

**EXECUTION VERSION**

**SEVENTH AMENDED AND RESTATED  
CASH MANAGEMENT AGREEMENT**

**30 APRIL 2020**

**SANTANDER UK PLC  
as Cash Manager and Seller**

**and**

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

**and**

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

**and**

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

**ALLEN & OVERY**

**Allen & Overy LLP**

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**THIS SEVENTH AMENDED AND RESTATED CASH MANAGEMENT AGREEMENT** (this Agreement) is made on 30 April 2020

**BETWEEN:**

- (1) **SANTANDER UK PLC** (registered number 2294747), a public limited company incorporated under the laws of England and Wales whose registered office is at 2 Triton Square, Regent's Place, London NW1 3AN (in its capacity as **Cash Manager** and as **Seller** of the Loans);
- (2) **LANGTON MORTGAGES TRUSTEE (UK) LIMITED** (registered number 07210539), a private limited company incorporated under the laws of England & Wales, whose registered office is at 2 Triton Square, Regent's Place, London NW1 3AN (in its capacity as **Mortgages Trustee**);
- (3) **LANGTON FUNDING (NO. 1) LIMITED** (registered number 6432610), a private limited company incorporated under the laws of England and Wales whose registered office is at c/o Intertrust Management Limited, 1 Bartholomew Lane, London EC2N 2AX (referred to herein as **Funding 1**); and
- (4) **CITICORP TRUSTEE COMPANY LIMITED** (registered number 0235914) acting through its offices at Citigroup Centre, Canada Square, Canary Wharf London E14 5LB in its capacity as **Funding 1 Security Trustee**, which expression shall include such company and all other persons or companies for the time being acting as Funding 1 Security Trustee (or co trustee) pursuant to the terms of the Funding 1 Deed of Charge.

**WHEREAS:**

- (A) On the Initial Closing Date, the Previous Seller sold and assigned certain Loans (together with their Related Security) it had originated or acquired to the Mortgages Trustee. The Mortgages Trustee holds or held (as applicable) the assigned Loans (together with their Related Security) on a bare trust as trustee for the Beneficiaries pursuant to the terms of the Mortgages Trust Deed.
- (B) On the Initial Closing Date, Funding 1 used the proceeds of an Intercompany Loan lent to it by the Issuer to make an Initial Contribution to the Mortgages Trustee in consideration of an increased share in the Trust Property.
- (C) The Cash Manager has agreed to provide Cash Management Services to the Mortgages Trustee, the Beneficiaries and the Funding Security Trustees on the terms and subject to the conditions contained in the cash management agreement dated 25 January 2008 between the parties hereto (other than Santander UK which has replaced Alliance & Leicester in its role as the Cash Manager and the Seller pursuant to the Part VII Scheme (defined below) and other than Langton Mortgages Trustee (UK) Limited as trustee of the Mortgages Trust pursuant to the Supplemental Mortgages Trust Deed) (the **Original Cash Management Agreement**) (as amended, restated, varied, supplemented, replaced and/or novated from time to time) in relation to, *inter alia*, the Trust Property.
- (D) On 1 October 2010, the parties to the Original Cash Management Agreement agreed to amend the terms of the Cash Management Agreement as set out in the Amended and Restated Cash Management Agreement of the same date (the **Amended and Restated Cash Management Agreement**).

- (E) On 23 March 2011, the parties to the Amended and Restated Cash Management Agreement agreed to amend the terms of the Amended and Restated Cash Management Agreement as set out in the Second Amended and Restated Cash Management Agreement dated 23 March 2011 (the **Second Amended and Restated Cash Management Agreement**).
- (F) On 23 December 2011, the parties to the Second Amended and Restated Cash Management Agreement agreed to amend the terms of the Second Amended and Restated Cash Management Agreement as set out in the Third Amended and Restated Cash Management Agreement dated 23 December 2011 (the **Third Amended and Restated Cash Management Agreement**).
- (G) On 8 June 2012, the parties to the Third Amended and Restated Cash Management Agreement agreed to amend the terms of the Third Amended and Restated Cash Management Agreement as set out in the Fourth Amended and Restated Cash Management Agreement dated 8 June 2012 (the **Fourth Amended and Restated Cash Management Agreement**).
- (H) On 29 April 2016, the parties to the Fourth Amended and Restated Cash Management Agreement agreed to amend the terms of the Fourth Amended and Restated Cash Management Agreement as set out in the Fifth Amended and Restated Cash Management Agreement dated 29 April 2016 (the **Fifth Amended and Restated Cash Management Agreement**).
- (I) Pursuant to a supplement to the Mortgages Trust Deed dated on 29 April 2016 (the **Supplemental Mortgages Trust Deed**) entered into by, amongst others, the seller and Langton Mortgages Trustee Limited as mortgages trustee, Langton Mortgages Trustee (UK) Limited was appointed in place of Langton Mortgages Trustee Limited as trustee of the Mortgages Trust with effect from 29 April 2016 and the Trust Property vested in Langton Mortgages Trustee (UK) Limited as Mortgages Trustee.
- (J) On 29 May 2019, the parties to the Fifth Amended and Restated Cash Management Agreement agreed to amend the terms of the Fifth Amended and Restated Cash Management Agreement as set out in the Sixth Amended and Restated Cash Management Agreement dated 29 May 2019 (the **Sixth Amended and Restated Cash Management Agreement**).
- (K) As at the date of this Agreement, Santander UK is the Mortgages Trustee Account Bank and the Mortgages Trustee maintains the Mortgages Trustee GIC Account with it. In circumstances where the Seller no longer has the requisite rating(s) and the Cash Manager is required to transfer the Mortgages Trustee GIC Account to a different account bank as specified in Clause 8.1(b) of the Mortgages Trustee Bank Account Agreement, Santander UK, in accordance with the provisions of this Agreement, the Mortgages Trustee Bank Account Agreement, the Funding 1 Loan Agreement and the Funding 1 Deed of Charge may, instead, elect to collateralise the amount standing to the credit of the Mortgages Trustee GIC Account, as more particularly described in Schedule 4 (Collateralised Mortgages Trustee GIC Account) hereto.

**IT IS HEREBY AGREED** as follows:

## **1. DEFINITIONS AND INTERPRETATION**

- 1.1 The master definitions and construction schedule signed by, amongst others, Funding 1 and the Funding 1 Security Trustee and dated 25 January 2008 (as the same may be amended, restated, varied, supplemented, replaced and/or novated from time to time with the consent of the parties to this Agreement, including without limitation on 5 March 2008, 17 June 2008, 23 November 2009, 27 May 2010, 1 October 2010, 23 March 2011, 23 December 2011, 8 June

2012, 29 April 2016, 29 May 2019 and 30 April 2020) (the **Master Definitions and Construction Schedule**) is expressly and specifically incorporated into this Agreement and, accordingly, the expressions defined in the Master Definitions and Construction Schedule (as so amended, restated, varied, supplemented, replaced and/or novated from time to time) shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Agreement, including the Recitals hereto and this Agreement shall be construed in accordance with the interpretation provisions set out in clause 3 of the Master Definitions and Construction Schedule.

- 1.2 References in this Agreement to the Funding Companies and the Funding Security Trustees shall, for so long as Funding 1 and the Funding 1 Security Trustee are the sole Funding Company and Funding Security Trustee respectively, be construed as references to Funding 1 and the Funding 1 Security Trustee respectively.
- 1.3 Any reference in this Agreement to any discretion, power or right on the part of the Mortgages Trustee shall be exercised by the Mortgages Trustee only as directed by the Beneficiaries but subject in each case to the provisions of the Mortgages Trust Deed and the Controlling Beneficiary Deed.
- 1.4 The parties hereto have agreed to amend and restate the terms of the Sixth Amended and Restated Cash Management Agreement as set out herein as at the date of this Agreement (the **Effective Date**) any future rights or obligations (excluding such rights and obligations accrued to the Effective Date) of a party under the Sixth Amended and Restated Cash Management Agreement shall be extinguished and shall instead be governed by this Agreement.

## 2. APPOINTMENT OF CASH MANAGER

### 2.1 Appointment

Until termination pursuant to Clause 12 (Termination), the Mortgages Trustee and the Beneficiaries (according to their respective estates and interests) each hereby appoints the Cash Manager as its lawful agent to provide the Cash Management Services set out in this Agreement, including in relation to:

- (a) the Mortgages Trustee;
- (b) the Seller; and
- (c) the Funding Companies,

and the Cash Manager in each case hereby accepts such appointment on the terms and subject to the conditions of this Agreement. The Funding 1 Security Trustee hereby consents to the appointment of Cash Manager.

### 2.2 Duties prescribed by Transaction Documents

For the avoidance of doubt and in connection with the powers conferred under Clause 2.1 (Appointment), save as expressly provided elsewhere in this Agreement, nothing herein shall be construed so as to give the Cash Manager any powers, rights, authorities, directions or obligations other than as specified in this Agreement or any of the other Transaction Documents.

### 2.3 Appointment conditional upon issuance of Notes

The parties confirm that the appointment of the Cash Manager pursuant to Clause 2.1 (Appointment) took effect upon and from the Initial Closing Date automatically without any further action being required on the part of any person.

### 2.4 Capacity

Notwithstanding Clause 2.1 (Appointment), following the service of an Intercompany Loan Acceleration Notice, at the written request of the Funding 1 Security Trustee the Cash Manager shall cease to act as an agent for Funding 1 in relation to the Funding 1 Accounts and shall instead act as an agent of the Funding 1 Security Trustee with respect to the provision of the services pursuant to the terms of this Agreement.

## 3. THE SERVICES

### 3.1 General

The Cash Manager shall provide the services set out in this Agreement (including, without limitation, the Schedules to this Agreement) (the **Cash Management Services**).

### 3.2 Approvals and authorisations

The Cash Manager shall maintain, or procure the maintenance of, the approvals, authorisations, consents and licences required in connection with the respective businesses of the Mortgages Trustee and the Funding Companies and shall prepare and submit, or procure the preparation and submission of, on behalf of the Mortgages Trustee and the Funding Companies, all necessary applications and requests for any further approvals, authorisations, consents or licences which may be required in connection with the respective businesses of the Mortgages Trustee and the Funding Companies and shall, so far as it is reasonably able to do so, perform the Cash Management Services in such a way as not to prejudice the continuation of any such approvals, authorisations, consents or licences.

### 3.3 Compliance with Transaction Documents, etc.

The Cash Management Services shall include procuring (so far as the Cash Manager, using its reasonable endeavours, is able so to do) compliance by the Mortgages Trustee and the Funding Companies with all applicable legal requirements and with the terms of the Transaction Documents to which each of the Mortgages Trustee and/or any of the Funding Companies is a party, **PROVIDED ALWAYS THAT** the Cash Manager shall not lend or provide any sum to the Mortgages Trustee or the Funding Companies (other than as expressly contemplated by the Transaction Documents) and the Cash Manager shall have no liability whatsoever to the Mortgages Trustee, the Funding Companies, the Funding Security Trustees or any other person for any failure by the Mortgages Trustee or the Funding Companies to make any payment due under any of the Transaction Documents (other than to the extent arising from (i) the Cash Manager failing to make a payment in its capacity as Servicer or Funding 1 Swap Provider or in any other capacity under the Transaction Documents, or (ii) the Cash Manager failing to perform any of its obligations under any of the Transaction Documents).

### 3.4 Liability of Cash Manager

- (a) The Cash Manager shall indemnify each of the Mortgages Trustee, the Funding Companies and the Funding Security Trustees on demand on an after Tax basis for

any loss, liability, claim, expense or damage suffered or incurred by any of them in respect of the fraud, negligence, bad faith, wilful misconduct or wilful default of the Cash Manager in carrying out its functions as Cash Manager under this Agreement or under the other Transaction Documents or as a result of a breach by the Cash Manager of the terms and provisions of this Agreement or any other Transaction Documents to which the Cash Manager is a party (in its capacity as Cash Manager) in relation to such functions.

- (b) For the avoidance of doubt, the Cash Manager shall not be liable in respect of any loss, liability, claim, expense or damage suffered or incurred by the Mortgages Trustee, the Funding Companies, the Funding Security Trustees and/or any other person as a result of the proper performance of the Cash Management Services by the Cash Manager save to the extent that such loss, liability, claim, expense or damage is suffered or incurred as a result of any fraud, negligence, bad faith, wilful misconduct or wilful default of the Cash Manager or as a result of a breach by the Cash Manager of the terms and provisions of this Agreement or any other Transaction Document to which the Cash Manager is a party (in its capacity as Cash Manager) in relation to such functions.

#### **4. PAYMENTS, ACCOUNTS, LEDGERS**

##### **4.1 Initial Bank Accounts**

- (a) The Cash Manager hereby confirms that the Mortgages Trustee GIC Account has been established on the Initial Closing Date pursuant to the Mortgages Trustee Bank Account Agreement and that the Mortgages Trustee GIC Account Mandate in the agreed form will apply thereto from the Initial Closing Date. The Cash Manager undertakes (to the extent to which the same is within its control) that it will not (save as contemplated by the Transaction Documents) create or permit to subsist any Security Interest in relation to the Mortgages Trustee GIC Account (but without prejudice to the Mortgages Trust).
- (b) The Cash Manager hereby confirms that the Funding 1 GIC Account and the Funding 1 Transaction Account have been established on the Initial Closing Date pursuant to the Funding 1 Bank Account Agreement and that the Funding 1 Account Mandates in the agreed form will apply thereto from the Initial Closing Date. The Cash Manager undertakes (to the extent to which the same is within its control) that it will not knowingly create or permit to subsist any Security Interest in relation to any of the Funding 1 Bank Accounts other than as created under or permitted pursuant to the Funding 1 Deed of Charge.

##### **4.2 Further Bank Accounts**

The Cash Manager shall open a Standby Mortgages Trustee Bank Account within 30 calendar days of the date on which Santander UK as the Mortgages Trustee Account Bank ceases to have (i) a short term bank deposit rating assigned to it by Moody's of P-1, or (ii) either a short term or a long term issuer default ratings assigned to it by Fitch of F1 or A, respectively, unless (x) the Mortgages Trustee Account Bank has obtained a guarantee of its obligations under the Mortgages Trustee Bank Account Agreement and each Rating Agency has confirmed that its then current rating of the Rated Notes would not be downgraded, withdrawn or qualified pursuant to Clause 8.1(b)(i)(B) (Termination) of the Mortgages Trustee Bank Account Agreement, or (y) a waiver has been provided by each Rating Agency pursuant to Clause 8.1(b)(i)(C) (Termination) of the Mortgages Trustee Bank Account Agreement.

