated activity or an exempt person in respect of that regulated activity under the FMSA."

(h) ***Recording of Conversations***

Each party to this Agreement consents to the recording of the telephone conversations of its personnel or any personnel employed by any Affiliate or third party acting on its behalf in connection with this Agreement or any potential Transaction and (i) agrees to obtain any necessary consent of and give notice of such recording to such personnel and (ii) agrees that recordings may be submitted in evidence in any Proceedings relating to this Agreement.

(i) ***Relationship between the Parties***

The Agreement is amended by the insertion after Section 14 of an additional Section 15, reading in its entirety as follows:

"15. **Relationship between the Parties**

Each party will be deemed to represent to the other party on the date on which it enters into a Transaction that (absent a written agreement between the parties that expressly imposes affirmative obligations to the contrary for that Transaction):

- (a) **Non Reliance.** It is acting for its own account, and it has made its own decisions to enter into that Transaction and as to whether that Transaction is appropriate or proper for it based upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into that Transaction; it being understood that information and explanations related to the terms and conditions of a Transaction shall not be considered investment advice or a recommendation to enter into that Transaction. It has not received from the other party any assurance or guarantee as to the expected results of that Transaction.
- (b) **Assessment and Understanding.** It is capable of assessing the merits of and understanding (through independent professional advice), and understands and accepts, the terms, conditions and risks of that Transaction. It is also capable of assuming, and assumes, the financial and other risks of that Transaction.
- (c) **Status of Parties.** The other party is not acting as a fiduciary or an adviser for it in respect of that Transaction."

(j) **Tax**

The Agreement is amended by deleting Section 2(d) in its entirety and replacing it with the following:

"(d) **Deduction or Withholding for Tax**

(i) **Requirement to Withhold**

All payments under this Agreement will be made without any deduction or withholding for or on account of any Tax (including a deduction or withholding by any of the members of Party B in respect of a payment made by Party B) unless such deduction or withholding is required (including, for the avoidance of doubt, if such deduction or withholding is required in order for the payer to obtain relief from Tax) by any applicable law, as modified by the practice of any relevant governmental revenue authority, then in effect. If a party is so required to deduct or withhold (or in the case of Party B, any member of Party B is required to deduct or withhold), then that party (X):

- (1) will promptly notify the other party (Y) of such requirement;
- (2) will pay or procure payment to the relevant authorities the full amount required to be deducted or withheld (including the full amount required to be deducted or withheld from any Gross Up Amount (as defined below) paid by X to Y under this Section 2(d)) promptly upon the earlier of determining that such deduction or withholding is required or receiving notice that such amount has been assessed against Y;

-
- (3) will promptly forward to Y an official receipt (or a certified copy), or other documentation reasonably acceptable to Y, evidencing such payment to such authorities; and
 - (4) if X is Party A, Party A will promptly pay in addition to the payment to which Party B is otherwise entitled under this Agreement, such additional amount (the **Gross Up Amount**) as is necessary to ensure that the net amount actually received by Party B will equal the full amount which Party B would have received had no such deduction or withholding been required.

(ii) ***Liability***

If:

- (1) X is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, to make any deduction or withholding for or on account of any Tax in respect of payments under this Agreement; and
- (2) X does not so deduct or withhold; and
- (3) a liability resulting from such Tax is assessed directly against X,

then, except to the extent that Y has satisfied or then satisfies the liability resulting from such Tax, (A) where X is Party B (or any member of Party B), Party A will promptly pay to Party B (or the relevant member of Party B) the amount of such liability (the **Liability Amount**) (including any related liability for interest and together with an amount equal to the Tax payable by Party B (or the relevant member of Party B) on receipt of such amount but including any related liability for penalties only if Party A has failed to comply with or perform any agreement contained in Section 4(a)(i), 4(a)(iii) or 4(d)) and Party B (or the relevant member of Party B) will promptly pay to the relevant government revenue authority the amount of such liability (including any related liability for interest and penalties) and (B) where X is Party A and Party A would have been required to pay a Gross Up Amount to Party B, Party A will promptly pay to the relevant government revenue authority the amount of such liability (including any related liability for interest and penalties).

(iii) ***Tax Credit etc.***

Where Party A pays an amount in accordance with Section 2(d)(i)(4) or 2(d)(ii) above, Party B undertakes as follows:

- (1) to the extent that Party B (or any member of Party B) obtains and utilises any Tax credit, allowance, set-off or repayment from the tax authorities of any jurisdiction relating to, in the case of a payment made in accordance with Section 2(d)(i)(4), any deduction or withholding giving rise to such payment, or in the case of a payment made in accordance with Section 2(d)(ii), the assessment that has given rise to such a payment (in each case a "**Tax Credit**"), Party B shall pay to Party A, as soon as practical after receipt of the same, so much of the cash benefit (as calculated below) relating thereto which Party B (or any member of Party B) has received as will leave Party B

(or any member of Party B) in substantially the same (but in any event no worse) position as Party B (or any member of Party B) would have been in if no such deduction or withholding had been required;

- (2) the "cash benefit" shall, in the case of any Tax Credit, be the additional amount of Tax which would have been payable by Party B (or any member of Party B) in the relevant jurisdiction referred to in (1) above but for the obtaining and utilisation by it of the said Tax Credit and, in the case of a repayment, shall be the amount of the repayment together with any related interest or similar payment obtained by Party B (or any member of Party B) from the relevant tax authority; and
- (3) it will use all reasonable endeavours to obtain any Tax Credit as soon as is reasonably practicable provided that it shall be the sole judge of the amount of any such Tax Credit and of the date on which the same is received and it shall not be obliged to disclose to Party A any information relating to its tax affairs or tax computations save that Party B shall (and will procure that its members shall), upon request by Party A, supply Party A with a reasonably detailed explanation of its calculation of the amount of any such Tax Credit and of the date on which the same is received."
- (iv) Without prejudice to this paragraph 5(j), nothing contained in this Schedule shall interfere with the right of Party B (or any of its members) or Party A to arrange its tax and other affairs in whatever manner it thinks fit and, in particular, neither Party B (nor any of its members) nor Party A shall be under any obligation to claim relief from Tax on its corporate profits, or from any similar Tax liability, in respect of the Tax, or to claim relief in priority to any other claims, reliefs, credits or deductions available to it. Neither Party B (or any of its members) nor Party A shall be obliged to disclose any confidential information relating to the organisation of its affairs.

(k) ***Condition Precedent***

Section 2(a)(iii) shall be amended by the deletion of the words "a Potential Event of Default" in respect of obligations of Party A only.

(l) ***Representations***

Section 3(b) shall be amended by the deletion of the words "or Potential Event of Default" in respect of the representation given by Party B only.

(m) ***Additional Definitions***

Words and expressions defined in the Master Definitions and Construction Agreement made between, inter alios, the parties to this Agreement on 3 June 2005 (as the same may be amended, varied or supplemented from time to time) (the **Master Definitions and Construction Agreement**) shall, except so far as the context otherwise requires, have the same meaning in this Agreement. In the event of any inconsistency between the definitions in this Agreement and in the Master Definitions Schedule the definitions in this Agreement shall prevail. The rules of interpretation set out in the Master Definitions Schedule shall apply to this Agreement.