### 4.3 Mortgages Trustee Ledgers

- (a) The Cash Manager shall open and maintain in the books of the Mortgages Trustee certain ledgers to be known as the Revenue Ledger, the Principal Ledger and the Contributions Ledger which shall together reflect the aggregate of all amounts of cash standing to the credit of the Mortgages Trustee Bank Accounts and all amounts invested in Authorised Investments purchased using amounts standing to the credit of the Mortgages Trustee Bank Accounts from time to time.
- (b) The Cash Manager shall also open and maintain in the books of the Mortgages Trustee certain other ledgers to be known as the Losses Ledger (to record Losses on the Loans (including any Funding 1 Loan Losses)), the Funding 1 Share Ledger, a share ledger for each Further Funding Company and the Seller Share Ledger (in each case, to record each such Beneficiary's Share and Share Percentage in the Mortgages Trust).
- (c) If the Cash Manager is depositing amounts into the Mortgages Trustee GIC Account held with Santander UK as the Mortgages Trustee Account Bank and Santander UK ceases to satisfy the Account Bank Ratings Requirement, the Cash Manager shall open and maintain in the books of the Mortgages Trustee the Mortgages Trustee Designated Mortgages Amount Ledger.
- (d) The Cash Manager shall make credits and debits to the Mortgages Trustee Ledgers in accordance with Schedule 2 (*Cash Management and Maintenance Ledgers*).
- (e) The Cash Manager shall, upon the accession of a New Beneficiary to this Agreement and the Mortgages Trust Deed, open and maintain in the books of the Mortgages Trustee each relevant ledger for such New Beneficiary.

### 4.4 Funding 1 Ledgers

- (a) The Cash Manager shall open and maintain in the books of Funding 1 certain ledgers to be known as the Funding 1 Revenue Ledger, the Funding 1 Principal Ledger, the Cash Accumulation Ledger, the Intercompany Loan Ledger and the Funding 1 Reserve Ledger, which shall together reflect the aggregate of all amounts of cash standing to the credit of the Funding 1 Bank Accounts and all amounts invested in Authorised Investments purchased from amounts standing to the credit of the Funding 1 Bank Accounts from time to time.
- (b) The Cash Manager shall also open and maintain in the books of Funding 1 a ledger to be known as (i) the Funding 1 Loan Principal Deficiency Ledger, to record as a debit any principal deficiency in respect of the Funding 1 Loan (but only to the extent of any deficiency which has arisen as a result of Losses on the Loans (including any Funding 1 Loan Losses) allocated by Funding 1 to the Funding 1 Loan) being the Funding 1 Loan Proportion of the Losses (including any Funding 1 Loan Losses)), and to record as a credit any amounts applied to cure any deficiency recorded as debit on the Funding 1 Loan Principal Deficiency Ledger in accordance with paragraph 21 of Schedule 2 hereto, and (ii) the Extraordinary Payment Holiday Start-up Loan Ledger.
- (c) The Cash Manager shall make credits and debits to the Funding 1 Ledgers in accordance with Schedule 2 (*Cash Management and Maintenance Ledgers*).



#### 4.5 Ledgers for Further Funding Companies

The Cash Manager shall open and maintain in the books of each Further Funding Company such ledgers as may be required, following the accession of such Further Funding Company to this Agreement and the Mortgages Trust Deed, which shall together reflect the aggregate of all amounts of cash standing to the credit of such Further Funding Company's bank accounts from time to time and certain other ledgers equivalent to those referred to in Clause 4.4(a) (Funding 1 Ledgers) above in respect of such Further Funding Company.

#### 4.6 Payments into Bank Accounts

- (a) The Cash Manager shall procure that, so far as it may be able in relation to all Loans comprised in the Portfolio:
- (i) all Monthly Payments, other interest received under and in respect of the Loans and any costs or other amounts received under the Loans (including in any such case amounts recovered on enforcement of rights against any Borrower or guarantor of the Borrower, any Property or any of the Borrower's or guarantor's other property or assets);
  - (ii) all final releases and all repayments or prepayments of principal under the Loans;
  - (iii) any amount received by or on behalf of the Mortgages Trustee pursuant to any Insurance Policy; and
  - (iv) any other amounts whatsoever received by or on behalf of the Mortgages Trustee after the Initial Closing Date,

are paid into the applicable Mortgages Trustee Bank Account determined pursuant to paragraphs (b), (c) and (d) below (the **Applicable Mortgages Trustee Bank Account**).

- (b) For so long as Santander UK is the Mortgages Trustee Account Bank and Santander UK (i) has a short term bank deposit rating assigned to it by Moody's of no less than P-1, or (ii) has a short term bank deposit rating assigned of no less than P-2 and has appointed a Standby Mortgages Trustee Account Bank, and has a short term and a long term issuer default rating assigned to it by Fitch of F1 and A, respectively or (iii) where it ceases to have a short term bank deposit rating assigned to it by Moody's of no less than P-1, or a short term and a long term issuer default rating assigned to it by Fitch of F1 and A, respectively but has (x) obtained a guarantee of its obligations under the Mortgages Trustee Bank Account Agreement and each Rating Agency has confirmed that its then current rating of the Rated Notes would not be downgraded, withdrawn or qualified pursuant to Clause 8.1(b)(i)(B) (Termination) of the Mortgages Trustee Bank Account Agreement, or (y) a waiver has been provided by each Rating Agency pursuant to Clause 8.1(b)(i)(C) (Termination) of the Mortgages Trustee Bank Account Agreement, the amounts described in paragraph (a) above shall be paid into the Mortgages Trustee GIC Account.
- (c) For so long as Santander UK is the Mortgages Trustee Account Bank and Santander UK: (A) does not satisfy the Account Bank Ratings Requirement and has not obtained (i) a guarantee of its obligations under the Mortgages Trustee Bank Account Agreement and each Rating Agency has confirmed that its then current rating of the Rated Notes would not be downgraded, withdrawn or qualified pursuant to Clause

8.1(b)(i)(B) (Termination) of the Mortgages Trustee Bank Account Agreement, or (ii) a waiver from each Rating Agency pursuant to Clause 8.1(b)(i)(C) (Termination) of the Mortgages Trustee Bank Account Agreement; but (B) is assigned a long-term issuer default rating of not less than BBB- by Fitch, the amounts described in paragraph (a) above shall:

- (i) if the conditions in Clause 4.12 are satisfied, be paid into the Mortgages Trustee GIC Account; and
  - (ii) if the conditions in Clause 4.12 are not satisfied, be paid into the Standby Mortgages Trustee Bank Account.
- (d) For so long as Santander UK is the Mortgages Trustee Account Bank and Santander UK is assigned a long-term issuer default rating of less than BBB- by Fitch, the amounts described in paragraph (a) above shall be paid into the Standby Mortgages Trustee Bank Account, unless (x) the Mortgages Trustee Account Bank has obtained the guarantee contained within Clause 8.1(b)(i)(B) (Termination) of the Mortgages Trustee Bank Account Agreement and a waiver from each Rating Agency pursuant to Clause 8.1(b)(i)(B) (Termination) of the Mortgages Trustee Bank Account Agreement, or (y) a waiver has been provided by each Rating Agency pursuant to Clause 8.1(b)(i)(C) (Termination) of the Mortgages Trustee Bank Account Agreement.
- (e) The Cash Manager shall procure that all interest earned on the Mortgages Trustee GIC Account or any Standby Mortgages Trustee Bank Account and all investment proceeds from Authorised Investments purchased from amounts standing to the credit of the Mortgages Trustee GIC Account and/or the Standby Mortgages Trustee Bank Account are credited to such account.
- (f) The Cash Manager shall procure that all Contributions made by Beneficiaries are paid into the Applicable Mortgages Trustee Bank Account and applied on the relevant date (whether or not such date is a Distribution Date) in accordance with the Mortgages Trust Deed.
- (g) The Cash Manager shall procure that the following amounts are paid into the Funding 1 GIC Account:
- (i) all Funding 1 Revenue Receipts;
  - (ii) all Funding 1 Principal Receipts;
  - (iii) all amounts received by Funding 1 pursuant to the Funding 1 Start-Up Loan Agreement; and
  - (iv) any other amounts whatsoever received by or on behalf of Funding 1 after the Initial Closing Date,

and the Cash Manager shall procure that all interest earned on the Funding 1 Bank Accounts and all investment proceeds from Authorised Investments purchased from amounts standing to the credit of the Funding 1 GIC Account are credited to such account.

- (h) The Cash Manager shall procure that all transfers and withdrawals of amounts standing to the credit of the Funding 1 Bank Accounts and the Mortgages Trustee

Bank Accounts shall be made in accordance with the provisions of the Funding 1 Deed of Charge and the Funding 1 Bank Account Agreement and the Mortgages Trust Deed and the Mortgages Trustee Bank Account Agreement, as applicable.

- (i) Each of the payments into the Mortgages Trustee GIC Account, the Standby Mortgages Trustee Bank Account and the Funding 1 GIC Account referred to in Clauses 4.6(a), (b), (c), (d) and (g) above shall be made forthwith upon receipt by the Mortgages Trustee, Funding 1 or the Cash Manager, as the case may be, of the amount in question.
- (j) For the avoidance of doubt, as soon as reasonably practicable after becoming aware of the same, the Cash Manager shall withdraw cash from, as the case may be, the Mortgages Trustee GIC Account, the Standby Mortgages Trustee Bank Account and/or the Funding 1 Bank Accounts if, and to the extent that, such cash was credited thereto in error and shall use its reasonable endeavours to ensure that such cash is applied correctly thereafter.
- (k) The Cash Manager shall promptly notify each of the Mortgages Trustee, Funding 1 and the Funding 1 Security Trustee of any additional account which supplements or replaces any account specifically referred to in the definitions of the "Mortgages Trustee GIC Account", the "Standby Mortgages Trustee Bank Account", the "Funding 1 Transaction Account" or the "Funding 1 GIC Account" in the Master Definitions and Construction Schedule.
- (l) Each of the Cash Manager, the Mortgages Trustee and Funding 1 undertakes that, so far as it is able to procure the same, the Mortgages Trustee GIC Account, the Standby Mortgages Trustee Bank Account, the Funding 1 Transaction Account and the Funding 1 GIC Account and all instructions and Mandates in relation thereto will (when opened) continue to be operative and will not, save as provided in Clause 4.8 (Cash Management) below or as permitted pursuant to the Mortgages Trustee Bank Account Agreement, the Funding 1 Bank Account Agreement, the Standby Mortgage Trustee Bank Account Agreement as the case may be, be changed without the prior written consent of the Funding 1 Security Trustee. For the avoidance of doubt, the Cash Manager may change the Authorised Signatories in respect of any instructions or Mandates relating to Funding 1 and/or the Mortgages Trustee, without the prior written consent of the Funding 1 Security Trustee, in accordance with clause 4.2 (Amendment or Revocation) of the Mortgages Trustee Bank Account Agreement or the Funding 1 Bank Account Agreement, without the prior written consent of the Mortgages Trustee Account Bank, as the case may be.
- (m) The Cash Manager and Funding 1 agree that the Cash Manager shall procure that (i) Tranche A of the Advance is made available to Funding 1 pursuant to clause 2.1(a) (the Facility) of the Funding 1 Start-Up Loan Agreement for the purposes of funding the Funding 1 Reserve Fund and (ii) the tranche (if any) of any New Funding 1 Start-Up Loan Agreement for the purposes of funding the Funding 1 Reserve Fund (or any other similar reserve fund) shall be credited to the Funding 1 GIC Account promptly upon receipt of such amounts by Funding 1, and the Funding 1 Reserve Ledger shall record such credit.
- (n) The Cash Manager and Funding 1 agree that the Cash Manager shall procure that (i) Tranche B of the Advance is made available to Funding 1 pursuant to Clause 2.1(b) (The Facility) of the Funding 1 Start-Up Loan Agreement for the purposes of providing funding for fees, costs and expenses incurred by or on behalf of Funding 1 and (ii) the tranche (if any) of any New Funding 1 Start-Up Loan Agreement for the

purposes of providing funding for fees, costs and expenses incurred by or on behalf of Funding 1 shall be credited to the Funding 1 Transaction Account promptly upon receipt of such amounts by Funding 1.

- (o) The Cash Manager and Funding 1 agree that the Cash Manager shall procure that (i) Tranche C of the Advance is made available to Funding 1 pursuant to Clause 2.1(c) (The Facility) of the Funding 1 Start-Up Loan Agreement for the purposes of providing funding for the initial costs incurred by Funding 1 in respect of the Funding 1 Swap and (ii) the tranche (if any) of any New Funding 1 Start-Up Loan Agreement for the purposes of providing funding for the initial costs incurred by Funding 1 in respect of a New Funding 1 Swap shall be credited to the Funding 1 Transaction Account promptly upon receipt of such amounts by Funding 1.
- (p) The Cash Manager shall provide similar cash management services as described in this Clause 4 (Payments, Accounts, Ledgers) to each Further Funding Company as may accede to this Agreement and the Mortgages Trust Deed as and when such Funding Company acquires a share in the Trust Property.

#### **4.7 Withdrawals**

The Cash Manager may make withdrawals:

- (a) on behalf of the Mortgages Trustee from the Mortgages Trustee Bank Accounts; and
- (b) on behalf of Funding 1 from the Funding 1 Bank Accounts, but only until receipt of an Intercompany Loan Acceleration Notice served by a Funding 1 Issuer on Funding 1 (with a copy to the Cash Manager and the Mortgages Trustee),

respectively as permitted by this Agreement, the Mortgages Trust Deed, the Mortgages Trustee Bank Account Agreement, the Funding 1 Bank Account Agreement, and the Funding 1 Deed of Charge but shall not in carrying out its functions as Cash Manager under this Agreement otherwise make withdrawals from the Mortgages Trustee Bank Accounts or the Funding 1 Bank Accounts.

#### **4.8 Cash Management**

In administering the Mortgages Trustee Bank Accounts, the Funding 1 Transaction Account, and the Funding 1 GIC Account on behalf of the Mortgages Trustee and Funding 1, respectively, the Cash Manager shall comply with the provisions of Schedule 2 (*Cash Management and Maintenance Ledgers*) prior to receipt by the Cash Manager of a copy of any Intercompany Loan Acceleration Notice served by a Funding 1 Issuer on Funding 1.

#### **4.9 Contributions by Funding 1**

Following the drawing of any Loan Tranche under any Intercompany Loan Agreement by Funding 1 from the Issuer or any New Issuer (as applicable) on any date on or after the Initial Closing Date, the Cash Manager shall procure:

- (a) the payment on such date (or such other date as may be agreed by Funding 1 (with the prior written consent of the Funding 1 Security Trustee) and the Issuer) by Funding 1 to the Issuer or any New Issuer (as applicable) of an amount by way of the refinancing (in whole or in part) of an existing Loan Tranche; and/or

- (b) the payment on such date by Funding 1 to the Mortgages Trustee of Funding 1's Contribution to the Mortgages Trustee pursuant to the terms of the Mortgages Trust Deed and (ii) the application of such Contribution by the Mortgages Trustee as Funding 1 may direct:
  - (i) for payment to the Seller of either:
    - (A) the amount of Initial Purchase Price for the sale of any New Loans which are acquired by the Mortgages Trustee from the Seller on such date pursuant to the terms of the Mortgage Sale Agreement; and/or
    - (B) the amount of any Special Distribution made to the Seller as Beneficiary under the Mortgages Trust Deed; and/or
  - (ii) for payment to each Further Funding Company of the amount of any Refinancing Distribution made to such Funding Company as a Beneficiary under the Mortgages Trust Deed as may be required.