“Eligible Replacement” means an entity that is a S&P Eligible Replacement, a Moody's Eligible Replacement and a Fitch Eligible Replacement.

“Fitch Eligible Replacement” means either an entity:

- (a) whose long-term, unsecured and unsubordinated debt obligations are rated at least as high as "A+" (or its equivalent) by Fitch and whose short-term, unsecured and unsubordinated debt obligations are rated at least as high as "F1" (or its equivalent) by Fitch; or
- (b) whose long-term, unsecured and unsubordinated debt obligations are rated at least as high as "BBB+" (or its equivalent) by Fitch and whose short-term, unsecured and unsubordinated debt obligations are rated at least as high as "F2" (or its equivalent) by Fitch, provided that such entity complies with the provisions of Part 5(f)(v)(A), (B), (C) or (D).

“Moody's Eligible Replacement” means either an entity:

- (a) whose short-term unsecured and unsubordinated debt obligations are then rated at least as high as "Prime-1" by Moody's (or its equivalent by any substitute rating agency) and whose long-term, unsecured and unsubordinated debt obligations are rated at least as high as "A1" by Moody's; or
- (b) whose short-term unsecured and unsubordinated debt obligations are then rated at least as high as "Prime-2" by Moody's (or its equivalent by any substitute rating agency) and whose long-term, unsecured and unsubordinated debt obligations are rated at least as high as "A3" by Moody's, provided that such entity complies with the provisions of Part 5(f)(iii)(A), (B), (C) or (D).

“Principal Amount Outstanding” means, in respect of a Covered Bond on any day, the principal amount of that Covered Bond on the relevant Issue Date thereof less principal amounts received by the relevant Covered Bondholder in respect thereof on or prior to that day, and a Covered Bond that has been redeemed in full and/or cancelled shall have a Principal Amount Outstanding of zero.

“Remedial Action” means, as applicable, the actions set out in:

- (a) Part 5(f)(i)(A), (B), (C) and (D);
- (b) Part 5(f)(ii)(A) and (B);
- (c) Part 5(f)(iii)(A), (B), (C) and (D);
- (d) Part 5(f)(iv)(A) and (B);
- (e) Part 5(f)(v)(A), (B), (C) and (D);
- (f) Part 5(f)(vi)(A) and (B); and/or
- (g) Part 5(f)(vii)(A), (B) and (c).

"S&P Eligible Replacement" means either an entity:

- (a) whose short-term unsecured and unsubordinated debt obligations are rated at least as high as "A-1+" by S&P; or
- (b) whose short-term unsecured and unsubordinated debt obligations are rated at least as high as "BBB-" by S&P, provided that such entity complies with the provisions of Part 5(f)(i)(A), (B), (C) or (D).

(n) ***Modifications to close out provisions***

Upon the occurrence of an Event of Default with respect to Party A or an Additional Termination Event which entitles Party B to terminate any Affected Transaction pursuant to Section 6(b) of the Agreement, Party B will be entitled (but not obliged) to proceed in accordance with Section 6 of the Agreement subject to the following:

- (i) For the purposes of Section 6(d)(i), Party B's obligation with respect to the extent of information to be provided with its calculations is limited to information Party B has already received in writing and provided Party B is able to release this information without breaching the provisions of any law applicable to, or any contractual restriction binding upon, Party B.
- (ii) The following amendments shall be deemed to be made to the definition of "Market Quotation":
 - (A) the word "firm" shall be added before the word "quotations" in the second line; and
 - (B) the words "provided that the documentation relating thereto is either the same as this Agreement and the existing relevant Confirmations hereto (and the Reference Market-maker has the Rating Requirements (or, if such Reference Market-maker is not rated by a Rating Agency, it has such equivalent rating that is acceptable to such Rating Agency) or the Rating Agencies have confirmed in writing such proposed documentation will not adversely impact the ratings of the relevant Series of Covered Bonds" shall be added after "agree" in the sixteenth line; and
 - (C) the last sentence shall be deleted and replaced with the following:

"If, on the last date set for delivery of quotations, exactly two quotations are provided, the Market Quotation will be the arithmetic mean of the two quotations. If only one quotation is provided on such date, Party B may, in its discretion accept such quotation as the Market Quotation and if Party B does not accept such quotation (or if no quotation has been provided), it will be deemed that the Market Quotation in respect of the Terminated Transaction cannot be determined.

For these purposes, **Ratings Requirements** means, in respect of a Reference Market-maker, its short-term unsecured and unsubordinated debt obligations are rated at least as high as "A-1+" by S&P and "F1" by Fitch and its long-term

unsecured and unsubordinated debt obligations are rated at least as high as "A1" by Moody's."

(iii) For the purpose of the definition of "Market Quotation", and without limitation of the general rights of Party B under the Agreement:

- (A) Party B will undertake to use its reasonable efforts to obtain at least three firm quotations as soon as reasonably practicable after the Early Termination Date and in any event within the time period specified pursuant to Part 5(n)(iii)(C) below;
- (B) Party A shall, for the purposes of Section 6(e), be permitted to obtain on behalf of Party B quotations from Reference Market-makers for the purposes of determining the Market Quotation;
- (C) If no quotations have been obtained within six Local Business Days after the later of (i) the occurrence of the Early Termination Date or (ii) the date on which a request is made of Party A in accordance with Part 5(n)(iv) below, or such longer period as Party B may specify in writing to Party A, then it will be deemed that the Market Quotation in respect of the Terminated Transaction cannot be determined; and
- (D) Party B is required to accept any of the quotations from such Reference Market-makers, obtained by Party A if such quotations are considered to be commercially reasonable as determined by Party B in its sole discretion, acting in a commercially reasonable manner.

Party B will be deemed to have discharged its obligations under sub-paragraph (iii)(A) above if it promptly requests, in writing, Party A (such request to be made within two Local Business Days after the occurrence of the Early Termination Date) to obtain on behalf of Party B quotations from Reference Market-makers. Party A will agree to act in accordance with such request.

(iv) Party B will not be obliged to consult with Party A as to the day and time of obtaining any quotations it obtains for the purposes of Market Quotation.

(o) ***Contracts (Rights of Third Parties) Act 1999***

A person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms but this shall not affect any right or remedy of a third party which exists or is available apart from that Act.

(p) ***Deed of Charge***

Party B undertakes to Party A and the Security Trustee that its obligations to Party A pursuant to this Agreement shall at all times be secured by the Deed of Charge.

(q) ***Transfers***

Transfers by Party A

Section 7 of this Agreement shall not apply to Party A, who shall be required to comply with, and shall be bound by, the following:

Without prejudice to Section 6(b)(ii), Party A may transfer all its interest and obligations in and under this Agreement upon providing five Local Business Days' prior written notice to the Security Trustee, to any other entity (a **Transferee**) provided that:

- (i) the Transferee's short-term unsecured and unsubordinated debt obligations are then rated not less than "A-1+" by S&P, "Prime-1" by Moody's and "F1" by Fitch (or its equivalent by any substitute rating agency), and the Transferee's long-term, unsecured and unsubordinated debt obligations are then rated not less than "A1" by Moody's, or such Transferee's obligations under this Agreement are guaranteed by an entity whose short-term, unsecured and unsubordinated debt obligations are then rated not less than "A-1+" by S&P, "Prime-1" by Moody's and "F1" by Fitch (or if the Transferee is not rated by a Rating Agency, at such equivalent rating by another internationally recognised rating agency as is acceptable to such rating agency), and whose long-term, unsecured and unsubordinated debt obligations are then rated not less than "A1" by Moody's;
- (ii) as of the date of such transfer, the Transferee will not, as a result of such transfer, be required to withhold or deduct on account of any Tax under this Agreement;
- (iii) a Termination Event or an Event of Default will not occur under this Agreement as a result of such transfer;
- (iv) no additional amount will be payable by Party B to Party A or the Transferee on the next succeeding Scheduled Payment Date as a result of such transfer; and
- (v) (if the Transferee is domiciled in a different jurisdiction from both Party A and Party B) S&P, Moody's and Fitch have provided prior written notification that the then current ratings of the relevant Series of Covered Bonds will not be adversely affected.

Following such transfer all references to Party A shall be deemed to be references to the Transferee.

Save as otherwise provided for in this Agreement and notwithstanding Section 7, Party A shall not be permitted to transfer (by way of security or otherwise) this Agreement or any interest or obligation in or under this Agreement without the prior written consent of Party B and the Security Trustee.

- (r) **Successors.** References in this Agreement to the parties hereto, Party A and Party B shall (for the avoidance of doubt) include, where appropriate, any permitted successor or assign thereof.
- (s) **Relevant Series of Covered Bonds.** For the purposes of this Agreement, the relevant Series of Covered Bonds means €1.5 billion Series 3 4.25% Covered Bonds due 2021 issued on or around 12 April 2006.
- (t) **Security Trustee**
 - (i) If there is any change in the identity of the Security Trustee in accordance with the Deed of Charge, the parties to this Agreement shall execute such documents and take

such action as the successor Security Trustee and the outgoing Security Trustee may reasonably require for the purpose of vesting in the successor Security Trustee the rights and obligations of the outgoing Security Trustee under this Agreement and releasing the outgoing Security Trustee from any future obligations under this Agreement.

- (ii) The Security Trustee has agreed to become a party to this Agreement for the better preservation and enforcement of its rights under this Agreement but shall not assume any obligations or liabilities to Party A or Party B hereunder. Any liberty or right which may be exercised or any determination which may be made under this Agreement by the Security Trustee may be exercised or made in the Security Trustee's absolute discretion without any obligation to give reasons therefor and the Security Trustee shall not be responsible for any liability occasioned by so acting but subject always to the terms of the Deed of Charge.

(u) ***Credit Support Annex***

This Agreement is supplemented by an annex, in the form of a 1995 English law (Bilateral Form - Transfer) ISDA Credit Support Annex (the CSA) deemed to be entered into between Party A and Party B as of the date of this Agreement and according to which Party A only is required to deliver credit support. The Paragraph 11 Elections and Variables of the CSA is attached hereto and identified as CSA.

(v) ***Series 3 Confirmation***

The Transaction entered into between the parties hereto documented by a confirmation originally dated 12 April 2006 as amended and restated from time to time in respect of a Covered Bond Currency Swap in respect of the €1.5 billion Series 3 4.25% Covered Bonds due 2021 issued on or around 12 April 2006 and subject to a previous 1992 ISDA Master Agreement dated as of 25 May 2005 shall from the date that this ISDA Master Agreement is signed instead be governed by, form part and be supplemental to this ISDA Master Agreement.

BARCLAYS BANK PLC
(as Party A)

Signature:



Date: 21/12/12

~~Signature~~ **Caroline Ellis**
~~Date~~ Director
Barclays Bank PLC

ABBEY COVERED BONDS LLP
(as Party B)

Signature:

Date:

Signature:

Date:

**DEUTSCHE TRUSTEE COMPANY
LIMITED**

Signature:

Date:

Signature:

Date:

BARCLAYS BANK PLC
(as Party A)

Signature:

Date:

Signature:

Date:

ABBAY COVERED BONDS LLP
(as Party B)

Signature:

Date:

Signature:

Date:

**DEUTSCHE TRUSTEE COMPANY
LIMITED**

Signature:

Date:

Signature:

Date:

BARCLAYS BANK PLC
(as Party A)

Signature:

Date:

Signature:

Date:

ABBEY COVERED BONDS LLP
(as Party B)

Signature:

Date:

Signature:

Date:

**DEUTSCHE TRUSTEE COMPANY
LIMITED**

Signature:

Date:

Signature:

Date:


Alan Coster
Associate Director


Clive Rakestrow
Associate Director

24/12/2012

CSA

Paragraph 11. Elections and Variables

(a) Base Currency and Eligible Currency.

- (i) "Base Currency" means GBP.
- (ii) "Eligible Currencies" means the Base Currency, EUR and USD

It is agreed by the parties that where the Credit Support Amount is transferred in a currency other than the Eligible Currencies, the Valuation Percentage specified in Paragraph 11(b)(ii) shall be reduced by a percentage agreed by the parties and approved by the relevant rating agency (the "**Additional Valuation Percentage**"), in respect of S&P and Moody's such Additional Valuation Percentage being 6% or such lower percentage as agreed by the parties and approved by the relevant rating agency. For the purpose of this Annex, references to the "**relevant rating agency**" shall mean the rating agency whose Ratings Criteria will be used to determine the amount of Eligible Credit Support that Party A is required to transfer to Party B following a credit ratings downgrade of Party A.

(b) Credit Support Obligations.

(i) Delivery Amount, Return Amount and Credit Support Amount.

- (A) "**Delivery Amount**" has the meaning specified in Paragraph 2(a), except that the words, "upon a demand made by the Transferee" shall be deleted.
- (B) "**Return Amount**" has the meaning as specified in Paragraph 2(b).
- (C) "**Credit Support Amount**" has the meaning given to such term in respect of each of the Rating Agencies' criteria set out in Paragraph 11(h)(v) below. In circumstances where more than one of the Ratings Criteria apply to Party A, the Credit Support Amount shall be calculated by reference to the Ratings Criteria which would result in Party A transferring the greatest amount of Eligible Credit Support. Under no circumstances will Party A be required to transfer more Eligible Credit Support than the greatest amount calculated in accordance with the Ratings Criteria set out below.