#### 4.10 Contributions by Further Funding Companies

Following the accession of any Further Funding Company to this Agreement and the Mortgages Trust Deed, the Cash Manager shall procure the payment by such Further Funding Company of amounts equivalent to those referred to in Clause 4.9 above in respect of Funding 1.

#### 4.11 Funding 1 Loan

- (a) The provisions of this Clause 4.11 (Funding 1 Loan) apply if the Cash Manager is depositing amounts into the Mortgages Trustee GIC Account where Santander UK as Mortgages Trustee Account Bank ceases to have (i) a short term bank deposit rating assigned to it by Moody's of no less than P-1, or (ii) either a short term or a long term issuer default ratings assigned to it by Fitch of F1 or A, respectively, unless (x) the Mortgages Trustee Account Bank has obtained a guarantee of its obligations under the Mortgages Trustee Bank Account Agreement and each Rating Agency has confirmed that its then current rating of the Rated Notes would not be downgraded, withdrawn or qualified pursuant to Clause 8.1(b)(i)(B) (Termination) of the Mortgages Trustee Bank Account Agreement, or (y) a waiver has been provided by each Rating Agency pursuant to Clause 8.1(b)(i)(C) (Termination) of the Mortgages Trustee Bank Account Agreement, but has been assigned a long-term issuer default rating of at least BBB- by Fitch.
- (b) In the circumstances set out in Clause 4.11(a):
  - (i) Santander UK, in its capacity as the Seller, may from time to time notify the Cash Manager of the maximum amount which may be deposited in the Mortgages Trustee GIC Account (such amount being the **Mortgages Trustee Designated Mortgages Amount Limit**). In determining the Mortgages Trustee Designated Mortgages Amount Limit, Santander UK may have regard to the maximum collections expected to be received over time, or such other lower amounts that may be applied to such account or any other Mortgages Trustee GIC Account.
  - (ii) At any time following notification of the Mortgages Trustee Designated Mortgages Amount Limit, the Cash Manager shall (on behalf of Funding 1)

make drawings under the Funding 1 Loan Agreement (after deducting any deficiency recorded on the Funding 1 Loan Principal Deficiency Ledger) in an amount equal to the Mortgages Trustee Designated Mortgages Amount Limit.

- (iii) If a new higher Mortgages Trustee Designated Mortgages Amount Limit is notified by Santander UK to the Cash Manager or the Funding 1 Loan (after deducting any deficiency recorded on the Funding 1 Loan Principal Deficiency Ledger) is at any time less than the Mortgages Trustee Designated Mortgages Amount Limit then the Cash Manager shall make additional drawings under the Funding 1 Loan Agreement so that the Funding 1 Loan (after deducting any deficiency recorded on the Funding 1 Loan Principal Deficiency Ledger) will be equal to the new Mortgages Trustee Designated Mortgages Amount Limit.
- (c) The Cash Manager shall apply or direct that the proceeds of amounts drawn under the Funding 1 Loan are paid to the Seller by way of a Further Contribution in accordance with clause 4.2 of the Mortgages Trust Deed thereby causing the Funding 1 Share to increase and the Seller Share to decrease.
- (d) If the Mortgages Trustee Designated Mortgages Amount Limit notified by Santander UK (as Seller) under paragraph (b) above is reduced, then:
  - (i) if the amount deposited in the Mortgages Trustee GIC Account is higher than the revised Mortgages Trustee Designated Mortgages Amount Limit, the Cash Manager shall withdraw amounts deposited in the Mortgages Trustee GIC Account so that the amounts so deposited will not exceed the revised Mortgages Trustee Designated Mortgages Amount Limit; and
  - (ii) the Cash Manager shall take such steps as are necessary (including delivery of any required prepayment notices under the Funding 1 Loan Agreement) to ensure that the Funding 1 Loan is prepaid on the next following Funding 1 Interest Payment Date in an amount equal to the lower of (A) the Funding 1 Loan Prepayable Amount and (B) any amounts available to make such prepayment comprising the aggregate of proceeds of any Refinancing Contribution made by the Seller for such purpose and any Funding 1 Available Principal Receipts in accordance with paragraph 2(c) of the Funding 1 Pre-Acceleration Principal Priority of Payments or paragraph (d) of the Funding 1 Post-Acceleration Principal Priority of Payments.

In this Clause 4.11, **Funding 1 Loan Prepayable Amount** means the expected amount, calculated by the Cash Manager on each Distribution Date, by which the Funding 1 Loan will exceed the amounts which the Cash Manager reasonably expects to be deposited in the Mortgages Trustee GIC Account from time to time.

#### 4.12 Collateral Posting

- (a) The provisions of this Clause 4.12 (Collateral Posting) apply if the Cash Manager is depositing amounts into the Mortgages Trustee GIC Account where Santander UK as the Mortgages Trustee Account Bank ceases to have (i) a short term bank deposit rating assigned to it by Moody's of no less than P-1, or (ii) either a short term or a long term issuer default ratings assigned to it by Fitch of F1 or A, respectively, unless (x) the Mortgages Trustee Account Bank has obtained a guarantee of its obligations under the Mortgages Trustee Bank Account Agreement and each Rating Agency has

confirmed that its then current rating of the Rated Notes would not be downgraded, withdrawn or qualified pursuant to Clause 8.1(b)(i)(B) (Termination) of the Mortgages Trustee Bank Account Agreement, or (y) a waiver has been provided by each Rating Agency pursuant to Clause 8.1(b)(i)(C) (Termination) of the Mortgages Trustee Bank Account Agreement but has been assigned a long-term issuer default rating of at least BBB- by Fitch.

- (b) The Cash Manager undertakes at any time to identify (prior to such deposit) and record amounts deposited (or to be deposited) in the Mortgages Trustee GIC Account. The Cash Manager shall not deposit amounts in the Mortgages Trustee GIC Account in excess of the Mortgages Trustee Designated Mortgages Amount Limit.
- (c) The Cash Manager shall ensure that at no time are amounts deposited (or to be deposited) in the Mortgages Trustee GIC Account to the extent there is not at least a corresponding Outstanding Principal Amount under the Funding 1 Loan (after deducting any deficiency recorded on the Funding 1 Loan Principal Deficiency Ledger).
- (d) If on any date, the amount deposited in the Mortgages Trustee GIC Account exceeds the amount outstanding under the Funding 1 Loan, the Cash Manager shall designate a new Mortgages Trustee Designated Mortgages Amount Limit that is less than or equal to the amount outstanding under the Funding 1 Loan and shall transfer amounts from the Mortgages Trustee GIC Account to the Standby Mortgages Trustee Bank Account until the amount standing to the credit of the Mortgages Trustee GIC Account is equal to or less than the new Mortgages Trustee Designated Mortgages Amount Limit.
- (e) Amounts representing Mortgages Trust Available Principal Receipts and Mortgages Trust Available Revenue Receipts which cannot be withdrawn from the Mortgages Trustee GIC Account while such amounts are collateralised pursuant to this Clause 4.12 (including, without limitation, in the event of a moratorium on insolvency, bank insolvency, administration or bank administration of Santander UK or in circumstances where Santander UK is otherwise unable to pay such amounts, including in respect of any operational failure) shall cease to constitute Mortgages Trust Available Principal Receipts or Mortgages Trust Available Revenue Receipts, respectively, and shall not be available to be applied in accordance with the Mortgage Trust Principal Priority of Payments or the Mortgage Trust Revenue Priority of Payments (as applicable). In these circumstances it is expected as more particularly set out in the Funding 1 Loan Agreement (and in particular Clause 4.10 thereof) that an equivalent amount shall cease to be repayable under the Funding 1 Loan.

## **5. SWAPS**

### **5.1 Computations under Funding 1 Swap**

On each Trust Calculation Date, the Cash Manager shall determine, in accordance with the terms of the Funding 1 Swap, in respect of the relevant Trust Calculation Period:

- (a) the Fixed Rate Loan Balance, the Variable Rate Loan Balance and the Base Rate Loan Balance (each as defined in the Funding 1 Swap Agreement);
- (b) the weighted average of the fixed rates of interest charged to Borrowers of Fixed Rate Loans;

- (c) the Weighted Average Base Rate; and
- (d) the Basket Swap Rate,

and shall notify Funding 1 of such amounts, balances and rates.

## **5.2 Termination of Funding 1 Swap(s)**

If, on or prior to the date of the earlier of either (i) the latest occurring Final Repayment Date of any Loan Tranche advanced under any of the Intercompany Loans or (ii) the service of an Intercompany Loan Acceleration Notice, the Funding 1 Swap(s) is terminated, then the Cash Manager (on behalf of Funding 1) shall purchase a new hedge against the possible variance between (1) the Variable Rate payable on the Variable Rate Loans, the Weighted Average Base Rate payable on the Base Rate Loans and the fixed rates of interest payable on the Fixed Rate Loans (as the case may be) and (2) a LIBOR-based rate for three-month sterling deposits, on terms acceptable to Funding 1 and the Rating Agencies with a new Funding 1 swap provider who will not cause the then current ratings of the Rated Notes then outstanding or any rated debt instruments of a Funding Company (if applicable) then outstanding to be downgraded, withdrawn or qualified (as previously confirmed in writing by the Rating Agencies to Funding 1, the Issuer and the Funding 1 Security Trustee (it being acknowledged that none of the Rating Agencies has any obligation to provide such confirmation at any time and that the confirmation of one of the Rating Agencies may be sufficient for such purpose in respect of the Rated Notes) and provided that the Rating Agencies confirm that the terms of such replacement Funding 1 Swap will not result in the then current ratings of the Rated Notes then outstanding or any rated debt instruments of a Funding Company (if applicable) being downgraded, withdrawn or qualified (it being acknowledged that none of the Rating Agencies has any obligation to provide such confirmation at any time and that the confirmation of one of the Rating Agencies may be sufficient for such purpose in respect of the Rated Notes). The Cash Manager may apply any early termination payment received from the Funding 1 Swap Provider pursuant to the Funding 1 Swap for such purpose.

## **5.3 Further Funding Company Swaps**

Following the accession of any Further Funding Company to this Agreement and the Mortgages Trust Deed, the Cash Manager shall determine and notify such Further Funding Company of the rates and balances under each interest rate swap entered into by such Further Funding Company equivalent to those referred to in Clause 5.1 above in respect of Funding 1 and upon the termination of such swaps the Cash Manager shall have the equivalent obligations of those referred to in Clause 5.2 above in respect of Funding 1.

## **6. NO LIABILITY**

Save as otherwise provided in this Agreement, the Cash Manager shall have no liability for the obligations of either the Mortgages Trustee, the Funding Companies or the Funding Security Trustees under any of the Transaction Documents or otherwise. Nothing herein shall constitute a guarantee, or similar obligation, by the Cash Manager of the Mortgages Trustee, the Funding Companies or the Funding Security Trustees in respect of any of them.

## **7. COSTS AND EXPENSES**

- 7.1 Subject to and in accordance with the applicable Mortgages Trust Revenue Priority of Payments set out in the Mortgages Trust Deed, on each Distribution Date the Mortgages Trustee will reimburse the Cash Manager for all out-of-pocket costs, expenses and charges (together with any amounts in respect of Irrecoverable VAT due thereon) properly incurred



by the Cash Manager on behalf of the Mortgages Trustee in the performance of the Cash Management Services, including any such costs, expenses or charges not reimbursed to the Cash Manager on any previous Distribution Date and the Cash Manager shall supply the Mortgages Trustee with a valid VAT invoice issued by the Cash Manager or, if the Cash Manager has treated the relevant cost, expense or charge as a disbursement for VAT purposes, by the person making the supply.

- 7.2 Subject to and in accordance with the applicable Funding 1 Pre-Acceleration Revenue Priority of Payments set out in the Funding 1 Deed of Charge, on each Funding 1 Interest Payment Date Funding 1 will reimburse the Cash Manager for all out-of-pocket costs, expenses and charges (together with any amounts in respect of Irrecoverable VAT due in thereon) properly incurred by the Cash Manager on behalf of Funding 1 in the performance of the Cash Management Services, including any such costs, expenses or charges not reimbursed to the Cash Manager on any previous Distribution Date and the Cash Manager shall supply Funding 1 with a valid VAT invoice issued by the Cash Manager or, if the Cash Manager has treated the relevant cost, expense or charge as a disbursement for VAT purposes, by the person making the supply.

## **8. INFORMATION**

### **8.1 Use of I.T. systems**

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

## 8.2 Bank Account Statements

The Cash Manager shall take all reasonable steps to ensure that it receives:

- (a) a monthly bank statement in relation to the Mortgages Trustee Bank Accounts (and any additional or supplemental bank account of the Mortgages Trustee) and that it furnishes a copy of such statement to the Mortgages Trustee, the Seller, the Funding Companies and (if requested) the Funding Security Trustees; and
- (b) monthly bank statements in relation to each of the Funding 1 Bank Accounts (and any additional or supplemental bank account of Funding 1) and that it furnishes a copy of such statements to Funding 1 and (if requested) the Funding 1 Security Trustee.

## 8.3 Access to Books and Records

Subject to all applicable laws, the Cash Manager shall permit the Auditors of the Mortgages Trustee and Funding 1 and any other person nominated by the Funding 1 Security Trustee or the Beneficiaries (to whom the Cash Manager has no reasonable objection) at any time during normal office hours upon reasonable notice to have access, or procure that such person or persons are granted access, to all books of record and account relating to the Cash Management Services provided by the Cash Manager and related matters in accordance with this Agreement.

## 8.4 Statutory Obligations

The Cash Manager shall use its reasonable endeavours, on behalf of the Mortgages Trustee and Funding 1, to prepare or procure the preparation of and file all reports, annual returns, financial statements, statutory forms and other returns which each of the Mortgages Trustee and Funding 1 is required by law to prepare and file. Subject to approval thereof by the directors of the Mortgages Trustee or Funding 1 (as appropriate), the Cash Manager shall cause such accounts to be audited by the Auditors and shall procure so far as it is able so to do that the Auditors shall make a report thereon as required by law and copies of all such documents shall be delivered to the Mortgages Trustee, Funding 1, the Funding 1 Security Trustee (if requested), and the Rating Agencies as soon as practicable after the end of each accounting reference period of the Mortgages Trustee or Funding 1 (as appropriate).

## 8.5 Information Covenants

- (a) The Cash Manager shall provide quarterly reports as follows:
  - (i) a report in, or substantially in, the form set out in Part 1 (Form of Mortgages Trustee Quarterly Report) of Schedule 3 in respect of the Mortgages Trustee to the Mortgages Trustee, the Funding Companies, (if requested) the Funding Security Trustee(s) and the Rating Agencies; and
  - (ii) a report in, or substantially in, the form set out in Part 2 (Form of Funding 1 Quarterly Report) of Schedule 3 in respect of Funding 1 to the Mortgages Trustee, Funding 1, the Issuer or any New Issuer (as applicable and if requested) the Funding Security Trustee(s), the Rating Agencies and any other nationally recognised statistical rating organisation (as defined in the U.S. Credit Rating Agency Reform Act of 2006) to the extent required by, and subject to the certification conditions under, Rule 17g-5(a)(3) of the U.S. Securities Exchange Act of 1934 .