- (ii) **Eligible Credit Support.** The following items will qualify as "**Eligible Credit Support**" for Party A:

Collateral Type	Valuation Percentages in respect of Moody's and S&P	Valuation Percentages in respect of Fitch
(A) cash in an Eligible Currency	100%	100%
(B) Negotiable debt obligations denominated in an Eligible Currency issued by: the Government of the United Kingdom, the Federal Republic of Germany, the Republic of France, Italy, the Netherlands, Sweden, Belgium,	In relation to residual maturity as set out in the corresponding order under Collateral Type: (a) 99%	In relation to residual maturity as set out in the corresponding order under Collateral Type: (a) Apply Advance Rates set out in

<p>Austria, Finland, Luxembourg, Portugal, Spain, the Republic of Ireland, or the U.S. Treasury Department (with local and foreign currency issuer ratings equal to or greater than AA- by S&P, AA- by Fitch and Aa3 by Moody's) having a remaining time to maturity</p> <p>(a) of not more than one year; (b) of more than one year but not more than 5 years; (c) of more than 5 years but not more than 10 years; or (d) of more than 10 years.</p>	<p>(b) To be agreed between Party A, S&P and Moody's</p> <p>(c) To be agreed between Party A, S&P and Moody's</p> <p>(d) To be agreed between Party A, S&P and Moody's</p>	<p>Appendix D if applicable; if such Advance Rates are not applicable, to be agreed between Party A and Fitch</p> <p>(b) Apply Advance Rates set out in Appendix D if applicable; if such Advance Rates are not applicable, to be agreed between Party A and Fitch</p> <p>(c) Apply Advance Rates set out in Appendix D if applicable; if such Advance Rates are not applicable, to be agreed between Party A and Fitch</p> <p>(d) Apply Advance Rates set out in Appendix D if applicable; if such Advance Rates are not applicable, to be agreed between Party A and Fitch</p>
<p>(C) Negotiable debt obligations issued by the US Government National Mortgage Association, the US Federal Home Loan Mortgage Corporation, the US Student Loans Marketing Association or a US Federal Home Loan Bank (with local and foreign currency issuer ratings equal to or greater than AA- by S&P, AA- by Fitch and Aa3 by Moody's) having a remaining time to maturity of</p> <p>(a) of not more than one year; (b) of more than one year but not more than 5 years; (c) of more than 5 years but not more than 10 years; or (d) of more than 10 years.</p>	<p>In relation to residual maturity as set out in the corresponding order under Collateral Type:</p> <p>(a) 98.5%</p> <p>(b) To be agreed between Party A, S&P and Moody's</p> <p>(c) To be agreed between Party A, S&P and Moody's</p> <p>(d) To be agreed between Party A,</p>	<p>In relation to residual maturity as set out in the corresponding order under Collateral Type:</p> <p>(a) Apply Advance Rates set out in Appendix D</p> <p>(b) Apply Advance Rates set out in Appendix D</p> <p>(c) Apply Advance Rates set out in Appendix D</p> <p>(d) Apply Advance</p>

	S&P and Moody's	Rates set out in Appendix D
(D) Commercial Paper denominated in an Eligible Currency (with a rating equal to or greater than A-1+ by S&P, P-1 by Moody's and F1+ by Fitch with a remaining time to maturity of less than 3 months.	To be agreed between Party A, S&P and Moody's	99.5%
(E) Such other items as agreed between Party A and the Rating Agencies, from time to time, which Party B can lawfully receive from, and transfer back to, Party A as required, that will qualify as Eligible Credit Support.	To be agreed between Party A, S&P and Moody's	To be agreed between Party A and Fitch

Where negotiable debt obligations are rated by only one of the above relevant rating agencies, the rating applied will be based on the rating of that agency.

Where the ratings and/or the Valuation Percentages of the relevant rating agencies differ with respect to the same negotiable debt obligation, for the purposes of B to E above the lower of the ratings and/or the Valuation Percentages, as the case may be, shall apply.

(iii) **Thresholds.**

(A) **"Independent Amount"** means, for Party A and Party B, with respect to each Transaction, zero.

(B) **"Threshold"** means, for Party A,

infinity, unless Party A, in the event of: (a) an Initial S&P Rating Event or a Subsequent S&P Rating Event (which in each case, is continuing) has not otherwise complied with Part 5(f)(i)(B), (C) or (D) or Part 5(f)(ii)(A) of the Agreement, as the case may be, and/or (b) an Initial Moody's Rating Event or a Subsequent Moody's Rating Event (which in each case, is continuing), has not otherwise complied with Part 5(f)(iii)(A), (B) or (C) or Part 5(f)(iv)(A) of the Agreement, as the case may be, and/or (c) an Initial Fitch Rating Event or a First Subsequent Fitch Rating Event or a Second Subsequent Fitch Rating Event (which in each case, is continuing) has not otherwise complied with Part 5(f)(v)(B), (C) or (D), Part 5(f)(vi)(B) or Part 5(f)(vii)(A), (B) or (C) of the Agreement, as the case may be, then its Threshold shall be zero, and

"Threshold" means, for Party B: infinity.

(C) **"Minimum Transfer Amount"** means, with respect to Party A and Party B, EUR 50,000 provided, that if (1) an Event of Default has occurred and is continuing in respect of which Party A is the Defaulting Party, or (2) an Additional Termination Event has occurred in respect of which Party A is an Affected Party, the Minimum Transfer Amount with respect to Party A shall be zero.

(D) **"Rounding"**. The Delivery Amount and the Return Amount will be rounded up and down to the nearest integral multiple of EUR 10,000 respectively, subject to the maximum Return Amount being equal to the Credit Support Balance.

(c) **Valuation and Timing.**

(i) **"Valuation Agent"** means Party A in all circumstances.

(ii) **"Valuation Date"** means each Local Business Day.

-
- (iii) **"Valuation Time"** means the close of business on the Local Business Day immediately preceding the Valuation Date or date of calculation, as applicable; *provided* that the calculations of Value and Exposure will be made as of approximately the same time on the same date.
- (iv) **"Notification Time"** means by 2:00 p.m., London time, on a Local Business Day.
- (d) **Exchanges.**
- (i) For the purposes of Paragraph 3(c) notice must be given by the "Exchange Notification Time" which will be 2:00 p.m., London time, on a Local Business Day failing which the relevant notice will be deemed to have been received on the following Local Business Day.
- (ii) **"Exchange Date"** has the meaning specified in Paragraph 3(c)(ii).
- (e) **Dispute Resolution.**
- (i) **"Resolution Time"** means 2:00 p.m., London time, on the Local Business Day following the date on which notice is given that gives rise to a dispute under Paragraph 4.
- (ii) **Value.** For the purpose of Paragraphs 4(a)(4)(i)(C) and 4(a)(4)(ii), the Value of the outstanding Credit Support Balance or of any transfer of Eligible Credit Support or Equivalent Credit Support, as the case may be, on the relevant date will be calculated as follows:
- (A) with respect to any Eligible Credit Support or Equivalent Credit Support comprising securities ("**Securities**") the Base Currency Equivalent of the sum of:
- (a) (x) the last bid price on such date for such Securities on the principal national securities exchange on which such Securities are listed, *multiplied* by the applicable Valuation Percentage, or (y) where any Securities are not listed on a national securities exchange, the bid price for such Securities quoted as at the close of business on such date by any principal market maker (which shall not be and shall be independent from the Valuation Agent) for such Securities chosen by the Valuation Agent, *multiplied* by the applicable Valuation Percentage, or (z) if no such bid price is able to be obtained for such date under sub-paragraphs (x) or (y) above, the last bid price listed determined pursuant to sub-paragraph (x), or failing which sub-paragraph (y), as of the day next preceding such date on which such prices were available, *multiplied* by the applicable Valuation Percentage; *and*
- (b) the accrued interest where applicable on such Securities (except to the extent that such interest shall have been paid to the Transferor pursuant to Paragraph 5(c)(ii) or included in the applicable price referred to in Paragraph 11(e)(ii)(A)(a) above) as of such date,
- provided* that it is understood that in no circumstances shall the Transferee be required to transfer a Return Amount in excess of the Credit Support Balance;
- (B) with respect to any Cash, the Base Currency Equivalent of the amount thereof; and
- (C) with respect to any Eligible Credit Support or Equivalent Credit Support other than Securities and Cash, the Base Currency Equivalent of the fair market value thereof on such date, as determined in any reasonable manner chosen by the Valuation Agent, *multiplied* by the applicable Valuation Percentage.