- (b) The Cash Manager shall provide, or procure the provision, to the Mortgages Trustee, the Funding Companies, (if requested) the Funding Security Trustees and the Rating Agencies copies of any annual returns or financial statements referred to in Clause 8.4 as soon as reasonably practicable after the preparation thereof.
- (c) The Cash Manager shall notify the Rating Agencies in writing of the details of (i) any material amendment to the Transaction Documents, (ii) the occurrence of an Intercompany Loan Event of Default or Potential Intercompany Loan Event of Default, so far as it is aware of such default, (iii) any other information relating to the Cash Manager as the Rating Agencies and/or the Funding Security Trustees may reasonably request in connection with the obligations of the Cash Manager under this Agreement, **PROVIDED THAT** the Funding Security Trustees shall not make such a request more than once every three months unless, in the belief of the Funding Security Trustees, an Intercompany Loan Event of Default, a Note Event of Default or a Cash Manager Termination Event shall have occurred and is continuing or a Potential Intercompany Loan Event of Default or a Potential Note Event of Default shall have occurred and is continuing.
- (d) The Cash Manager agrees to co-operate fully and to do all such further acts and things as may be necessary or desirable, and to provide all information in its possession necessary for any reporting obligation, in each case at the cost of the Seller, to enable the Mortgages Trustee and Funding 1 to comply with their obligations under Clause 4.7 (Requirements under the Securitisation Regulation) of the Funding 1 Deed of Charge to assist the Seller (as originator) to comply with the requirements of Article 7 of the Securitisation Regulation.

## 8.6 Further Funding Companies

Following the accession of any Further Funding Company to this Agreement and the Mortgages Trust Deed, the Cash Manager shall:

- (i) take all reasonable steps to ensure that it receives bank statements for such Further Funding Company that are the equivalent to those referred to in Clause 8.2 above in respect of Funding 1;
- (ii) grant the auditors of such Further Funding Company access rights to all books of record and account relating to the Cash Management Services provided by the Cash Manager on a basis equivalent to that referred to in Clause 8.3 above in respect of Funding 1;
- (iii) comply with the statutory obligations in respect of such Further Funding Company equivalent to those referred to in Clause 8.4 above in respect of Funding 1; and
- (iv) provide quarterly reports in respect of such Further Funding Company equivalent to those referred to in Clause 8.5 above in respect of Funding 1 (other than for the avoidance of doubt (k) to (n) of the Cash Management Services (the **EMIR Services**), as to which see Clause 9(c) below.

## 9. REMUNERATION

- (a) Subject to paragraph (b) below, the Mortgages Trustee and/or the Funding Companies shall pay to the Cash Manager for its Cash Management Services hereunder a cash management fee, which shall be agreed in writing between the

Mortgages Trustee, the Funding Companies (and, following the service of an Intercompany Loan Acceleration Notice, the Funding Security Trustees) and the Cash Manager from time to time. Such cash management fee shall be inclusive of amounts in respect of VAT, if any. Section 89 of the Value Added Tax Act 1994 shall not apply to affect the amount of such cash management fee payable.

- (b) Unless and until otherwise agreed by the Mortgages Trustee, the Funding Companies, (and, following the service of an Intercompany Loan Acceleration Notice, the Funding Security Trustees) and the Cash Manager in writing, the cash management fee referred to in paragraph (a) above shall be payable by Funding 1 in four instalments, quarterly in arrear on each Funding 1 Interest Payment Date falling in March, June, September and December in the manner contemplated by and in accordance with and subject to the provisions of the Funding 1 Deed of Charge at a rate equal to 0.01 per cent. per annum of the aggregate Outstanding Principal Amount of the Intercompany Loan as at such date (prior to any repayment of any principal on such date).
- (c) Without prejudice to paragraph (a) and (b) above, Funding 1 and the Cash Manager hereby acknowledge and agree that no fee shall be payable by Funding 1 to the Cash Manager in respect of the EMIR Services or the FATCA Services.
- (d) Without prejudice to paragraph (a) and (b) above, Funding 1 and the Cash Manager hereby acknowledge and agree that no fee shall be payable by the Funding 1 to the Cash Manager in respect of any of the reporting services provided at Clause 8.4, Clause 8.5(a) or Clause 8.5(d) of this Agreement.

## **10. COVENANTS OF CASH MANAGER**

### **10.1 Covenants**

The Cash Manager hereby covenants with and undertakes to each of the Mortgages Trustee, the Funding Companies and the Funding Security Trustees that without prejudice to any of its specific obligations hereunder:

- (a) it will devote all due skill, care and diligence to the performance of its obligations and the exercise of its discretions hereunder;
- (b) it will comply with any proper directions, orders and instructions which the Mortgages Trustee, the Funding Companies or the Funding Security Trustees may from time to time give to it in accordance with the provisions of this Agreement and, in the event of any conflict, the proper directions, orders and instructions of the Funding Security Trustees shall prevail;
- (c) it will use its reasonable endeavours to keep in force all licences, approvals, authorisations and consents which may be necessary in connection with the performance of the Cash Management Services and prepare and submit all necessary applications and requests for any further approval, authorisation, consent or licence required in connection with the performance of the Cash Management Services;
- (d) save as otherwise agreed with the Mortgages Trustee, the Funding Companies and the Funding Security Trustees, it will provide free of charge to the Mortgages Trustee and the Funding Companies during normal office hours office space, facilities, equipment and staff sufficient to fulfil the obligations of the Mortgages Trustee and the Funding Companies under this Agreement;

- (e) it will not knowingly fail to comply with any legal requirements in the performance of the Cash Management Services;
- (f) it will make all payments required to be made by it pursuant to this Agreement on the due date for payment thereof for value on such day without set-off (including, without limitation, in respect of any fees owed to it) or counterclaim; and
- (g) it will not without the prior written consent of the Funding Security Trustees amend or terminate (or agree to amend or terminate) any of the Transaction Documents save in accordance with their terms.

## 10.2 Duration of covenants

The covenants of the Cash Manager in Clause 10.1 shall remain in force until this Agreement is terminated but without prejudice to any right or remedy of the Mortgages Trustee and/or the Funding Companies and/or the Funding Security Trustees arising from breach of any such covenant prior to the date of termination of this Agreement.

## 11. SERVICES NON-EXCLUSIVE

Nothing in this Agreement shall prevent the Cash Manager from rendering or performing services similar to those provided for in this Agreement to or for itself or other persons, firms or companies or from carrying on business similar to or in competition with the business of the Mortgages Trustee, the Funding Companies or the Funding Security Trustees.

## 12. TERMINATION

### 12.1 Cash Manager Termination Events

If any of the following events (**Cash Manager Termination Events**) shall occur:

- (a) default is made by the Cash Manager in the payment on the due date of any payment due and payable by it under this Agreement and such default continues unremedied for a period of five London Business Days after the earlier of the Cash Manager becoming aware of such default or receipt by the Cash Manager of written notice from the Mortgages Trustee and/or Funding Companies and/or the Funding Security Trustees requiring the default to be remedied; or
- (b) default is made by the Cash Manager in the performance or observance of any of its other covenants and obligations under this Agreement, which the Funding Security Trustees have been directed by the Issuer Security Trustee or New Issuer Security Trustee (as applicable) and the Issuer Security Trustee or New Issuer Security Trustee (as the case may be) has been directed in each case by the Issuer Note Trustee or New Issuer Note Trustee (as applicable) is, in the reasonable opinion of the Issuer Note Trustee or New Issuer Note Trustee (as the case may be), materially prejudicial to the interests of the Noteholders and (if capable of remedy) such default continues unremedied for a period of 20 London Business Days after the earlier of the Cash Manager becoming aware of such default and receipt by the Cash Manager of written notice from the Mortgages Trustee and/or any Funding Company and/or the Funding Security Trustees requiring the Cash Manager's non-compliance to be remedied; or
- (c) the Cash Manager suffers an Insolvency Event,

then the Funding Companies and/or the Seller (with the prior written consent of the Funding Security Trustees) may for so long as such default is continuing, by notice in writing to the Cash Manager immediately terminate its appointment as Cash Manager under this Agreement with effect from a date (not earlier than the date of the notice) specified in the notice.

Upon termination of the appointment of the Cash Manager, the Funding Companies and/or the Seller (with prior written consent of the Funding Security Trustees) agree to use their reasonable endeavours to appoint a substitute cash manager. Any such substitute cash manager will be required to enter into a cash management agreement on substantially the same terms as this Agreement and the appointment of such substitute cash manager and all other documentation is conditional upon the Rating Agencies having previously confirmed that the then current ratings of any Rated Notes then outstanding or any rated debt instruments of a Funding Company (if applicable) then outstanding will not be downgraded, withdrawn or qualified as a result of the appointment (it being acknowledged that none of the Rating Agencies has any obligation to provide such confirmation at any time and that the confirmation of one of the Rating Agencies may be sufficient for such purpose in respect of the Rated Notes) (unless the relevant Classes of Noteholders otherwise agree by an Extraordinary Resolution).

## 12.2 Resignation of Cash Manager

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

- (a) a substitute cash manager shall be appointed, such appointment to be effective not later than the date of such termination;
- (b) such substitute cash manager has cash management experience and is approved by the Funding Companies and the Funding Security Trustees;
- (c) the substitute cash manager enters into an agreement substantially on the same terms as the relevant provisions of this Agreement and the Cash Manager shall not be released from its obligations under the relevant provisions of this Agreement until such substitute cash manager has entered into such new agreement and the rights of the Funding Companies under such agreement are charged in favour of the Funding Security Trustees on terms satisfactory to the Funding Security Trustees; and
- (d) the then current ratings of any Rated Notes then outstanding or any rated debt instruments of a Funding Company (if applicable) then outstanding would not be downgraded, withdrawn or qualified as a result thereof (it being acknowledged that none of the Rating Agencies has any obligation to provide such confirmation at any time and that the confirmation of one of the Rating Agencies may be sufficient for such purpose in respect of the Rated Notes), unless otherwise agreed by an Extraordinary Resolution of the holders of each class of the Rated Notes then outstanding (or the equivalent approval is obtained in respect of such other rated debt instruments) affected thereby.

## 12.3 Effect of Termination

- (a) On and after termination of the appointment of the Cash Manager under this Agreement pursuant to this Clause 12, all authority and power of the Cash Manager under this Agreement shall be terminated and be of no further effect and the Cash

Manager shall not thereafter hold itself out in any way as the agent of the Mortgages Trustee, the Funding Companies or the Funding Security Trustees pursuant to this Agreement.

- (b) Upon termination of the appointment of the Cash Manager under this Agreement pursuant to this Clause 12, the Cash Manager shall:
- (i) forthwith deliver (and in the meantime hold on trust for, and to the order of, the Mortgages Trustee, the Funding Companies or the Funding Security Trustees, as the case may be) to the Mortgages Trustee, the Funding Companies or the Funding Security Trustees, as the case may be, or as they shall direct, all books of account, papers, records, registers, correspondence and documents in its possession or under its control relating to the affairs of or belongings of the Mortgages Trustee, the Funding Companies or the Funding Security Trustees, as the case may be (if practicable, on the date of receipt), any monies then held by the Cash Manager on behalf of the Mortgages Trustee, the Funding Companies or the Funding Security Trustees, as applicable, and any other assets of the Mortgages Trustee, the Funding Companies and the Funding Security Trustees, as applicable;
  - (ii) take such further action as the Mortgages Trustee, the Funding Companies or the Funding Security Trustees, as the case may be, may reasonably direct at the expense of the Mortgages Trustee, the Funding Companies or the Funding Security Trustees, as the case may be (including in relation to the appointment of a substitute cash manager), provided that neither the Mortgages Trustee, nor any Funding Security Trustees, as the case may be, shall be required to take or direct to be taken such further action unless it has been indemnified to its satisfaction (and in the event of a conflict between a direction of the Funding Companies, the Mortgages Trustee and/or the Funding Security Trustees, the direction of the Funding Security Trustees shall prevail);
  - (iii) provide all relevant information contained on computer records in the form of magnetic tape (or other portable data storage medium), together with details of the layout of the files encoded on such magnetic tapes (or other portable data storage medium); and
  - (iv) co-operate and consult with and assist the Mortgages Trustee, the Funding Companies and/or the Funding Security Trustees or their nominees, as the case may be (which shall, for the avoidance of doubt, include any Receiver appointed by it), for the purposes of explaining the file layouts and the format of the magnetic tapes (or other portable data storage medium) generally containing such computer records on the computer system of the Mortgages Trustee, the Funding Companies, or the Funding Security Trustees or such nominees, as the case may be.

#### **12.4 Notice of event of default**

The Cash Manager shall deliver to the Mortgages Trustee, the Funding Companies and the Funding Security Trustees as soon as reasonably practicable but in any event within three London Business Days of becoming aware thereof a notice of any Cash Manager Termination Event or any event which with the giving of notice or expiry of any grace period or certification, as specified in such Cash Manager Termination Event would constitute the same or any Intercompany Loan Event of Default or Potential Intercompany Loan Event of Default.

## 12.5 General provisions relating to termination

- (a) Termination of this Agreement or of the appointment of the Cash Manager under this Agreement shall be without prejudice to the liabilities of the Mortgages Trustee, the Funding Companies and the Funding Security Trustees to the Cash Manager or vice versa incurred before the date of such termination. The Cash Manager shall have no right of set-off or any lien in respect of such amounts against amounts held by it on behalf of the Mortgages Trustee, the Funding Companies or the Funding Security Trustees.
- (b) This Agreement shall terminate automatically at such time as the Funding Companies have no further interest in the Trust Property, the Intercompany Loan and any New Intercompany Loans, and the debts of each Funding Company have been fully repaid or otherwise discharged.
- (c) On termination of the appointment of the Cash Manager under the provisions of this Clause 12, the Cash Manager shall be entitled to receive all fees and other monies accrued up to (but excluding) the date of termination but shall not be entitled to any other or further compensation. Such monies so receivable by the Cash Manager shall be paid by the Mortgages Trustee on behalf of the Funding Companies, on the dates on which they would otherwise have fallen due hereunder and under the terms of the Mortgages Trust Deed. For the avoidance of doubt, such termination shall not affect the Cash Manager's rights to receive payment of all amounts (if any) due to it from the Funding Companies other than under this Agreement.
- (d) Any provision of this Agreement which is stated to continue after termination of the Agreement shall remain in full force and effect notwithstanding termination.

## 13. FURTHER ASSURANCE

### 13.1 Co-operation, etc.

The parties hereto agree that they will co-operate fully to do all such further acts and things and execute any further documents as may be necessary or desirable to give full effect to the arrangements contemplated by this Agreement or (subject to confirmation by the Rating Agencies that the then current ratings of the Rated Notes or any rated debt instruments of a Funding Company (if applicable) then outstanding will not be downgraded, withdrawn or qualified as a result) (it being acknowledged that none of the Rating Agencies has any obligation to provide such confirmation at any time and that the confirmation of one of the Rating Agencies may be sufficient for such purpose in respect of the Rated Notes) to provide for the accession of any Further Funding Company or Further Funding Security Trustee.

### 13.2 Powers of attorney

Without prejudice to the generality of Clause 13.1 (*Co-operation, etc.*), the Mortgages Trustee, the Funding Companies and, following the service of an Intercompany Loan Acceleration Notice, if requested by the Funding Security Trustees to act as its agent, the Funding Security Trustees shall upon request by the Cash Manager forthwith give to the Cash Manager such further powers of attorney or other written authorisations, mandates or instruments as are necessary to enable the Cash Manager to perform the Cash Management Services.



### **13.3 Change of Funding Security Trustee**

In the event that there is any change in the identity of any Funding Security Trustee or an additional Funding Security Trustee is appointed in accordance with the Funding 1 Deed of Charge and/or the relevant Further Funding Company Deed of Charge the Cash Manager shall execute such documents with any other parties to this Agreement and take such actions as such new Funding Security Trustee may reasonably require for the purposes of vesting in such new Funding Security Trustee the rights of the Funding Security Trustee under this Agreement and under the Funding 1 Deed of Charge or the relevant Further Funding Company Deed of Charge and releasing the retiring Funding Security Trustee from further obligations thereunder and while any of the Rated Notes remains outstanding shall give notice thereof to the Rating Agencies.

### **13.4 No obligation on Funding Security Trustees**

Nothing herein contained shall impose any obligation or liability on the Funding Security Trustees to assume or perform any of the obligations of the Mortgages Trustee, the Funding Companies or the Cash Manager hereunder or render it liable for any breach thereof.

## **14. MISCELLANEOUS**

### **14.1 No set-off**

Each of the Seller and the Cash Manager agrees that it will not:

- (a) set off or purport to set off any amount which either the Mortgages Trustee or Funding 1 is or will become obliged to pay to it under this Agreement against any amount from time to time standing to the credit of or to be credited to the Mortgages Trustee Bank Accounts, the Funding 1 Bank Accounts or any replacement or additional bank account of the Mortgages Trustee or Funding 1; or
- (b) make or exercise any claims or demands, any rights of counterclaim or any other equities against or withhold payment of any and all sums of money which may at any time and from time to time be standing to the credit of the Mortgages Trustee Bank Accounts, the Funding 1 Bank Accounts or any replacement or additional bank account of either the Mortgages Trustee or Funding 1.

### **14.2 No Petition and limited recourse**

- (a) The Cash Manager hereby acknowledges and agrees that it is bound by clause 5.3 (No enforcement by Funding 1 Secured Creditors) of the Funding 1 Deed of Charge and, except as provided therein, it will not take any steps or proceedings to procure the winding up, administration or liquidation of Funding 1 and it will not take any other steps or action against Funding 1 for the purpose of recovering any of the amounts owing to the Cash Manager pursuant to this Agreement (including by exercising any rights of set-off) or enforcing any rights arising out of this Agreement.
- (b) The Cash Manager hereby acknowledges and agrees that all obligations of Funding 1 to the Cash Manager in respect of amounts owing to the Cash Manager pursuant to this Agreement are subject to the terms of clause 5.4 (Limited recourse) of the Funding 1 Deed of Charge.

- (c) The Cash Manager agrees that for so long as any Notes are outstanding it will not petition nor commence proceedings for the administration or winding up of the Mortgages Trustee nor participate in any ex parte proceedings with regard thereto.
- (d) In relation to all sums due and payable by the Mortgages Trustee to the Cash Manager, the Cash Manager agrees that it shall have recourse only to sums paid to or received by (or on behalf of) the Mortgages Trustee pursuant to the provisions of the Mortgage Sale Agreement, the other Transaction Documents and in relation to the Loans and the Related Security.

## 15. CONFIDENTIALITY

During the continuance of this Agreement or after its termination, each of the Mortgages Trustee, the Cash Manager, the Seller, the Funding Companies and the Funding Security Trustees shall use its best endeavours not to disclose to any person, firm or company whatsoever any information relating to the business, finances or other matters of a confidential nature of any other party hereto of which it may exclusively by virtue of being party to the Transaction Documents have become possessed and shall use all reasonable endeavours to prevent any such disclosure as aforesaid, **PROVIDED HOWEVER** that the provisions of this Clause 15 shall not apply:

- (a) to any information already known to the recipient otherwise than as a result of entering into any of the Transaction Documents;
- (b) to any information subsequently received by the recipient which it would otherwise be free to disclose;
- (c) to any information which is or becomes public knowledge otherwise than as a result of the conduct of the recipient;
- (d) to any extent that the recipient is required to disclose the same pursuant to any law or order of any court of competent jurisdiction or pursuant to any direction, request or requirement (whether or not having the force of law) of any central bank or any governmental or other authority (including, without limitation, any official bank examiners or regulators);
- (e) to the extent that the recipient needs to disclose the same for determining the existence of, or declaring, a Note Event of Default, an Intercompany Loan Event of Default or a Cash Manager Termination Event, the protection or enforcement of any of its rights under any of the Transaction Documents or in connection herewith or therewith or for the purpose of discharging, in such manner as it thinks fit, its duties and functions under or in connection with such agreements in each case to such persons as require to be informed of such information for such purposes;
- (f) in relation to any information disclosed to the professional advisers of the recipient or (in connection with a prospective rating of any Notes or any rated debt instruments of a Funding Company (if applicable)) to any Rating Agency and any other nationally recognised statistical rating organisation (as defined in the U.S. Credit Rating Agency Reform Act of 2006) to the extent required by, and subject to the certification conditions under, Rule 17g-5(a)(3) of the U.S. Securities Exchange Act of 1934 or any prospective new cash manager or prospective new security trustee; or
- (g) in connection with any debt raised by any Further Funding Company.

## 16. NOTICES

Any notices to be given pursuant to this Agreement to any of the parties hereto shall be sufficiently served if sent by prepaid first class post, by hand or e-mail and shall be deemed to be given (in the case of e-mail) when despatched, (where delivered by hand) on the day of delivery or (in the case of first class post) when it would be received in the ordinary course of the post,

PROVIDED THAT in the case of a notice received after 5:00 p.m. on a London Business Day in the place of receipt, notice shall be deemed to be received on the next following London Business Day. Any notices given pursuant to this Agreement shall be sent:

- (a) in the case of the Cash Manager and the Seller, to Santander UK plc at 2 Triton Square, Regent's Place, London NW1 3AN (e-mail: [MTF@santander.co.uk](mailto:MTF@santander.co.uk) and [treasurylegal@santander.co.uk](mailto:treasurylegal@santander.co.uk)) for the attention of Medium Term Funding;
- (b) in the case of the Mortgages Trustee, to Langton Mortgages Trustee (UK) Limited, 2 Triton Square, Regent's Place, London NW1 3AN (telephone: +44 (0)20 7398 6300 and e-mail: [directors-uk@intertrustgroup.com](mailto:directors-uk@intertrustgroup.com)) for the attention of The Directors with a copy to Santander UK plc at 2 Triton Square, Regent's Place, London NW1 3AN (e-mail: [MTF@santander.co.uk](mailto:MTF@santander.co.uk) and [treasurylegal@santander.co.uk](mailto:treasurylegal@santander.co.uk)) for the attention of Medium Term Funding and Treasury Legal;
- (c) in the case of Funding 1, to Langton Funding (No. 1) Limited, c/o Intertrust Management Limited, 1 Bartholomew Lane, London EC2N 2AX (telephone: +44 (0)20 7398 6300 and e-mail: [directors-uk@intertrustgroup.com](mailto:directors-uk@intertrustgroup.com)) for the attention of The Directors with a copy to Santander UK plc at 2 Triton Square, Regent's Place, London NW1 3AN (e-mail: [MTF@santander.co.uk](mailto:MTF@santander.co.uk) and [treasurylegal@santander.co.uk](mailto:treasurylegal@santander.co.uk)) for the attention of Medium Term Funding and Treasury Legal;
- (d) in the case of the Funding 1 Security Trustee, to Citicorp Trustee Company Limited Citigroup Centre, Canada Square, Canary Wharf London E14 5LB (e-mail: [abs.mbsadmin@citi.com](mailto:abs.mbsadmin@citi.com)) for the attention of Agency and Trust,

or to such other address or e-mail address or for the attention of such other person or entity as may from time to time be notified by any party to the others by written notice in accordance with the provisions of this Clause 16.

## 17. AMENDMENTS, WAIVER AND CONSENTS

- 17.1 Subject to the Controlling Beneficiary Deed (as applicable) and the relevant Funding Company Deed of Charge, no amendment or waiver of any provision of this Agreement shall be effective unless the same shall be in writing and signed by (or by some person duly authorised by) each of the parties to this Agreement. In the case of a waiver, such waiver shall be effective only in the specific instance and as against the party or parties giving it for the specific purpose for which it is given. No single or partial exercise of, or failure or delay in exercising, any right under this Agreement shall constitute a waiver or preclude any other or further exercise of that or any other right.
- 17.2 It is hereby acknowledged and agreed that each Funding Company and each Funding Security Trustee will exercise all rights, powers, benefits, duties, functions and/or discretions conferred on it under this Agreement (including, without limitation, in giving its consent, approval or authorisation to any event, matter or thing requested or making any determination hereunder)

in accordance with and subject to the provisions of the Controlling Beneficiary Deed (as applicable) and the relevant Funding Company Deed of Charge.

## **18. NO PARTNERSHIP**

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

## **19. ASSIGNMENT**

### **19.1 Assignment by the Mortgages Trustee and the Funding Companies**

Neither the Mortgages Trustee nor any Funding Company may assign or transfer any of their respective rights and obligations under this Agreement without the prior written consent of:

- (a) in the case of the Mortgages Trustee, each of the Beneficiaries and the Funding Security Trustees; and
- (b) in the case of the Funding Companies, each of the Funding Security Trustees and the Cash Manager,

except that Funding 1 may assign its respective rights hereunder without such consent pursuant to the Funding 1 Deed of Charge.

### **19.2 No assignment by Cash Manager**

The Cash Manager may not assign or transfer any of its rights and obligations under this Agreement without the prior written consent of the Mortgages Trustee, each of the Beneficiaries, each of the Funding Companies and the Funding Security Trustees.

## **20. EXCLUSION OF THIRD PARTY RIGHTS**

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

## **21. COUNTERPARTS**

This Agreement may be executed in any number of counterparts (manually or by electronic transmission) each of which, when executed and delivered, shall constitute an original, but all the counterparts shall together constitute but one and the same instrument provided, however, that this Agreement shall have no force or effect until it is executed by the last party to execute the same and shall be deemed to have been executed and delivered in the place where such last party executed this Agreement.

## **22. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

22.1 This Agreement and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, the laws of England.

22.2 Each party agrees that the courts of England shall have exclusive jurisdiction to settle any dispute (including, without limitation, claims for set-off and counterclaim) which may arise in connection with the creation, validity, effect, interpretation or performance of, or the legal relationships established by or pursuant to this Agreement (and any non-contractual obligations arising out of or in connection with it) and the Master Definitions and

Construction Schedule to the extent that it is incorporated in this Agreement and for such purposes irrevocably submits to the jurisdiction of the courts of England.

22.3 Each of the parties hereto:

- (a) waives any objection to the choice of or submission to the courts of England on the grounds of inconvenient forum or otherwise as regards proceedings in connection with this Agreement (and any non-contractual obligations arising out of or in connection with it) and the Master Definitions and Construction Schedule to the extent that it is incorporated in this Agreement; and
- (b) agrees that a judgment, declaration or order (whether interim or final) of a court of England is conclusive and binding on it and may be enforced against it in the courts of any other jurisdiction.

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

## SCHEDULE 1

### THE CASH MANAGEMENT SERVICES

The Cash Manager shall:

- (a) operate the Mortgages Trustee Bank Accounts, the Funding 1 Bank Accounts or any other account and ensure that payments are made into and from such accounts in accordance with this Agreement, the Mortgages Trust Deed, the Funding 1 Deed of Charge, the Funding 1 Bank Account Agreement, the Mortgages Trustee Bank Account Agreement and any other applicable Transaction Document **PROVIDED HOWEVER THAT** nothing herein shall require the Cash Manager to make funds available to the Mortgages Trustee or the Funding Companies to enable such payments to be made other than as expressly required by the provisions of this Agreement;
- (b) arrange for all payments due to be made by the Mortgages Trustee and/or the Funding Companies under any of the Transaction Documents, **PROVIDED THAT** such monies are at the relevant time available to the Mortgages Trustee and/or the Funding Companies and **PROVIDED FURTHER THAT** nothing herein shall constitute a guarantee by the Cash Manager of all or any of the obligations of the Mortgages Trustee or the Funding Companies under any of the Transaction Documents;
- (c) pay all the out-of-pocket expenses of the Mortgages Trustee and the Funding Companies, incurred by the Cash Manager on behalf of the Mortgages Trustee and the Funding Companies in the performance of the Cash Manager's duties hereunder, including, without limitation:
  - (i) all Taxes which may be due or payable by the Mortgages Trustee or the Funding Companies (and, in the case of each Funding Company, where relevant, having used all reasonable endeavours to obtain any Tax Credits in accordance with Section 2(d)(ii) of the Funding 1 Swap Agreement);
  - (ii) all registration, transfer, filing and other fees and other charges payable in respect of the sale by the Seller of the Portfolio to the Mortgages Trustee;
  - (iii) all necessary filing and other fees in compliance with regulatory requirements;
  - (iv) all legal and audit fees and other professional advisory fees;
  - (v) all communication expenses, including postage, courier and telephone charges; and
  - (vi) all premiums payable by the Mortgages Trustee in respect of the Insurance Policies,

**PROVIDED THAT** such monies are at the relevant time available to the Mortgages Trustee and the Funding Companies;
- (d) without prejudice to the role of and in conjunction with the relevant Corporate Services Provider under the relevant Corporate Services Agreement, provide or procure the provision of company secretarial and administration services to the Mortgages Trustee and the Funding Companies including the keeping of all registers and the making of all returns and filings required by applicable law or UK regulatory authorities (including the FCA or the PRA), co-operate in the convening of board and general meetings and provide registered office facilities;

- (e) keep records for all Taxation purposes;
- (f) assist the auditors of the Mortgages Trustee and the Funding Companies and provide such information to them as they may reasonably request for the purpose of carrying out their duties as auditors;
- (g) without prejudice to the role of and in conjunction with the relevant Corporate Services Provider under the relevant Corporate Services Agreement, make all filings, give all notices and make all registrations and other notifications required in the day-to-day operation of the respective businesses of the Mortgages Trustee and the Funding Companies or required to be given by the Mortgages Trustee or the Funding Companies pursuant to the Transaction Documents;
- (h) without prejudice to the role of and in conjunction with the relevant Corporate Services Provider under the relevant Corporate Services Agreement, keep general books of account and records of the Mortgages Trustee and the Funding Companies;
- (i) provide accounting services, including reviewing receipts and payments, supervising and assisting in the preparation of interim statements and final accounts and supervising and assisting in the preparation of Tax returns;
- (j) invest monies standing from time to time to the credit of the Funding 1 GIC Account and the Funding 1 Transaction Account, if any, and invest monies standing from time to time to the credit of the Mortgages Trustee GIC Account and the Standby Mortgages Trustee Bank Account in Authorised Investments, subject to the following provisions:
  - (i) any such Authorised Investment shall be made in the joint names of Funding 1 and the Funding 1 Security Trustee or the Mortgages Trustee, as applicable;
  - (ii) any costs properly and reasonably incurred in making and changing Authorised Investments will be reimbursed to the Cash Manager by Funding 1 or the Mortgages Trustee, as the case may be;
  - (iii) all income or other distributions arising on, or proceeds following the disposal or maturity of, Authorised Investments shall be credited to the Funding 1 GIC Account or the relevant Mortgages Trustee Bank Account, as the case may be; and
  - (iv) the Cash Manager shall not be responsible (save where any loss results from the Cash Manager's own fraud, wilful misconduct, wilful default, bad faith or negligence or that of their respective officers or employees) for any loss occasioned by reason of any such Authorised Investments whether by depreciation in value or otherwise provided that such Authorised Investments were made in accordance with the above provisions.
- (k) on behalf of each of Funding 1 and each Issuer, perform any portfolio reconciliation risk mitigation techniques as may be required in accordance with the requirements of article 11(1) of EMIR or procure the performance of such portfolio reconciliation risk mitigation techniques;
- (l) on behalf of each of Funding 1 and each Issuer, carry out the reporting requirements set out in article 9 of EMIR in relation to any swap entered into by Funding 1 or any Issuer, as applicable, and any ancillary activities to such reporting requirements (provided that the Cash Manager shall be permitted to delegate all or any part of any such reporting requirements to

the counterparty to such swap transaction) or procure the carrying out of such reporting requirements and any ancillary activities;

- (m) on behalf of Funding 1 and each Issuer, perform any dispute resolution risk mitigation techniques as may be required in accordance with the requirements of article 11(1) of EMIR and the terms of the relevant swap transaction or procure the performance of such dispute resolution risk mitigation techniques;
- (n) on behalf of Funding 1 and each Issuer, monitor whether: (a) Funding 1 or any Issuer, as applicable, is a non-financial counterparty; and (b) whether Funding 1 or any Issuer is subject to a clearing obligation pursuant to EMIR in respect of any swap transaction (or procure such monitoring), and make any notifications that are required to be made if Funding 1 or any Issuer, as applicable, is no longer a non-financial counterparty or becomes subject to a clearing obligation under EMIR (or procure such notifications are made);
- (o) on behalf of the relevant Issuer, if such Issuer is a “reporting financial institution” for the purposes of any provision of The International Tax Compliance Regulations 2015 (SI 2015/878) (the **UK FATCA UK International Tax Compliance Regulations**), carry out all such activities as are reasonably required in order for the relevant Issuer to comply with any requirements applicable to it from time to time under the UK FATCA Regulations, including, without limitation, any identification, due diligence and/or reporting obligations, and any ancillary activities (the **FATCA Services**); and
- (p) on behalf of Funding 1, make requests for advances under and pursuant to the Extraordinary Payment Holiday Start-up Loan Agreement.



## SCHEDULE 2

### CASH MANAGEMENT AND MAINTENANCE OF LEDGERS

#### 1. Determination

- (a) On each Trust Calculation Date based on the amount of monies standing to the credit of the Mortgages Trustee GIC Account and/or, as applicable, the Standby Mortgages Trustee Bank Account as at close of business on the London Business Day immediately preceding the relevant Trust Calculation Date, the Cash Manager shall determine each of the following:
  - (i) the amount of Principal Receipts and Revenue Receipts received during the preceding Trust Calculation Period and during any immediately preceding Interim Trust Calculation Period;
  - (ii) the amount of any Mortgages Trust Available Revenue Receipts received during the preceding Trust Calculation Period; and
  - (iii) the amount of Mortgages Trust Available Revenue Receipts and Mortgages Trust Available Principal Receipts to be distributed to the Beneficiaries on the Distribution Date immediately following the relevant Trust Calculation Date.
- (b) On each Trust Calculation Date, the Cash Manager shall determine each of the following:
  - (i) the amount of any Losses incurred on the Loans (including any Funding 1 Loan Losses) during the preceding Trust Calculation Period and during any immediately preceding Interim Trust Calculation Period;
  - (ii) the Funding 1 Share, the Seller Share, the Funding 1 Share Percentage, and the Seller Share Percentage, the Share Percentage of each Further Funding Company and each Further Funding Company's Share in accordance with Clause 11 (Adjustment of Shares and Share Percentages of Beneficiaries) of the Mortgages Trust Deed; and
  - (iii) the Minimum Seller Share in accordance with Clause 12 (Minimum Seller Share) of the Mortgages Trust Deed.
- (c) On each Sale Date and/or Further Contribution Date occurring during a Trust Calculation Period immediately preceding a Distribution Date, the Cash Manager shall calculate the Weighted Average Funding 1 Share Percentage and the Weighted Average Seller Share Percentage applicable to the relevant Interim Trust Calculation Period in accordance with Clause 11 (Adjustment of Shares and Share Percentages of Beneficiaries) of the Mortgages Trust Deed.
- (d) The Business Day immediately preceding each Funding 1 Interest Payment Date the Cash Manager shall determine each of the following:
  - (i) the amount of any Funding 1 Available Revenue Receipts to be applied on the following Funding 1 Interest Payment Date in accordance with the Funding 1 Pre-Acceleration Revenue Priority of Payments;

- (ii) the amount of any Funding 1 Available Principal Receipts to be applied on the following Funding 1 Interest Payment Date in accordance with the Funding 1 Pre-Acceleration Principal Priority of Payments;
  - (iii) the Outstanding Principal Amount of the Loan Tranches in accordance with the Intercompany Loan Agreement; and
  - (iv) the Outstanding Principal Amount of the Advance under the Funding 1 Start-Up Loan Agreement.
- (e) On the relevant date of determination the Cash Manager shall determine the Mortgages Trustee Designated Mortgages Amount in accordance with this Agreement.
- (f) The Cash Manager shall make all the determinations referred to in paragraphs 1(a) to (e) above on the basis of the following assumptions:
- (i) that the amount of any Losses (including any Funding 1 Loan Losses) will not increase;
  - (ii) that any debit balance on any Issuer Principal Deficiency Ledger (or any deficiency ledger established by any New Issuer) will not increase; and
  - (iii) such other assumptions as the Cash Manager considers appropriate (including, without limitation, as to the amount of any payments or provisions to be made in accordance with the applicable Funding 1 Priority of Payments from and including the date of such determination to and excluding such Funding 1 Interest Payment Date).

The Cash Manager shall on request notify the Mortgages Trustee, Funding 1 and the Funding 1 Security Trustee in writing of any such other assumptions and shall take account of any representations made by the Mortgages Trustee, Funding 1 and the Funding 1 Security Trustee (as the case may be) in relation thereto.

- (g) The Cash Manager shall, if necessary, perform all currency conversions free of charge, cost or expense at the relevant exchange rate (for the purposes of any calculations referred to above, (i) all percentages resulting from such calculations will be rounded to 5 decimal places (with 0.000005 being rounded up to 0.00001)) and (ii) any currency amounts used in or resulting from such calculations will be rounded in accordance with the relevant market practice).
- (h) Each determination made in accordance with this paragraph 1 shall (in the absence of bad faith, wilful misconduct, wilful default, negligence and manifest error) be final and binding on all persons.

## **2. Notification of Determinations**

- (a) The Cash Manager will cause each determination of Principal Receipts, Revenue Receipts, Cash Accumulation Ledger Amount, Losses (including any Funding 1 Loan Losses), Mortgages Trust Available Revenue Receipts, Mortgages Trust Available Principal Receipts, the Funding 1 Share, the Seller Share, the Funding 1 Share Percentage, the Seller Share Percentage, the Share Percentage of each Further Funding Company, each Further Funding Company's Share, the Weighted Average Funding 1 Share Percentage, the Weighted Average Seller Share Percentage and the

Minimum Seller Share to be notified forthwith in writing to the Mortgages Trustee, the Beneficiaries and (on request) the Funding 1 Security Trustee. The Cash Manager will cause each determination of the Outstanding Principal Amount in respect of an Intercompany Loan to be notified forthwith in writing to the relevant Agent Bank.

- (b) The Cash Manager will cause each determination of the deficit in Funding 1 Revenue Available Revenue Receipts (if any), the Shortfall (if any) under the Funding 1 Available Principal Receipts and Funding 1 Available Revenue Receipts to be notified forthwith in writing to Funding 1 and the Funding 1 Security Trustee.

### **3. Priority of Payments for Mortgages Trust Available Revenue Receipts**

The Cash Manager shall (unless the intended recipient of the relevant payment agrees otherwise) on each Distribution Date withdraw Cash from the Mortgages Trustee GIC Account and/or the Standby Mortgages Trustee Bank Account and/or, in the case of sums to be provided for, retain cash in the amounts required (to the extent that such withdrawal does not cause the Mortgages Trustee GIC Account and/or the Standby Mortgages Trustee Bank Account to become overdrawn or, if any amounts are retained by way of provision for the relevant liability and are thus not withdrawn, to the extent that withdrawal of those amounts that are withdrawn would not, if such retained amounts were also to be withdrawn, cause the balance on the Mortgages Trustee GIC Account and/or the Standby Mortgages Trustee Bank Account to become overdrawn). The aggregate amount of the withdrawal on each Distribution Date shall equal the Mortgages Trust Available Revenue Receipts. The withdrawal shall be used to make the payments and provisions in the order of priority set out in clause 13.2 (Allocation and Distribution of Mortgages Trust Available Revenue Receipts) of the Mortgages Trust Deed (in each case only if and to the extent that payments or provisions of a higher priority have been made in full).

### **4. Priority of Payments for Mortgages Trust Available Principal Receipts**

The Cash Manager shall (unless the intended recipient of the relevant payment agrees otherwise) on each Distribution Date, withdraw Cash from the Mortgages Trustee GIC Account and/or the Standby Mortgages Trustee Bank Account (to the extent only that such withdrawal does not cause the Mortgages Trustee GIC Account and/or the Standby Mortgages Trustee Bank Account to become overdrawn) in an aggregate amount equal to the Mortgages Trust Available Principal Receipts on each Distribution Date to make the payments in the order of priority set out in clause 14 (Allocation and Distribution of Principal Receipts) of the Mortgages Trust Deed.

### **5. Priority of Payments for Funding 1 Available Revenue Receipts**

Funding 1 Available Revenue Receipts will be applied by the Cash Manager on each Funding 1 Interest Payment Date prior to service of an Intercompany Loan Acceleration Notice on Funding 1 or until such time as there are no amounts outstanding under the Intercompany Loan Agreement or any New Intercompany Loan Agreement to which Funding 1 is a party, in making such payments and provisions in the order of priority set out in the Funding 1 Pre-Acceleration Revenue Priority of Payments (in each case only if and to the extent that payments or provisions of a higher priority have been made in full) as set out in Part 1 of Schedule 4 to the Funding 1 Deed of Charge.

## 6. Priority of Payments for Funding 1 Available Principal Receipts

Funding 1 Available Principal Receipts will be applied by the Cash Manager on each Funding 1 Interest Payment Date prior to service of an Intercompany Loan Acceleration Notice on Funding 1 or until such time as there are no amounts outstanding under the Intercompany Loan Agreement or any New Intercompany Loan Agreement to which Funding 1 is a party, in making such payments and provisions in the order of priority set out in the Funding 1 Pre-Acceleration Principal Priority of Payments (in each case only if and to the extent that payments or provisions of a higher priority have been made in full) set out in Part 2 of Schedule 4 to the Funding 1 Deed of Charge.

## 7. Other Payments

7.1 Each of the Beneficiaries and the Cash Manager agrees, and the Mortgages Trustee concurs, that (save as otherwise specified below) the following payments may be made from the Mortgages Trustee GIC Account and/or the Standby Mortgages Trustee Bank Account (to the extent that withdrawal of those amounts would not cause the balance of the Mortgages Trustee GIC Account and/or the Standby Mortgages Trustee Bank Account to become overdrawn) on any date:

- (i) if any amount has been received from a Borrower for the express purpose of payment being made to a third party for the provision of a service to either that Borrower or the Seller or the Mortgages Trustee, to pay such amount when due to such third party;
- (ii) to pay to any person (including the Cash Manager) any amounts due arising from any overpayment (but not an Overpayment) by any person or arising from any reimbursement by any person of any such overpayment (including, for the avoidance of doubt, where arising from the failure of a direct debit);
- (iii) to pay when due (but subject to any right to refuse or withhold payment or of set-off that has arisen by reason of the Borrower's breach of the terms of the relevant Mortgage or Loan) any amount payable to a Borrower under the terms of the Mortgage or the Loan to which that Borrower is a party and to pay when due any amount payable by the Mortgages Trustee to the Seller pursuant to Clauses 4.6, 4.7 and 5.2 of the Mortgage Sale Agreement;
- (iv) to pay to the Seller any amounts received and held by the Mortgages Trustee on trust for the Seller pursuant to Clause 5 of the Mortgage Sale Agreement;
- (v) to pay when due and payable any amounts due and payable by the Mortgages Trustee to third parties and incurred without breach by the Mortgages Trustee of the Mortgages Trust Deed and not provided for payment elsewhere in this paragraph 7;
- (vi) to refund any amounts due arising from the rejection of any payments in respect of a Loan and any other amounts which have not been received by the Mortgages Trustee as cleared funds; and
- (vii) to refund to the Seller any amounts which represent amounts received from Borrowers but which do not form part of the Mortgage Account balance or comprise unpaid interest as at the relevant date and which are amounts owed by such Borrowers in respect of the period prior to the date on which the Mortgage Loan (together with its Related Security) relating to such Mortgage Account was transferred to the Mortgages Trustee as and when identified by the Cash Manager and if a Borrower fails to pay the full amount that it owes, the Cash Manager shall be

obliged to refund to the Seller only such portion of the amount which relates to any period prior to such transfer.

## **8. Use of Ledgers**

The Cash Manager shall forthwith record monies received or payments made by it on behalf of the Mortgages Trustee or Funding 1 in the ledgers in the manner set out in this Agreement. If, at any time, the Cash Manager is in any doubt as to which ledger a particular amount should be credited or debited, it shall consult with the Mortgages Trustee, the Funding Companies and the Funding 1 Security Trustee thereon.

A debit -item shall only be made in respect of any of the Mortgages Trustee Ledgers and the Funding 1 Ledgers and the corresponding payment or transfer (if any) may only be made from the Mortgages Trustee GIC Account and/or the Standby Mortgages Trustee Bank Account, the Funding 1 GIC Account or the Funding 1 Transaction Account as the case may be, to the extent that such entry does not cause the relevant ledger to have a debit balance.

## **9. Revenue Ledger**

The Cash Manager shall ensure that:

- (a) the following amounts are credited to the Revenue Ledger:
  - (i) all Revenue Receipts; and
  - (ii) all interest received by the Mortgages Trustee on the Mortgages Trustee GIC Account; and
  - (iii) all amounts received by the Mortgages Trustee representing income on any of the Mortgages Trustee's Authorised Investments;
  - (iv) any amounts subsequently recovered from the Mortgages Trustee GIC Account (while such amounts are collateralised pursuant to Clause 4.12 (Collateral Posting) which were previously not capable of being withdrawn and ceased being Mortgages Trust Available Principal Receipts or Mortgages Trust Available Revenue Receipts; and
- (b) any payment or provision made under paragraph 3 above (Priority of Payments for Mortgages Trust Available Revenue Receipts) above shall be debited to the Revenue Ledger, and
- (c) any revenue amounts or amounts of interest accrued in respect of amounts which cannot be withdrawn from the Mortgages Trustee GIC Account while such amounts are collateralised pursuant to clause 4.12 (Collateral Posting) of the Cash Management Agreement (including, without limitation, in the event of a moratorium on insolvency, bank insolvency, administration or bank administration of the Mortgages Trustee Account Bank or it being unable to pay these amounts) shall cease to constitute Mortgages Trust Available Revenue Receipts and shall be debited to the Revenue Ledger.

## **10. Principal Ledger**

The Cash Manager shall ensure that:

- (a) all Principal Receipts are credited to the Principal Ledger; and
- (b) any payment or provision made under paragraph 4 )Priority of Payments for Mortgages Trust Available Principal Receipts) above are debited to the Principal Ledger; and
- (c) any principal amounts which cannot be withdrawn from the Mortgages Trustee GIC Account while such amounts are collateralised pursuant to clause 4.12 (Collateral Posting) of the Cash Management Agreement (including, without limitation, in the event of a moratorium on insolvency, bank insolvency, administration or bank administration of the Mortgages Trustee Account Bank or Santander UK being unable to pay these amounts) cease to constitute Mortgages Trust Available Principal Receipts and are debited to the Principal Ledger.

#### **11. Losses Ledger**

The Cash Manager shall ensure that all Losses (including any Funding 1 Loan Losses) are recorded in the Losses Ledger.

#### **12. Contributions Ledger**

The Cash Manager shall ensure that any Contribution made by a Beneficiary to the Mortgages Trustee pursuant to the Mortgages Trust Deed and the application thereof by the Mortgages Trustee in accordance with the Mortgages Trust Deed, is recorded on the Contributions Ledger.

#### **13. Funding 1 Share Ledger and the Seller Share Ledger**

The Cash Manager shall ensure that:

- (a) the current Funding 1 Share, the current Funding 1 Share Percentage, the current Seller Share and the current Seller Share Percentage; and
- (b) the Weighted Average Funding 1 Share Percentage and the Weighted Average Seller Share Percentage, as recalculated on each Trust Calculation Date and each Interim Trust Calculation Date in respect of Revenue Receipts, Principal Receipts and Losses (including any Funding 1 Loan Losses),

are recorded in the Funding 1 Share Ledger and the Seller Share Ledger on each Trust Calculation Date and each Interim Trust Calculation Date in accordance with the Mortgages Trust Deed.

#### **14. Funding 1 Revenue Ledger**

The Cash Manager shall ensure that:

- (a) the following amounts are credited to the Funding 1 Revenue Ledger:
  - (i) all Funding 1 Revenue Receipts;
  - (ii) all interest received by Funding 1 in respect of the Funding 1 Bank Accounts;
  - (iii) all amounts received by Funding 1 representing income on any of Funding 1's Authorised Investments;

- (iv) all amounts (other than any early termination payment which is to be used to acquire, if necessary, a new swap) received by Funding 1 under the Funding 1 Swap Agreement; and
- (b) any payment or provision made under paragraph 5 (Priority of Payments for Funding 1 Available Revenue Receipts) above is debited to the Funding 1 Revenue Ledger.

**15. Funding 1 Principal Ledger**

The Cash Manager shall ensure that:

- (a) all Funding 1 Principal Receipts are credited to the Funding 1 Principal Ledger; and
- (b) the aggregate amount credited to a Funding 1 Issuer Reserve Fund or (if established) a Funding 1 Issuer Liquidity Reserve and of principal repaid on an Intercompany Loan Agreement pursuant to paragraph 6 (Priority of Payments for Funding 1 Available Principal Receipts) above is debited to the Funding 1 Principal Ledger.

**16. Funding 1 Reserve Ledger**

- (a) A tranche (if any) drawn down on a Closing Date by Funding 1 pursuant to the Funding 1 Start-Up Loan Agreement or any New Funding 1 Start-Up Loan Agreement for the purposes of funding the Funding 1 Reserve Fund (or any other similar reserve fund) will be credited to the Funding 1 Reserve Ledger.
- (b) Amounts shall be credited to the Funding 1 Reserve Ledger in accordance with the relevant Funding 1 Priority of Payments.
- (c) Amounts shall be debited to the Funding 1 Reserve Ledger on each Funding 1 Payment Date in order to be applied in accordance with the order of priority of payments set out in Schedule 4 to the Funding 1 Deed of Charge.

**17. Intercompany Loan Ledger**

The Cash Manager shall ensure that all payments of interest and repayments of principal on each of the Loan Tranches are recorded in the Intercompany Loan Ledger.

**18. Cash Accumulation Ledger**

The Cash Manager shall ensure that all Funding 1 Principal Receipts reserved by Funding 1 to pay the relevant Bullet Loan Tranches and the Scheduled Amortisation Instalments are recorded on the Cash Accumulation Ledger.

**19. Notification of Notional Amount of the Funding 1 Swap**

The Cash Manager shall notify the Funding 1 Swap Provider of the Notional Amount of the Funding 1 Swap in respect of a Trust Calculation Period no later than the immediately following Trust Calculation Date.

**20. Notification of Notional Amount of the Funding 1 Swap**

The Cash Manager shall, on the Business Day prior to each Funding 1 Swap Interest Payment Date, notify Funding 1 and the Funding 1 Swap Provider of the aggregate of the amounts required to be paid on the next Funding 1 Interest Payment Date pursuant to items (a) to (c) (both inclusive) of the Funding 1 Pre-Acceleration Revenue Priority of Payments.

**21. Funding 1 Loan Principal Deficiency Ledger**

- (a) The Cash Manager shall record as a debit in the Funding 1 Loan Principal Deficiency Ledger the amounts of any principal deficiencies in respect of the Funding 1 Loan arising from the Funding 1 Loan Proportion of the Losses (including any Funding 1 Loan Losses).
- (b) The Cash Manager shall ensure that any amounts applied to cure any deficiency recorded on the Funding 1 Loan Principal Deficiency Ledger in accordance with the Funding 1 Priority of Payments are credited to the Funding 1 Loan Principal Deficiency Ledger.

**22. Mortgages Trustee Designated Mortgages Amount Ledger**

Pursuant to Clause 4.12 (Collateral Posting), the Cash Manager shall record in the Mortgages Trustee Designated Mortgages Amount Ledger each credit and debit to the Mortgages Trustee GIC Account which is designated as a Mortgages Trustee Designated Mortgages Amount.

**23. Extraordinary Payment Holiday Start-up Loan Ledger**

The Cash Manager shall establish and maintain the Extraordinary Payment Holiday Start-up Loan Ledger to record each advance under, and all payments of interest and repayments of principal in respect of, the Extraordinary Payment Holiday Start-up Loan.

The Cash Manager may be required to provide similar cash management services as set out in this Schedule to Further Funding Companies as and when such Further Funding Companies raise debt.



**SCHEDULE 3**

**QUARTERLY REPORTS**

**PART 1**

**FORM OF MORTGAGES TRUSTEE QUARTERLY REPORT  
Langton Mortgages Trustee (UK) Limited Investor's Report – [●]**

**MAIN PARTIES TO THE STRUCTURE**

<b>Santander UK plc</b>	<b>Langton Securities (2008-1) plc</b>	<b>Langton Securities (2010-1) plc</b>	<b>Citibank, N.A.</b>	<b>Citicorp Trustee Company Limited</b>	<b>Intertrust Management Limited</b>	<b>Langton Mortgages Trustee (UK) Limited</b>	<b>Langton Funding (No.1) Limited</b>
Seller	Issuer	Issuer	Agent Bank	Note Trustee	Issuer Corporate Services Provider	Mortgages Trustee	Funding 1
Servicer			Principal Paying Agent	Issuer Security Trustee	Funding 1 Corporate Services Provider		
Issuer Cash Manager			Registrar	Funding 1 Security Trustee	Mortgages Trustee Corporate Services Provider		
Funding 1 Swap Provider							
Issuer Account Bank							
Secretarial Services Provider							
Cash Manager							
Funding 1 Account Bank							
Mortgages Trustee Account Bank							

**COLLATERAL REPORT**

<b>Mortgage Loan Profile</b>	
Original number of Mortgage Loans in Pool	
Original current value of Mortgage Loans in Pool	
Current number of Mortgage Loans in Pool	
Current value of Mortgage Loans in Pool	
Current number of Mortgage Loan product holdings in Pool (A Mortgage Loan may have more than one active loan product)	
Weighted Average Seasoning (Months)	
Weighted Average Remaining Term (Months)	
Average Loan Size	
Weighted Average unindexed LTV at last valuation (by value)	

<b>Mortgage Trust Assets</b>	
Current value of Mortgage Loans in Pool	
Last months Closing Trust Assets at [●]	
Principal Ledger as calculated on [●]	
Funding Share as calculated on [●]	
Funding Share % as calculated on [●]	
Seller Share as calculated on [●]	
Seller Share % as calculated on [●]	
Minimum Seller Share (Amount)	
Minimum Seller Share (% of Total)	
Drawing under Funding 1 Loan on [●]	

<b>Arrears Analysis of Non Repossessed Mortgage Loans</b>	<b>Number</b>	<b>Current balance £</b>	<b>Arrears £</b>	<b>By Number %</b>	<b>By current balance</b>
Less than 1 month in arrears				%	%
1<=3 months in arrears				%	%
>3<=6 months in arrears				%	%
>6<=9 months in arrears				%	%
>9<=12 months in arrears				%	%
More than 12 months in arrears				%	%
Total				%	%

Arrears are calculated in accordance with standard market practice in the UK. A mortgage is identified as being in arrears when, on any due date, the overdue amounts which were due on previous dates equal one or more full monthly payments and the total of arrears across all sub-accounts exceeds £150.

<b>Properties in Possession</b>	<b>Number</b>	<b>Current balance £</b>	<b>Arrears £</b>	<b>Loss Amount £</b>
Total Properties in Possession Since Inception				
Current Number Brought Forward				
Reposessed (In Month)				
Sold (In Month)				
Current Number Carried Forward				
Total Properties Sold Since Inception				
Sale price / Last loan valuation				
Average Time from Possession to Sale				
Average Arrears at Sale				
Average Loss On Sale Of Properties To Date				
Total Principal Loss (since inception)				
Total Principal Loss (current month)				
Accounts experiencing a loss since inception				

<b>Substitution, redemptions and repurchases</b>	<b>Number of accounts this period</b>	<b>Current balance this period £</b>
Substitution & Top up		
Redeemed this period*		
Repurchases this period		

<b>CPR Analysis</b>	<b>1 Month CPR %</b>	<b>12 Month CPR %</b>
Current month	%	%
Previous month	%	%

<b>Product Breakdown (By Balance)</b>	<b>No of product holdings</b>	<b>% by number</b>	<b>Current balance £</b>	<b>% by balance</b>
Bank of England Base Rate Tracker Loans		%		%
Fixed Rate Loans		%		%
Discounted SVR Loans		%		%
Standard Variable Rate Loans		%		%
Total		%		%

<b>Standard Variable Rate</b>	
Existing Borrowers SVR	%
Effective Date of Change	
Previous Existing Borrower SVR	%
Effective Date of Change	

<b>Payment Type (By Balance)</b>	<b>No of product holdings</b>	<b>% by number</b>	<b>Current balance £</b>	<b>% by balance</b>
Repayment		%		%
Interest only and Combined repayment & int-only		%		%
Total		%		%

<b>Use of Proceeds (By Balance)</b>	<b>No of product holdings</b>	<b>% by number</b>	<b>Current balance £</b>	<b>% by balance</b>
House Purchase		%		%
Remortgage		%		%
Other		%		%
Total		%		%

<b>Analysis of Mortgage loan size at reporting date £</b>	<b>Number of accounts</b>	<b>% of Total</b>	<b>Current balance £</b>	<b>% of Total</b>
>0 =<50,000		%		%
>50,000 =<100,000		%		%
>100,000 =<150,000		%		%
>150,000 =<200,000		%		%
>200,000 =<250,000		%		%
>250,000 =<300,000		%		%
>300,000 =<350,000		%		%
>350,000 =<400,000		%		%
>400,000 =<450,000		%		%
>450,000 =<500,000		%		%
>500,000 =<550,000		%		%
>550,000 =<600,000		%		%
>600,000 =<650,000		%		%
>650,000 =<700,000		%		%
>700,000 =<750,000		%		%
>750,000 =<800,000		%		%
Total		%		%

<b>Geographical Analysis By Region</b>	<b>Number of accounts</b>	<b>% of Total</b>	<b>Current balance £</b>	<b>% of Total</b>
East Anglia		%		%
East Midlands		%		%
Greater London		%		%
Northern England		%		%
North West		%		%
South East		%		%
South West		%		%
West Midlands		%		%
Yorkshire & Humberside		%		%
Scotland		%		%
Wales		%		%
Northern Ireland		%		%
<b>Total</b>		%		%

<b>Loan to Value at Last Valuation</b> using current capital balance and unindexed latest valuation	<b>Number of accounts</b>	<b>% of Total</b>	<b>Current balance £</b>	<b>% of Total</b>
>0% =<25%		%		%
>25% =<50%		%		%
>50% =<75%		%		%
>75% =<80%		%		%
>80% =<85%		%		%
>85% =<90%		%		%
>90% =<95%		%		%
>95% =<100%		%		%
>100% =<110%		%		%
<b>Total</b>		%		%

<b>Indexed current Loan to Value</b> using current capital balance and HPI Indexed latest valuation	<b>Number of accounts</b>	<b>% of Total</b>	<b>Current balance £</b>	<b>% of Total</b>
>0% =<25%		%		%
>25% =<50%		%		%
>50% =<75%		%		%
>75% =<80%		%		%
>80% =<85%		%		%
>85% =<90%		%		%
>90% =<95%		%		%
>95% =<100%		%		%
>100% =<110%		%		%
<b>Total</b>		%		%

**LOAN NOTE REPORT**

Closing date [●] 2008  
 Report date [●]

2008	ISIN	Ratings~ Moody's/Fitch/	Currency	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a.%	Current interest rate p.a.%	Next coupon date	Interest next coupon	Step up Date	Legal Maturity
A1			EUR				EURIBOR						
A2			EUR				EURIBOR						
B			GBP				LIBOR						
Z		N/A	GBP				LIBOR						

Closing date 25/01/2008

Credit Enhancement	Total £/€	% of Total	Current note subordination	Subordination +Reserve Fund	% Required
Class A1 Notes	€	%	%	%	%
Class A2 Notes	€	%	%	%	%
Class B Notes	£	%	%	%	%

Interest shortfall in period (Rated Notes)	£0
Cumulative interest shortfall (Rated Notes)	£0
Principal shortfall in period	£0
Cumulative principal shortfall	£0
Cumulative net loss	£0
Excess principal paid in current period	£0

Issuer Reserve Fund				
Balance Brought Forward	£			
Drawings (Quarterly)	£			
Top Up (Quarterly)	£			
Balance Carried Forward	£			

Funding Reserve Fund				
Balance Brought Forward	£			
Drawings (Quarterly)	£			
Top Up (Quarterly)	£			
Balance Carried Forward	£			

Excess Spread	
Excess Spread This Month Annualised	%
Excess Spread Rolling 12 Month Average	%

## PART 2

## FORM OF FUNDING 1 QUARTERLY REPORT

## Langton Funding (No. 1) Limited Investor's Report – [●]

## MAIN PARTIES TO THE STRUCTURE

Santander UK plc	Langton Securities (2008-1) plc	Langton Securities (2010-1) plc	Citibank, N.A.	Citicorp Trustee Company Limited	Intertrust Management Limited	Langton Mortgages Trustee (UK) Limited	Langton Funding (No.1) Limited			
Seller	Issuer	Issuer	Agent Bank Principal Paying Agent Registrar	Note Trustee Issuer Security Trustee Funding 1 Security Trustee	Issuer Corporate Services Provider Funding 1 Corporate Services Provider Mortgages Trustee Corporate Services Provider	Mortgages Trustee	Funding 1			
Servicer										
Issuer										
Cash Manager										
Funding 1 Swap Provider										
Issuer Account Bank										
Secretarial Services Provider										
Cash Manager										
Funding 1 Account Bank										
Mortgages Trustee Account Bank										

**COLLATERAL REPORT**

<b>Mortgage Loan Profile</b>	
Original number of Mortgage Loans in Pool	
Original current value of Mortgage Loans in Pool	
Current number of Mortgage Loans in Pool	
Current value of Mortgage Loans in Pool	
Current number of Mortgage Loan product holdings in Pool (A Mortgage Loan may have more than one active loan product)	
Weighted Average Seasoning (Months)	
Weighted Average Remaining Term (Months)	
Average Loan Size	
Weighted Average unindexed LTV at last valuation (by value)	
<b>Mortgage Trust Assets</b>	
Current value of Mortgage Loans in Pool	
Last months Closing Trust Assets at [●]	
Principal Ledger as calculated on [●]	
Funding Share as calculated on [●]	
Funding Share % as calculated on [●]	
Seller Share as calculated on [●]	
Seller Share % as calculated on [●]	
Minimum Seller Share (Amount)	
Minimum Seller Share (% of Total)	
Drawing under Funding 1 Loan on [●]	

<b>Arrears Analysis of Non Repossessed Mortgage Loans</b>	<b>Number</b>	<b>Current balance £</b>	<b>Arrears £</b>	<b>By Number %</b>	<b>By current balance</b>
Less than 1 month in arrears				%	%
1<=3 months in arrears				%	%
>3<=6 months in arrears				%	%
>6<=9 months in arrears				%	%
>9<=12 months in arrears				%	%
More than 12 months in arrears				%	%
<b>Total</b>				%	%

Arrears are calculated in accordance with standard market practice in the UK. A mortgage is identified as being in arrears when, on any due date, the overdue amounts which were due on previous dates equal one or more full monthly payments and the total of arrears across all sub-accounts exceeds £150.



<b>Properties in Possession</b>	<b>Number</b>	<b>Current balance £</b>	<b>Arrears £</b>	<b>Loss Amount £</b>
Total Properties in Possession Since Inception				
Current Number Brought Forward				
Repossessed (In Month)				
Sold (In Month)				
Current Number Carried Forward				
Total Properties Sold Since Inception				
Sale price / Last loan valuation				
Average Time from Possession to Sale				
Average Arrears at Sale				
Average Loss On Sale Of Properties To Date				
Total Principal Loss (since inception)				
Total Principal Loss (current month)				
Accounts experiencing a loss since inception				

<b>Substitution, redemptions and repurchases</b>	<b>Number of accounts this period</b>	<b>Current balance this period £</b>
Substitution & Top up Redeemed this period* Repurchases this period		

<b>CPR Analysis</b>	<b>1 Month CPR %</b>	<b>12 Month CPR %</b>
Current month	%	%
Previous month	%	%

<b>Product Breakdown (By Balance)</b>	<b>No of product holdings</b>	<b>% by number</b>	<b>Current balance £</b>	<b>% by balance</b>
Bank of England Base Rate Tracker Loans		%		%
Fixed Rate Loans		%		%
Discounted SVR Loans		%		%
Standard Variable Rate Loans		%		%
Total		%		%

<b>Standard Variable Rate</b>	
Existing Borrowers SVR	%
Effective Date of Change	
Previous Existing Borrower SVR	%
Effective Date of Change	

<b>Payment Type (By Balance)</b>	<b>No of product holdings</b>	<b>% by number</b>	<b>Current balance £</b>	<b>% by balance</b>
Repayment		%		%
Interest only and Combined repayment & int-only		%		%
Total		%		%

<b>Use of Proceeds (By Balance)</b>	<b>No of product holdings</b>	<b>% by number</b>	<b>Current balance £</b>	<b>% by balance</b>
House Purchase		%		%
Remortgage		%		%
Other		%		%
Total		%		%

<b>Analysis of Mortgage loan size at reporting date £</b>	<b>Number of accounts</b>	<b>% of Total</b>	<b>Current balance £</b>	<b>% of Total</b>
>0 =<50,000		%		%
>50,000 =<100,000		%		%
>100,000 =<150,000		%		%
>150,000 =<200,000		%		%
>200,000 =<250,000		%		%
>250,000 =<300,000		%		%
>300,000 =<350,000		%		%
>350,000 =<400,000		%		%
>400,000 =<450,000		%		%
>450,000 =<500,000		%		%
>500,000 =<550,000		%		%
>550,000 =<600,000		%		%
>600,000 =<650,000		%		%
>650,000 =<700,000		%		%
>700,000 =<750,000		%		%
>750,000 =<800,000		%		%
Total		%		%

<b>Geographical Analysis By Region</b>	<b>Number of accounts</b>	<b>% of Total</b>	<b>Current balance £</b>	<b>% of Total</b>
East Anglia		%		%
East Midlands		%		%
Greater London		%		%
Northern England		%		%
North West		%		%
South East		%		%
South West		%		%
West Midlands		%		%
Yorkshire & Humberside		%		%
Scotland		%		%
Wales		%		%
Northern Ireland		%		%
<b>Total</b>		%		%

<b>Loan to Value at Last Valuation</b> using current capital balance and unindexed latest valuation	<b>Number of accounts</b>	<b>% of Total</b>	<b>Current balance £</b>	<b>% of Total</b>
>0% =<25%		%		%
>25% =<50%		%		%
>50% =<75%		%		%
>75% =<80%		%		%
>80% =<85%		%		%
>85% =<90%		%		%
>90% =<95%		%		%
>95% =<100%		%		%
>100% =<110%		%		%
<b>Total</b>		%		%

<b>Indexed current Loan to Value</b> using current capital balance and HPI Indexed latest valuation	<b>Number of accounts</b>	<b>% of Total</b>	<b>Current balance £</b>	<b>% of Total</b>
>0% =<25%		%		%
>25% =<50%		%		%
>50% =<75%		%		%
>75% =<80%		%		%
>80% =<85%		%		%
>85% =<90%		%		%
>90% =<95%		%		%
>95% =<100%		%		%
>100% =<110%		%		%
<b>Total</b>		%		%

**LOAN NOTE REPORT**

Closing date 25 January 2008  
 Report date [●]

2008	ISIN	Ratings~ Moody's/Fitch	Currency	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a.%	Current interest rate p.a.%	Next coupon date	Interest next coupon	Step up Date	Legal Maturity
A1			EUR				EURIBOR						
A2			EUR				EURIBOR						
B			GBP				LIBOR						
Z		N/A	GBP				LIBOR						

Closing date 25/01/2008

Credit Enhancement	Total £/€	% of Total	Current note subordination	Subordination +Reserve Fund	% Required
Class A1 Notes	€	%	%	%	%
Class A2 Notes	€	%	%	%	%
Class B Notes	£	%	%	%	%

Interest shortfall in period (Rated Notes)	£0
Cumulative interest shortfall (Rated Notes)	£0
Principal shortfall in period	£0
Cumulative principal shortfall	£0
Cumulative net loss	£0
Excess principal paid in current period	£0

Issuer Reserve Fund				
Balance Brought Forward	£			
Drawings (Quarterly)	£			
Top Up (Quarterly)	£			
Balance Carried Forward	£			

Funding Reserve Fund				
Balance Brought Forward	£			
Drawings (Quarterly)	£			
Top Up (Quarterly)	£			
Balance Carried Forward	£			

Excess Spread	
Excess Spread This Month Annualised	%
Excess Spread Rolling 12 Month Average	%

## SCHEDULE 4

### COLLATERALISED MORTGAGES TRUSTEE GIC ACCOUNT

- (a) As at the date of this Agreement, Santander UK plc is the Mortgages Trustee Account Bank and the Mortgages Trustee maintains the Mortgages Trustee GIC Account with it.
- (b) If Santander UK plc is downgraded so that it ceases to have: (i) a short term bank deposit rating assigned to it by Moody's of no less than P-1, or (ii) a short term bank deposit rating of no less than P-2 and has not appointed a Standby Mortgages Trustee Account Bank, or (iii) either a short-term or a long-term issuer default ratings assigned to it by Fitch of F1 or A, respectively, then monies held by the Mortgages Trustee in the Mortgages Trustee GIC Account at Santander UK plc are required to be moved to another bank unless either:
- (i) (x) the Mortgages Trustee Account Bank has obtained a guarantee of its obligations under the Mortgages Trustee Bank Account Agreement and each Rating Agency has confirmed that its then current rating of the Rated Notes would not be downgraded, withdrawn or qualified pursuant to Clause 8.1(b)(i)(B) (Termination) of the Mortgages Trustee Bank Account Agreement, or (y) a waiver has been provided by each Rating Agency pursuant to Clause 8.1(b)(i)(C) (Termination) of the Mortgages Trustee Bank Account Agreement but has been assigned a long-term issuer default rating of at least BBB- by Fitch; or
- (ii) (x) it has a long-term issuer default rating of not less than BBB- by Fitch, and (y) it provides appropriate collateral in the manner described below.
- (c) In the circumstances described in (b) above, Santander UK plc can effectively collateralise the Mortgages Trustee GIC Account by providing the Funding 1 Loan to Funding 1. Funding 1 is required to make a Contribution to the Mortgages Trustee and the Mortgages Trustee will distribute such amounts to Santander UK as Seller. The effect of Funding 1 making its Contribution to the Mortgage Trustee will be that the Funding 1 Share in the Mortgages Trust will increase by a corresponding amount and the Seller Share will decrease by an equivalent amount.
- (d) In the event that the Mortgages Trustee has deposited amounts in the Mortgages Trustee GIC Account which cannot be withdrawn (for example following an Insolvency Event in respect of Santander UK), then Funding 1 will suffer a loss. However, any loss suffered by Funding 1 will be offset by a corresponding reduction of the amounts that Funding 1 will be required to repay in respect of the Funding 1 Loan. The effect of this arrangement is therefore to ensure that Funding 1 will continue to receive the same amounts from the Mortgages Trust, whether or not monies can be recovered from the Mortgages Trustee GIC Account.
- (e) If losses are suffered in respect of the Portfolio these will be allocated by the Mortgages Trustee, under the terms of the Mortgages Trust Deed, to Funding 1 and the Seller. Losses suffered by Funding 1 will be recorded by the Cash Manager on the Funding 1 Loan Principal Deficiency Ledger.
- (f) Santander UK may from time to time specify a maximum amount that can be placed in the Mortgages Trustee GIC Account whilst it is collateralised (such maximum amount being the Mortgages Trustee Designated Mortgages Amount Limit). In determining the Mortgages Trustee Designated Mortgages Amount Limit, Santander UK may have regard to the maximum collections expected to be received over time, or such other lower amounts that may be applied to such account or any other Mortgages Trustee GIC Account.

- (g) It is a condition that the Mortgages Trustee Designated Mortgages Amount Limit, is the amount of the Funding 1 Loan less any losses recorded on the Funding 1 Loan Principal Deficiency Ledger. This will then determine how much must be lent under the Funding 1 Loan.
- (h) The Mortgages Trustee Designated Mortgages Amount Limit can be increased from time to time, requiring additional amounts to be advanced under the Funding 1 Loan if monies are to be deposited in the Mortgages Trustee GIC Account up to the new Mortgages Trustee Designated Mortgages Amount Limit.
- (i) The Mortgages Trustee Designated Mortgages Amount Limit can be decreased from time to time. In the event that Mortgages Trustee Designated Mortgages Amount Limit is decreased, any amounts standing to the credit in the Mortgages Trustee GIC Account in excess of the Mortgages Trustee Designated Mortgages Amount Limit are required to be transferred to a Standby GIC Account maintained by the Mortgages Trustee. Additionally, the Funding 1 Loan will be repayable by the amount of the reduction. Payments in respect of the Funding 1 Loan are subordinated in the Funding 1 Priority of Payments.
- (j) Santander UK may make a Refinancing Contribution under the Mortgages Trust Deed for the specific purpose of repaying the Funding 1 Loan.

**SIGNATORIES**

**Cash Manager and Seller**

SIGNED for and on behalf of  
**SANTANDER UK PLC**  
by its duly authorised attorney

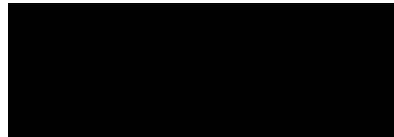
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**Mortgages Trustee**

SIGNED for and on behalf of  
**LANGTON MORTGAGES TRUSTEE (UK)  
LIMITED**  
*per pro* Intertrust Directors 1 Limited, as Director

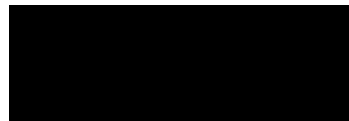
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**Funding 1**

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

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)



**Funding 1 Security Trustee**

SIGNED for and on behalf of  
**CITICORP TRUSTEE COMPANY LIMITED**  
by its duly authorised attorney

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)

**SIGNATORIES**

**Cash Manager and Seller**

SIGNED for and on behalf of )  
**SANTANDER UK PLC** )  
by its duly authorised attorney )

**Mortgages Trustee**

SIGNED for and on behalf of )  
**LANGTON MORTGAGES TRUSTEE (UK)** )  
**LIMITED** )  
*per pro* Intertrust Directors 1 Limited, as Director )  
)  
)

**Funding 1**

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

**Funding 1 Security Trustee**

SIGNED for and on behalf of )  
**CITICORP TRUSTEE COMPANY LIMITED** )  
)  
by its duly authorised attorney )