-
- (iii) **Alternative.** The provisions of Paragraph 4 will apply.
- (f) **Distribution and Interest Amount.**
- (i) **Interest Rate.** The "Interest Rate" in relation to each Eligible Currency specified below will be:
- | Eligible Currency | Interest Rate |
|-------------------|--|
| USD | For the relevant determination date, the effective federal funds rate in U.S. Dollars published on Telerate Screen Page 118 for the relevant day at the close of business in New York on such day. |
| Euro | For the relevant determination date, "EONIA", which means the overnight rate for such day, as set forth under the heading on Telerate Screen Page 247 or any successor page. |
| GBP | For the relevant determination date, "SONIA" which means the reference rate equal to the overnight rate as calculated by the Wholesale Market Brokers Association which appears on Telerate Page 3937 under the heading "Sterling Overnight Index" as of 9.00 a.m., London time, on the first London Banking Day following that day. |
- (ii) **Transfer of Interest Amount.** The transfer of the Interest Amount will be made on the first Local Business Day following the end of each calendar month, *provided* that: (1) Party B has earned and received such amount of interest, and (2) a Delivery Amount would not arise as a result of, or if already existing, would not be increased by, such transfer on such date or on any other Local Business Day on which Equivalent Credit Support is to be transferred to the Transferor pursuant to Paragraph 2(b).
- (iii) **Alternative to Interest Amount.** The provisions of Paragraph 5(c)(ii) will apply. For the purposes of calculating the Interest Amount the amount of interest calculated for each day of the Interest Period shall, with respect to any Eligible Currency, be compounded daily.
- (iv) **Interest Amount.** The definition of "Interest Amount" in Paragraph 10 shall be deleted and replaced with the following:
- "**Interest Amount**" means, with respect to an Interest Period and each portion of the Credit Support Balance comprised of cash in an Eligible Currency, the sum of the amounts of interest determined for each day in that Interest Period by the Valuation Agent as follows:
- (x) the amount of such currency comprised in the Credit Support Balance at the close of business for general dealings in the relevant currency on such day (or, if such day is not a Local Business Day, on the immediately preceding Local Business Day); *multiplied by*
 - (y) the relevant Interest Rate; divided by
 - (z) 360 (or in the case of Pounds Sterling, 365)."
- (g) **Addresses for Transfers.**

Party A:

<u>GBP Cash</u> Barclays Bank London Sort Code 20-00-00 A/c number: 50654140 A/c name: Barclays Capital Ref: RMS 20 Collateral	<u>EUR Cash</u> Barclays Bank London Sort Code 20-00-00 A/c number 44295577 A/c name: Barclays Capital Ref: RMS 20 Collateral	<u>USD Cash</u> Barclays Bank PLC Sort Code 20-00-00 A/C 050035428 A/c name: Barclays Capital Ref: RMS 20 Collateral
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Party B: [*To be advised*] Details to be obtained from: Abbey Covered Bonds LLP, Abbey National House, 2 Triton Square, Regent's Place, London, NW1 3AN.

Collateral calls / queries should be addressed to:

Abbey Financial Markets for Financial Markets Operations
Abbey National House
2 Triton Square
Regent's Place
London, NW1 3AN

Attention: UK Securities Settlements & Collateral Management (TS2-C047)

Facsimile No.: +44 20 7487 0554

With a copy to:

Abbey Covered Bonds LLP
Abbey National House
2 Triton Square
Regent's Place
London, NW1 3AN

Attention: Securitisation and Treasury Advisory Group (TS1 C01)

Facsimile No.: +44 20 7756 5862

(h) **Other Provisions.**

(i) ***Transfer Timing***

(A) The final paragraph of Paragraph 3(a) shall be deleted and replaced with the following:

"Subject to Paragraph 4, and unless otherwise specified, any transfer of Eligible Credit Support or Equivalent Credit Support (whether by the Transferor pursuant to Paragraph 2(a) or by the Transferee pursuant to Paragraph 2(b)) shall be made not later than the close of business on the Settlement Day."

(B) The definition of Settlement Day shall be deleted and replaced with the following:

"**Settlement Day**" means the next Local Business Day after the Demand Date.

(C) For the purposes of this Paragraph 11(h)(i):

"**Demand Date**" means, with respect to a transfer by a party:

-
- (i) in the case of a transfer pursuant to Paragraph 2, Paragraph 3 or Paragraph 4(a)(2), the relevant Valuation Date (assuming that, in the case of any transfer to be made by the Transferee, the Transferee has received a demand on such date from the Transferor). For the purposes of Paragraph 2 and Paragraph 4(a)(2), the Transferor will be deemed to receive notice of the demand by the Transferee to make a transfer of Eligible Credit Support;
 - (ii) in the case of a transfer pursuant to Paragraph 3(c)(ii)(A), the date on which the Transferee has given its consent to the proposed exchange; and
 - (iii) in the case of a transfer pursuant to Paragraph 5(c)(i), the Distributions Date.

On each Demand Date the Transferor shall deliver to the Transferee and the Note Trustee a statement showing the amount of Eligible Credit Support to be delivered.

(ii) ***Early Termination***

The heading for Paragraph 6 shall be deleted and replaced with "Early Termination" and the following shall be added after the word "party" in the second line of Paragraph 6, "or a Termination Event where all Transactions are Affected Transactions".

(iii) ***Costs of Transfer on Exchange***

Notwithstanding Paragraph 8, the Transferor will be responsible for, and will reimburse the Transferee for, all costs and expenses (including any stamp, transfer or similar transaction tax or duty payable on any transfer that it is required to make under this Annex) in connection with performing both its and the Transferee's obligations under this Annex, including but not limited to those involved in the transfer of Eligible Credit Support or Equivalent Credit Support either from the Transferor to the Transferee or from the Transferee to the Transferor hereto.

(iv) ***Single Transferor and Single Transferee***

Party A and Party B agree that the definitions of "Transferee" and "Transferor" in Paragraph 10 of this Annex shall be deleted in their entirety and replaced with the following in lieu thereof: ""**Transferor**" means Party A; and "**Transferee**" means Party B, and, for the avoidance of doubt, only Party A will be required to make transfers of Delivery Amounts hereunder.

- (v) "**Ratings Criteria**" means, the criteria used by S&P (as set out in S&P's Structure Finance report entitled "Global Interest Rate and Currency Swaps: Calculating the Collateral Required Amount" publication dated 26 February 2004 (the "**S&P Report**") ("**S&P Criteria**"), the criteria used by Moody's ("**Moody's Criteria**") and the criteria used by Fitch (as set out in the Fitch Report entitled "Counterparty Risk in Structured Finance Transactions: Swap Criteria" dated 13 September 2004) ("**Fitch Criteria**") for the purposes of determining the amount of Eligible Credit Support Party A is required to transfer hereunder following a credit ratings downgrade where Party A has opted to or is required to transfer Eligible Credit Support in support of its obligations under the Agreement pursuant to Part 5(f)(i)(A), Part 5(f)(ii)(B), Part 5(f)(iii)(D), Part 5(f)(iv)(B), Part 5(f)(v)(A) and/or Part 5(f)(vi)(A), as the case may be, of the Schedule to the Agreement, in respect of each of which the definition of "Credit Support Amount" is set out below.

Moody's Criteria

"**Credit Support Amount**" shall be calculated in accordance with the meaning specified in Paragraph 10, *provided* however, that the words "plus the Additional Collateral Amount" shall be added after the words "Transferee's Exposure" in the second line thereof.

For such purposes "**Additional Collateral Amount**" means with respect to a Valuation Date, the sum of (a) the Transferee's Exposure *multiplied* by "A" and (b) the product of "B" *multiplied* by the Transaction Notional Amount, where A and B are determined by reference to percentages set out in the relevant table in Appendix A.

S&P Criteria

"**Credit Support Amount**" shall mean with respect to a Transferor on a Valuation Date:

- (i) For a Cross-Currency Swap or an Interest Rate Cap, the greater of zero and the sum of:
 - (A) the Transferee's Exposure, and
 - (B) the sum of the Transaction Notional Amount(s) as defined in the Confirmation for each outstanding Transaction under the Agreement multiplied by the relevant percentage set out in the relevant Table in Appendix B.
- (i) For a Libor Basis Swap, the greater of zero and the sum of:
 - (A) the Transferee's Exposure, and
 - (B) the sum of the Transaction Notional Amount(s) as defined in the Confirmation for each outstanding Transaction under the Agreement multiplied by 0.1 multiplied by the relevant percentage set out in the Table in Appendix B.

Fitch Criteria

"**Credit Support Amount**" shall mean at any time for the purposes of the Fitch Criteria with respect to a Transferor on a Valuation Date the result of the following formula:

$$\max[\text{MV plus VC multiplied by 105 per cent multiplied by N}; 0]$$

where:

"**max**" means maximum;

"**MV**" means the Transferee's Exposure;

"**VC**" means the applicable volatility cushion at that time determined by reference to percentages set out in the relevant table in Appendix C (and for such purpose calculating the relevant Weighted Average Life assuming a zero prepayment rate and zero default rate in relation to the Mortgages beneficially owned by Party B); and

"**N**" means the Transaction Notional Amount at that time.

(vi) ***Calculations***

Paragraph 3(b) of this Annex shall be amended by inserting the words "and shall provide each party (or the other party, if the Valuation Agent is a party) with a description in reasonable detail of how such calculations were made, upon reasonable request" after the word "calculations" in the third line thereof.

(vii) ***Demands and Notices***

All demands, specifications and notices under this Annex will be made pursuant to Section 12 of the Agreement.

(viii) ***Exposure***

For the purpose of calculating Exposure pursuant to the meaning set out in Paragraph 10 of the Annex, the Valuation Agent shall, unless otherwise agreed in writing by the Rating Agencies, seek two

quotations from Reference Market-makers; *provided* that if two Reference Market-makers are not available to provide a quotation, then fewer than two Reference Market-makers may be used for such purpose, and if no Reference Market-maker is available, then the Valuation Agent's estimate at mid-market will be used. Where more than one quotation is obtained, the quotation representing the greatest amount of the Transferee's Exposure shall be used by the Valuation Agent.

(ix) ***Paragraph 6***

For the purposes of determining the Credit Support Balance pursuant to Paragraph 6, the definition of Value in Paragraph 10 shall be amended by deleting the words "multiplied by the applicable Valuation Percentage, if any" from sub-paragraphs (i)(A) and (i)(B).

(x) ***Distributions***

"Distributions" has the meaning specified in Paragraph 10, except that the words "to which a holder of securities of the same type, nominal value, description and amount as such Eligible Credit Support would be entitled from time to time" shall be deleted and replaced by the words "received by the Transferee in respect of such Eligible Credit Support".

"Distribution Date" has the meaning specified in Paragraph 10, except that the words "a holder of such Eligible Credit Support is entitled to receive Distributions" shall be deleted and replaced by the words "Distributions are received by the Transferee".

(xi) ***Definitions***

As used in this Annex, the following terms shall mean:

"**Cross Currency Transaction**" means any cross-currency swap rate transaction between Party A and Party B entered into pursuant to the Agreement as evidenced by a Confirmation;

"**Fitch**" means Fitch Ratings Ltd and includes any successors thereto;

"**Interest Rate Transaction**" means any interest rate swap transaction entered into pursuant to the Agreement between Party A and Party B as evidenced by a Confirmation;

"**Moody's**" means Moody's Investors Service Limited and includes any successors thereto;

"**Rating Agencies**" means Moody's, S&P and Fitch;

"**S&P**" means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies Inc. and includes any successors thereto;

"**Transaction**" means the Cross Currency Transaction or the Interest Rate Transaction; and

"**Transaction Notional Amount**" means in respect of a Valuation Date, the Currency Amount applicable to Party A in respect of a Cross Currency Swap Transaction, or in respect of an Interest Rate Swap Transaction, the Notional Amount of such Interest Rate Swap Transaction, each as at such Valuation Date.

Appendix A

Cross Currency Swaps:

- (i) "A" means 2 per cent. and "B" means 1.6 per cent. if the long-term, unsecured and unsubordinated debt obligations of Party A (or its successor) or any guarantor of Party A's obligations under the Agreement are downgraded below "A1" by Moody's, or the short-term, unsecured and unsubordinated debt obligations of Party A (or its successor) or any guarantor of Party A's obligations under the Agreement are downgraded below "Prime-1" by Moody's;
- (ii) "A" means 2 per cent. and "B" shall be equal to 3.7 per cent. if the long-term, unsecured and unsubordinated debt obligations of Party A (or its successor) or any guarantor of Party A's obligations under the Agreement, are downgraded below "A3" by Moody's, or the short-term, unsecured and unsubordinated debt obligations of Party A (or its successor) or any guarantor of Party A's obligations under the Agreement, are downgraded below "Prime-2" by Moody's; and
- (iii) "A" means 0 per cent. and "B" means 0 per cent. in all other cases.

Appendix B

Volatility Buffer for Issuer Notes rated 'AA-' or higher by S&P, where the Collateralised Transaction is a USD/GBP cross currency swap transaction

<i>Counterparty rating</i>	<i>Maturities up to 5 years (%)</i>	<i>Maturities up to 10 years (%)</i>	<i>Maturities up to 15 years (%)</i>
A-1	6.00	7.00	7.50
A-2	9.00	11.25	13.25
A-3	11.00	15.50	18.25
BB+ or lower	15.25	21.00	26.50

Volatility Buffer for Issuer Notes rated 'AA-' or higher by S&P, where the Collateralised Transaction is a EUR/GBP cross currency swap transaction

<i>Counterparty rating</i>	<i>Maturities up to 5 years (%)</i>	<i>Maturities up to 10 years (%)</i>	<i>Maturities up to 15 years (%)</i>
A-1	4.50	5.50	6.25
A-2	6.50	7.75	9.25
A-3	7.75	9.50	12.00
BB+ or lower	10.50	13.00	15.00

Volatility Buffer for Issuer Notes rated 'A' or 'A+' by S&P, where the Collateralised Transaction is a USD/GBP cross currency swap transaction

<i>Counterparty rating</i>	<i>Maturities up to 5 years (%)</i>	<i>Maturities up to 10 years (%)</i>	<i>Maturities up to 15 years (%)</i>
A-2	8.00	9.25	10.75
A-3	9.50	12.00	14.50
BB+ or lower	12.75	16.50	20.75

Volatility Buffer for Issuer Notes rated 'A' or 'A+', by S&P where the Collateralised Transaction is a EUR/GBP cross currency swap transaction

<i>Counterparty rating</i>	<i>Maturities up to 5 years (%)</i>	<i>Maturities up to 10 years (%)</i>	<i>Maturities up to 15 years (%)</i>
A-2	5.75	7.00	8.25
A-3	7.00	8.00	10.00
BB+ or lower	9.00	11.25	13.75

Appendix C - Volatility Cushion (%)

Where the Collateralised Transaction is a USD/GBP cross currency swap transaction:

(%)	<i>Weighted Average Life (Years)</i>														
<i>Notes' rating</i>	1	2	3	4	5	6	7	8	9	10	11	12	13	14	>=15
AA- or better	1.1	2.4	3.8	5.1	6.2	7.3	8.5	9.6	10.7	11.8	12.8	13.9	14.9	15.9	16.8
A+ or A	0.8	1.7	2.7	3.6	4.4	5.2	6.0	6.8	7.6	8.4	9.1	9.8	10.6	11.2	11.9
A-/BBB+	0.7	1.5	2.3	3.1	3.9	4.5	5.2	5.9	6.6	7.3	7.9	8.6	9.2	9.8	10.4

Where the Collateralised Transaction is a EUR/GBP cross currency swap transaction:

(%)	<i>Weighted Average Life (Years)</i>														
<i>Notes' rating</i>	1	2	3	4	5	6	7	8	9	10	11	12	13	14	>=15
AA- or better	0.9	2.1	3.2	4.2	5.0	5.8	6.7	7.5	8.4	9.2	10.00	10.8	11.6	12.4	13.2
A+ or A	0.6	1.5	2.3	3.0	3.6	4.1	4.7	5.3	5.9	6.5	7.1	7.7	8.3	8.8	9.4
A-/BBB+	0.6	1.3	2.0	2.6	3.1	3.6	4.1	4.6	5.2	5.7	6.2	6.7	7.2	7.7	8.2

Appendix D – Advance Rates

Advance Rates for US Treasuries

<i>Maturity (years)</i>	<i>AAA</i>	<i>AA</i>	<i>A</i>	<i>BBB</i>
1	98.5	99	99	99
3	96.5	97.3	97.6	97.7
5	94.5	96	96.9	97.1
7	93	95	96	96.4
10	92	94	95	96
15	90	93	94	95

Advance Rates for UK Gilts

<i>Maturity (years)</i>	<i>AAA</i>	<i>AA</i>	<i>A</i>	<i>BBB</i>
1	98	99	99	99
3	96	97.3	97.5	97.7
5	94.5	96	96.9	97.1
7	93	95	96.2	96.4
10	92	94	95	96
15	89	93	94	95

Advance Rates for Australian Govt Bonds


<i>Maturity (years)</i>	<i>AAA</i>	<i>AA</i>	<i>A</i>	<i>BBB</i>
1	96.98	98.4	98.86	99.11
3	94.22	96.71	97.5	98.22
5	91.48	94.71	96.7	97.13
7	88.71	93.26	95.7	96
10	84.43	91.65	93.55	95

Advance Rates for German Government Bonds

<i>Maturity (years)</i>	<i>AAA</i>	<i>AA</i>	<i>A</i>	<i>BBB</i>
1	98.5	99	99	99
3	96.2	97.3	97.6	97.7
5	94.2	96	96.9	97.1
7	92	95	96	96.4
10	91	94	95.2	96
15	88.35	93.28	94.9	95.5

BARCLAYS BANK PLC

.....
(Name of Party)



By:

Caroline Ellis

Name: **Director**

Title: **Barclays Bank PLC**

Date:

21/12/12

ABBHEY COVERED BONDS LLP

.....
(Name of Party)

By:

Name:

Title:

Date:

BARCLAYS BANK PLC

.....
(Name of Party)

ABBEEY COVERED BONDS LLP

.....
(Name of Party)

By:

Name:

Title:

Date:

By:

J Zakrzewski

Name: JARED ZAKRZEWSKI

Title: SENIOR MANAGER

Date: 24.12.12



International Swaps and Derivatives Association, Inc.

AMENDMENT AGREEMENT

This AMENDMENT dated as of 15 JULY 2015 between Barclays Bank PLC ("**Party A**"), Abbey National Treasury Services plc ("**Party B**") and Deutsche Trustee Company Limited ("**Security Trustee**"). Pursuant to Section 9(b) of the 1992 ISDA Master Agreement between the parties hereto dated as of 25 May 2005 (the "**Agreement**"), the Credit Support Annex entered into by and between Party A and Party B as of the date of, and as attached to, the Agreement is amended effective as 1 August 2014 as follows:

WITNESSETH

NOW THEREFORE, in consideration of the mutual agreements herein and in the Agreement contained, the parties hereto agree as follows:

1. The Credit Support Annex shall be amended as follows:

- (i) Paragraph 10 thereof shall include the following additional definition:
"“**AV Negative Interest Amount**” means, in respect of any negative Interest Amount, the absolute value of such negative Interest Amount.”
- (ii) The reference to “Interest Amount” set forth in Paragraph 3(a) thereof shall be deleted and replaced with the following reference:
“positive Interest Amount, AV Negative Interest Amount”
- (iii) The reference to “or the Interest Amount” set forth in Paragraph 5(a) thereof shall be deleted and replaced with the following reference:
“, positive Interest Amount or AV Negative Interest Amount”
- (iv) Paragraph 5(c)(ii) thereof shall be deleted and replaced with the following provision:
“(ii) **Interest Amount**. Unless otherwise specified in Paragraph 11(f)(iii),
 - (x) if the Interest Amount for an Interest Period is a positive number, the Transferee will transfer to the Transferor at the times specified in Paragraph 11(f)(ii) such Interest Amount to the extent that a Delivery Amount would not be created or increased by the transfer, as calculated by the Valuation Agent (and the date of calculation will be deemed a Valuation Date for this purpose); and
 - (y) if the Interest Amount for an Interest Period is a negative number, the Transferor will transfer to the Transferee at the times specified in Paragraph 11(f)(ii) the related AV Negative Interest Amount, as calculated by the Valuation Agent (and the date of calculation will be deemed to be a Valuation Date for this purpose). If any of the Transferor's Credit Support Balance is in the form of cash in the same currency as the AV Negative Interest Amount, any AV

Negative Interest Amount or portion thereof not transferred pursuant to this subsection (y) of this Paragraph (the “**Untransferred AV Negative Interest Amount**”) will constitute a reduction of the Transferor's Credit Support Balance in the form of such cash; provided that if the amount of the Transferor's Credit Support Balance which is comprised of such cash is less than the Untransferred AV Negative Interest Amount, such reduction shall only be to the extent of the amount of such cash which is part of the Transferor's Credit Support Balance and the Transferor shall remain obligated to transfer the remainder of the Untransferred AV Negative Interest Amount (such remainder, the “**Unpaid AV Negative Interest Amount**”) to the Transferee. Any reduction of the Transferor's Credit Support Balance in the form of such cash shall be deemed to be a transfer and shall fulfill the Transferor's obligation to transfer the AV Negative Interest Amount or related portion thereof to the Transferee.”

(v) Paragraph 6 thereof shall be amended such that:

(x) “; and an amount equal to any Unpaid AV Negative Interest Amount, will be deemed to be an Unpaid Amount due to the Transferee (which may or may not be the Defaulting Party) for purposes of Section 6(e)” shall be added after the words “for purposes of Section 6(e)” in the first sentence thereof; and

(y) any reference to “the Transaction will be limited to the Unpaid Amount representing the Value of the Credit Support Balance” in the second sentence thereof shall be deleted and replaced by:

“the Transaction will be limited to the Unpaid Amount representing the Value of the Credit Support Balance minus the amount of any Unpaid AV Negative Interest Amount.”

(vi) Paragraph 9(a) thereof shall be amended such that:

(x) each reference to “Interest Amount” in the first sentence thereof shall be deleted and replaced by the following reference:

“amount of any positive Interest Amount”; and

(y) the following sentence shall be added to the end thereof:

“Default Interest. Other than in the case of an amount which is the subject of a dispute under Paragraph 4(a), if a Transferor fails to make, when due, any transfer of an AV Negative Interest Amount (after taking into account any deemed transfer pursuant to Paragraph 5(c)(ii)(y)), it will be obliged to pay the Transferee (to the extent permitted under applicable law) an amount equal to interest at the Default Rate (and for such purposes, if the Default Rate is less than zero, it shall be deemed to be zero) multiplied by that AV Negative Interest Amount, from (and including) the date that AV Negative Interest Amount was required to be transferred to (but excluding)

the date of transfer of that AV Negative Interest Amount. This interest will be calculated on the basis of daily compounding and the actual number of days elapsed.”

- (vii) In the definition of Credit Support Balance set forth in Paragraph 10 thereof the reference therein to “Interest Amount” shall be deleted and replaced by the following reference: “amount of any positive Interest Amount”
- (viii) If the definition of Interest Period set forth in Paragraph 10 thereof was not modified in Paragraph 11 thereof, then such definition shall be deleted and replaced by the following definition:
 “**“Interest Period”** means the period from (and including) the last Local Business Day on which a positive Interest Amount or an AV Negative Interest Amount was transferred or deemed transferred (or, if no positive Interest Amount or AV Negative Interest Amount has yet been transferred or deemed transferred, the Local Business Day on which Eligible Credit Support or Equivalent Credit Support in the form of cash was transferred to or received by the Transferee) to (but excluding) the Local Business Day on which the current positive Interest Amount or AV Negative Interest Amount, as applicable, is transferred.”
- (ix) If the definition of “Interest Period” set forth in Paragraph 10 thereof was modified in Paragraph 11 thereof, then such Interest Period shall be determined as set forth in Paragraph 11 thereof in respect of an Interest Amount, regardless of whether it is positive or negative for that Interest Period.
- (x) If Paragraph 11(f)(ii) thereof was not modified from the provision set forth in Paragraph 11(f)(ii) of the 1995 English Law CSA (other than the deletion of “unless otherwise specified here”) and/or nothing else was otherwise specified therein, then such definition shall be deleted and replaced with the following provision:
 “(ii) *Transfer of Positive Interest Amount or AV Negative Interest Amount.* The transfer of a positive Interest Amount will be made on the last Local Business Day of each calendar month and on any Local Business Day that a Return Amount consisting wholly or partly of cash is transferred to the Transferor pursuant to Paragraph 2(b); and the transfer of an AV Negative Interest Amount will be made on the last Local Business Day of each calendar month and on any Local Business Day that a Delivery Amount consisting wholly or partly of cash is transferred to the Transferee pursuant to Paragraph 2(a).”
- (xi) If Paragraph 11(f)(ii) thereof was modified from the provision set forth in Paragraph 11(f)(ii) of the 1995 English Law CSA (other than the deletion of “unless otherwise specified here”) and/or something was otherwise specified therein, then the following sentence shall be added at the end thereof:
 “The foregoing specified timing for the transfer of Interest Amounts shall remain in effect for positive Interest Amounts but shall also apply for the transfer of AV Negative Interest Amounts, so that the transfer of a positive Interest Amount and the transfer of an AV Negative Interest Amount, as applicable, shall be made as provided herein, regardless of whether the amount to be transferred on any date is a positive Interest Amount or an AV Negative Interest Amount.”
- (xii) The reference to “*Alternative to Interest Amount*” set forth in Paragraph 11(f)(iii) thereof shall be deleted and replaced by the following reference:

"Alternative to Positive Interest Amount or AV Negative Interest Amount"

2. Except as modified herein, the Agreement is ratified and confirmed in all respects.
3. The representations made by each party in Section 3(a) and (b) of the Agreement are deemed ~~to be repeated mutatis mutandis by each such party as of the date of this Amendment Agreement.~~
4. This Amendment Agreement may be executed in counterparts, all of which when taken together shall constitute a single agreement.
5. This Amendment Agreement shall be governed by and construed in accordance with English law.
6. No one other than a party to this Amendment Agreement shall have any rights to enforce any of its terms.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment Agreement as of the date first above written.

BARCLAYS BANK PLC

By: 

By:

Name: ANDREW KELLNER

Name:

Title: MANAGING DIRECTOR

Title:

Date: 15/7/15

Date:

ABBEY NATIONAL TREASURY SERVICES PLC

By:

Name:

Title:

Date:

"Alternative to Positive Interest Amount or AV Negative Interest Amount"

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3. The representations made by each party in Section 3(a) and (b) of the Agreement are deemed to be repeated mutatis mutandis by each such party as of the date of this Amendment Agreement.
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IN WITNESS WHEREOF, the parties hereto have executed this Amendment Agreement as of the date first above written.

BARCLAYS BANK PLC

By:

By:

Name:

Name:

Title:

Title:

Date:

Date:

ABBEEY NATIONAL TREASURY SERVICES PLC

By:



Name: MATTHEW LEUNG

Title: ATTORNEY

Date: 15 JULY 2015

DEUTSCHE TRUSTEE COMPANY LIMITED

By: 

Name: Raman Subberwal
Title: Associate Director
Date:

By: 

Name: Leah Richmond
Title: Associate Director
Date: