EALBROOK MORTGAGE FUNDING 2025-1 PLC

(Incorporated in England and Wales with limited liability, registered number 16673338)

Class	Initial Principal Amount	Issue Price	Reference Rate / Fixed Rate	Margin (payable up to the Optional Redemption Date) / fixed rate of interest	Step-Up Margin (payable on and after the Optional Redemption Date)	Expected Ratings (Moody's/Fitch)	Final Maturity Date
Class A Notes	£292,909,000	100.0000 per cent	Compounded Daily SONIA	0.86 per cent. per annum	1.29 per cent. per annum	Aaa(sf)/AAA(sf)	The Interest Payment Date falling in September 2067
Class B Notes	£13,831,000	99.2698 per cent	Compounded Daily SONIA	1.10 per cent. per annum	1.65 per cent. per annum	Aa3(sf)/AA-(sf)	The Interest Payment Date falling in September 2067
Class C Notes	£7,323,000	98.9136 per cent	Compounded Daily SONIA	1.40 per cent. per annum	2.10 per cent. per annum	A3(sf)/A(sf)	The Interest Payment Date falling in September 2067
Class D Notes	£5,696,000	98.7403 per cent	Compounded Daily SONIA	1.65 per cent. per annum	2.48 per cent. per annum	Baa3(sf)/BBB+(sf)	The Interest Payment Date falling in September 2067
Class E Notes	£5,696,000	96.4391 per cent	Compounded Daily SONIA	2.48 per cent. per annum	3.48 per cent. per annum	Ba2(sf)/BB+(sf)	The Interest Payment Date falling in September 2067
Class X Notes	£6,509,000	93.2700 per cent	Fixed Rate	0.00 per cent. per annum	N/A	B1(sf)/BB+(sf)	The Interest Payment Date falling in September 2067
RC1 Certificates	N/A	N/A	N/A	N/A	N/A	N/A	N/A
RC2 Certificates	N/A	N/A	N/A	N/A	N/A	N/A	N/A

The Optional Redemption Date is the Interest Payment Date falling in December 2029.

The date of this Prospectus is 3 December 2025.

ARRANGER AND LEAD MANAGER

Lloyds Bank Corporate Markets plc

Issue Date	The Issuer will issue the Notes in the classes set out above and the RC1 Certificates and the RC2 Certificates (together, the "**Certificates**") on or about 4 December 2025 (the "**Closing Date**").
Standalone/ Programme issuance	Standalone issuance.
Listing	This Prospectus comprises a prospectus for the purposes of the EU Prospectus Regulation. This Prospectus has been approved by the Central Bank as the competent authority under the EU Prospectus Regulation. The Central Bank only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes. Such approval relates to the Notes which are to be admitted to trading on a regulated market for the purposes of EU MiFID II and/or which are to be offered to the public in any member state of the European Economic Area. Application has been made to Euronext Dublin for the Notes to be admitted to the Official List and in respect of the Notes trading on the Regulated Market. Euronext Dublin's Regulated Market is a regulated market for the purposes of EU MiFID II. The Issuer intends that this Prospectus constitutes a transaction summary overview of the main features of the transaction contemplated herein for the purposes of SECN 6.2.1R(3) and Article 7(1)(c) of Chapter 2 of the PRA Securitisation Rules.
Underlying Assets	The Issuer will make payments (i) on the Notes from *inter alia*, payments of principal and interest and (ii) on the Certificates from *inter alia* payments of RC1 Payment Amounts and RC2 Payment Amounts, in each case received from a portfolio comprising residential mortgage loans and their related security originated by Bluestone to borrowers secured on Properties in England, Wales and Scotland, the beneficial title in such mortgage loans having been sold by Bluestone to the Seller prior to the Closing Date and such beneficial title to be acquired by the Issuer from the Seller on the Closing Date. See the sections entitled "*Description of the Portfolio and Servicing*", "*The Loans*" and "*Characteristics of the Provisional Portfolio*" for further details.
Credit Enhancement	Credit enhancement of the Notes is provided in the following manner: • in relation to any Class of Notes, the relevant overcollateralisation funded by Notes ranking junior to such Class of Notes in the Priority of Payments; • the amount by which Available Revenue Receipts exceed the amounts required to pay interest on the relevant Class of Notes in accordance with the Pre-Enforcement Revenue Priority of Payments and all other amounts ranking in priority thereto;

- in relation to the Collateralised Notes, all amounts credited to the General Reserve Fund Ledger, subject to application in accordance with the Pre-Enforcement Revenue Priority of Payments;

- following delivery of an Enforcement Notice, in respect of all Notes all amounts credited to the Class A and Class B Liquidity Reserve Fund Ledger, subject to application in accordance with the Post-Enforcement Priority of Payments; and

- Class A and Class B Liquidity Reserve Fund Excess Amount and the General Reserve Fund Excess Amount will be applied as Available Redemption Receipts.

See the sections entitled "*Description of the Credit Structure and Cashflow*" and "*Credit Structure*" for further details. In relation to the General Reserve Fund Excess Amount, see the section entitled "*Credit Structure – General Reserve Fund and General Reserve Fund Ledger*" for further details.

Liquidity Support

Liquidity support for the Notes is provided in the following manner:

- the subordination in payment of those Classes of Notes ranking junior in the relevant Priority of Payments;

- in respect of the Collateralised Notes only, the Principal Addition Amounts (subject to the limitations set out in the definition of Senior Expenses Deficit);

- in respect of the Class A Notes and the Class B Notes only, all amounts standing to the credit of the Class A and Class B Liquidity Reserve Fund (subject to the limitations set out in the definition of Class A and Class B Liquidity Deficit); and

- in respect of the Collateralised Notes only, all amounts standing to the credit of the General Reserve Fund (subject to the limitations set out in the definition of Revenue Deficit).

See the sections entitled "*Description of the Credit Structure and Cashflow*" and "*Credit Structure*" for further details. In relation to the General Reserve Fund, see the section entitled "*Credit Structure – General Reserve Fund and General Reserve Fund Ledger*" for further details. In relation to the Class A and Class B Liquidity Reserve Fund, see the section entitled "*Credit Structure – Class A and Class B Liquidity Reserve Fund and Class A and Class B Liquidity Reserve Fund Ledger*".

Redemption and Cancellation Provisions

Information on any mandatory redemption of the Notes is summarised on pages 66 to 68 ("*Summary of the Terms and Conditions of the Notes and the Certificates*") and set out in full in Condition 8 (*Redemption*) and Certificate Condition 6 (*Residual Payments*).

Certificates

In addition to the Notes, the Issuer will issue the Certificates on the Closing Date. The Certificates represent the right to receive deferred consideration for the purchase of the Portfolio (consisting of the RC1 Payments and the RC2 Payments). See

the section entitled "*Terms and Conditions of the Certificates*" for further details.

As of the date of this Prospectus, the Certificates will be cleared but will not be listed and will not be admitted to trading on any stock exchange.

Credit Rating Agencies

Moody's and Fitch (each a "**Rating Agency** and together, the "**Rating Agencies**").

As of the date of this prospectus (the "**Prospectus**"), Moody's is established in the UK and is registered under the UK CRA Regulation. As such Moody's is included in the list of credit rating agencies published by the FCA on its website, http://www.fca.org.uk, in accordance with the UK CRA Regulation. Moody's is not established in the EEA and has not applied for registration under the EU CRA Regulation. Moody's Deutschland GmbH currently endorses credit ratings issued by Moody's for regulatory purposes in the EEA in accordance with the EU CRA Regulation. Moody's Deutschland GmbH is established in Germany and has been registered under the EU CRA Regulation and is included in the list of credit rating agencies published by ESMA on its website (https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the EU CRA Regulation. There can be no assurance that Moody's Deutschland GmbH will continue to endorse credit ratings issued by Moody's.

Fitch is established in the UK, registered under the UK CRA Regulation and included on the list of registered and certified credit rating agencies that is maintained by the FCA. As such Fitch is included in the list of credit rating agencies published by the FCA on its website, http://www.fca.org.uk, in accordance with the UK CRA Regulation. The ratings Fitch has assigned to the Rated Notes are endorsed by Fitch Ratings Ireland Limited, which is established in the European Union. Fitch Ratings Ireland Limited is established in Ireland and has been registered under the EU CRA Regulation and is included in the list of credit rating agencies published by ESMA on its website (https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the EU CRA Regulation.

Credit Ratings

The ratings assigned to the Rated Notes by Moody's address, *inter alia* (a) the likelihood of full and timely payment to the holders of all classes of Notes of all payments of interest on each Interest Payment Date, and (b) the ultimate payments to the Noteholders of principal in relation to all classes of Notes on or prior to the Final Maturity Date. The ratings assigned to the Rated Notes by Moody's also address, *inter alia*, the expected loss to a Noteholder in proportion to the Principal Amount Outstanding on the Closing Date of the Class of Notes held by such Noteholder on the Final Maturity Date.

The ratings assigned to the Rated Notes by Fitch address, *inter alia* (a) the likelihood of timely payment of interest and full payment of principal to the holders of each of the Notes rated AAA on each Interest Payment Date, (b) the likelihood of timely payment of interest to the Noteholders of the Most Senior Class on each Interest Payment Date and (c) the likelihood of ultimate payment

to the Noteholders of principal and interest in relation to the Notes on or prior to the Final Maturity Date.

Ratings are expected to be assigned to each class of Rated Notes on or before the Closing Date. The assignment of a rating to each class of Notes by any Rating Agency is not a recommendation to invest in the Notes or to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning Rating Agency.

No ratings will be assigned to the Certificates or the Class X Notes.

Obligations

The Notes and the Certificates will be Obligations of the Issuer alone and will not be guaranteed by, or be the responsibility of, any other entity named in the Prospectus.

Risk Retention Undertaking

On the Closing Date, the Seller will, as an originator for the purposes of the UK Securitisation Framework and the EU Securitisation Regulation (as in force on the Closing Date), retain on an ongoing basis a material net economic interest of not less than 5 per cent. in the securitisation in accordance with (a) the text of Article 6(3)(c) of Chapter 2 of the PRA Securitisation Rules (the "**Retention**") and (b) Article 6(3)(c) of the EU Securitisation Regulation (as in force on the Closing Date). As at the Closing Date, the Retention will be satisfied by the Seller selecting and holding a pool of randomly selected exposures equivalent to not less than 5 per cent. of the nominal value of the securitised exposures, where such non-securitised exposures would otherwise have been securitised in the securitisation, as required by the text of each of paragraph (c) of Article 6(3) of the PRA Securitisation Rules and paragraph (c) of Article 6(3) of the EU Securitisation Regulation (as in force on the Closing Date). See the section entitled "UK Securitisation Framework and EU Securitisation Regulation Requirements" for further information.

The transaction described in this Prospectus is not intended to involve the retention by a sponsor of at least 5 per cent. of the credit risk of the securitized assets for purposes of compliance with the final rules promulgated under the U.S. Risk Retention Rules but rather intends to rely on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. See the section entitled "*Risk Factors – U.S. Credit Risk Retention*".

The Volcker Rule

The Issuer is of the view that it is not now, and immediately after giving effect to the offering and sale of the Notes and the Certificates and the application of the proceeds thereof on the Closing Date will not be, a "covered fund" (together with such implementing regulations) for purposes of regulations adopted under the Volcker Rule. In reaching this conclusion, although other exemptions or exclusions may be available, the Issuer has relied on the exemption from registration as an "investment company" under Section 3(c)(5) of the Investment Company Act, and, accordingly, may rely on the exemption from the definition of a "covered fund" under the Volcker Rule made available to certain issuers that do not rely solely on Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act for their exemption from registration under the Investment Company Act. However, the general effects of the Volcker Rule remain

	uncertain. If the Issuer is considered a "covered fund", the liquidity of the Notes may be adversely affected, since banking entities could be prohibited from investing the Notes. Any prospective investor in the Notes and the Certificates, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule. See the section entitled "*Risk Factors – Effects of the Volcker Rule on the Issuer*".
Benchmarks Regulation	Amounts payable on the Floating Rate Notes may be calculated by reference to SONIA. As at the date of this Prospectus, the administrator of SONIA is not included in the register of EU benchmark administrators under Article 36 of Regulation (EU) No 2016/1011 and is not included in the FCA's register of administrators and benchmarks established and maintained by the FCA in accordance with Article 36 of the Benchmarks Regulation. The Bank of England, as administrator of SONIA, is exempt under Article 2 of the Benchmarks Regulation but has issued a statement of compliance with the principles for financial benchmarks issued in 2013 by the International Organisation of Securities Commissions.
ERISA Considerations	The Notes and/or the Certificates may not be purchased or held by any "employee benefit plan" as defined in Section 3(3) of ERISA, which is subject thereto, or any "plan" as defined in Section 4975 of the Code to which Section 4975 of the Code applies, or by any person any of the assets of which are, or are deemed for purposes of ERISA or Section 4975 of the Code to be, assets of such an "employee benefit plan" or "plan", or by any governmental, church or non-U.S. plan which is subject to any state, local, other federal law of the United States or non-U.S. law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code ("Similar Law"), and each purchaser of the Notes and/or Certificates will be deemed to have represented, warranted and agreed that it is not, and for so long as it holds the Notes and/or Certificates will not be, such an "employee benefit plan", "plan", person or governmental, church or non-U.S. plan subject to Similar Law.
Significant Investor	On the Closing Date, the Seller will: (a) subscribe and pay for all of the Class A Notes; and (b) receive (but not purchase) all of the Certificates in partial satisfaction of the consideration due and payable by the Issuer for the Portfolio, following which, the Seller may transfer all of the Certificates to one or more third-party investors.

THE "*RISK FACTORS*" SECTION CONTAINS DETAILS OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE GIVEN PARTICULAR CONSIDERATION BEFORE INVESTING IN THE NOTES AND/OR THE CERTIFICATES. PROSPECTIVE INVESTORS SHOULD BE AWARE OF THE ISSUES SUMMARISED IN THE SECTION.

IMPORTANT NOTICE

THE NOTES AND THE CERTIFICATES WILL BE OBLIGATIONS OF THE ISSUER ONLY. NEITHER THE NOTES NOR THE CERTIFICATES WILL BE OBLIGATIONS OF, OR THE RESPONSIBILITY OF, OR GUARANTEED BY, ANY PERSON OTHER THAN THE ISSUER. IN PARTICULAR, THE NOTES AND THE CERTIFICATES WILL NOT BE OBLIGATIONS OF, OR THE RESPONSIBILITY OF, OR GUARANTEED BY, ANY OF THE SELLER, THE SWAP PROVIDER, THE ARRANGER, THE LEAD MANAGER, THE SERVICER, THE LEGAL TITLE HOLDER, THE CASH MANAGER, THE ISSUER ACCOUNT BANK, THE COLLECTION ACCOUNT BANK, HOLDINGS, THE CORPORATE SERVICES PROVIDER, THE BACK-UP SERVICER FACILITATOR, THE AGENT BANK, THE REGISTRAR, THE TRUSTEE (EACH AS DEFINED HEREIN), ANY COMPANY IN THE SAME GROUP OF COMPANIES AS ANY SUCH ENTITIES OR ANY OTHER PARTY TO THE TRANSACTION DOCUMENTS (TOGETHER, THE "RELEVANT PARTIES"). NO LIABILITY WHATSOEVER IN RESPECT OF ANY FAILURE BY THE ISSUER TO PAY ANY AMOUNT DUE UNDER THE NOTES AND THE CERTIFICATES SHALL BE ACCEPTED BY ANY OF THE RELEVANT PARTIES OR BY ANY PERSON OTHER THAN THE ISSUER.

The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes will each be represented on issue by a global Note certificate in registered form (a "**Global Note**"). The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes may be issued in definitive registered form under certain circumstances.

The RC1 Certificates and the RC2 Certificates will each be represented on issue by a global residual certificate in registered form (a "**Global Certificate**"). The RC1 Certificates and the RC2 Certificates may be issued in definitive registered form under certain circumstances.

THE DISTRIBUTION OF THIS PROSPECTUS AND THE OFFERING OF THE NOTES AND THE CERTIFICATES IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. NO REPRESENTATION IS MADE BY THE ISSUER OR BY ANY RELEVANT PARTY THAT THIS PROSPECTUS MAY BE LAWFULLY DISTRIBUTED, OR THAT THE NOTES AND THE CERTIFICATES MAY BE LAWFULLY OFFERED, IN COMPLIANCE WITH ANY APPLICABLE REGISTRATION OR OTHER REQUIREMENTS IN ANY SUCH JURISDICTION, OR PURSUANT TO AN EXEMPTION AVAILABLE THEREUNDER, AND NONE OF THEM ASSUMES ANY RESPONSIBILITY FOR FACILITATING ANY SUCH DISTRIBUTION OR OFFERING. IN PARTICULAR, SAVE FOR OBTAINING THE APPROVAL OF THIS PROSPECTUS AS A PROSPECTUS FOR THE PURPOSES OF THE EU PROSPECTUS REGULATION BY THE CENTRAL BANK OF IRELAND, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE ISSUER OR BY ANY RELEVANT PARTY WHICH WOULD PERMIT A PUBLIC OFFERING OF THE NOTES AND THE CERTIFICATES OR DISTRIBUTION OF THIS PROSPECTUS IN ANY JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. ACCORDINGLY, THE NOTES AND THE CERTIFICATES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS PROSPECTUS NOR ANY ADVERTISEMENT OR OTHER OFFERING MATERIAL MAY BE DISTRIBUTED OR PUBLISHED, IN ANY JURISDICTION, EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE.

WITH ANY APPLICABLE LAWS AND REGULATIONS. PERSONS INTO WHOSE POSSESSION THIS PROSPECTUS COMES ARE REQUIRED BY THE ISSUER, THE ARRANGER AND THE LEAD MANAGER TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS.

THE NOTES AND THE CERTIFICATES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**")) ("**U.S. PERSONS**") EXCEPT PURSUANT TO AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS. FOR A DESCRIPTION OF CERTAIN

RESTRICTIONS ON RESALES OR TRANSFERS, SEE "*TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS*".

EXCEPT WITH THE PRIOR WRITTEN CONSENT OF THE SELLER (A "**U.S. RISK RETENTION CONSENT**") AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY SECTION 20 OF THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "**U.S. RISK RETENTION RULES**"), THE NOTES AND THE CERTIFICATES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "**U.S. PERSON**" AS DEFINED IN THE U.S. RISK RETENTION RULES ("**RISK RETENTION U.S. PERSONS**").

PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "**U.S. PERSON**" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "U.S. PERSON" IN REGULATION S, AND PERSONS WHO ARE NOT "U.S. PERSONS" UNDER REGULATION S MAY BE U.S. PERSONS UNDER THE U.S. RISK RETENTION RULES. EACH PURCHASER OF THE NOTES AND/OR THE CERTIFICATES OR A BENEFICIAL INTEREST THEREIN ACQUIRED IN THE INITIAL SYNDICATION OF THE NOTES AND THE CERTIFICATES, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) EITHER (I) IS NOT A RISK RETENTION U.S. PERSON OR (II) IT HAS OBTAINED A U.S. RISK RETENTION CONSENT FROM THE SELLER, (2) IS ACQUIRING SUCH NOTE OR CERTIFICATE, AS APPLICABLE, OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE OR CERTIFICATE, AS APPLICABLE, AND (3) IS NOT ACQUIRING SUCH NOTE OR CERTIFICATE, AS APPLICABLE, OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTE OR CERTIFICATE, AS APPLICABLE, THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES).

Each initial and subsequent purchaser of the Notes and Certificates will be deemed by its acceptance of such Notes and Certificates to have made certain acknowledgements, representations and agreements intended to restrict the resale or other transfer of the Notes and Certificates as set out in the Subscription Agreement and as described in this Prospectus and, in connection therewith, may be required to provide confirmation of its compliance with such resale and other transfer restrictions in certain cases. See "*Transfer Restrictions and Investor Representations*".

None of the Issuer nor any Relevant Party makes any representation to any prospective investor or purchaser of the Notes and Certificates regarding the legality of investment therein by such prospective investor or purchaser under applicable legal investment or similar laws or regulations.

EU MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**EU MiFID II**"); and (ii) all channels for distribution of the Notes and the Certificates to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes and the Certificates (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**") and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law of the United Kingdom by virtue of the EUWA (as amended, "**UK MiFIR**"); and (ii) all

channels for distribution of the Notes and the Certificates to eligible counterparties and professional clients are appropriate. Any distributor should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes and the Certificates (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the United Kingdom by virtue of the EUWA; (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended ("**FSMA**") and any rules or regulations made thereunder to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the United Kingdom by virtue of EUWA; or (iii) not a qualified investor (as defined in the UK Prospectus Regulation). Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA, as amended (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the Notes and the Certificates or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation.

The UK PRIIPs Regulation is to be repealed under the Financial Services and Markets Act 2023 by virtue of the Financial Services and Markets Act 2023 (Commencement No 11 and Saving Provisions) Regulations 2025 (SI 2025/1078) with effect from 6 April 2026.

In November 2024, the Consumer Composite Investments (Designated Activities) Regulations 2024 (SI 2024/1198) were made and published on legislation.gov.uk, together with an explanatory memorandum. The Regulations set out the legislative basis for the new UK retail disclosure framework for consumer composite investments (CCIs) and replace existing law set out in the UK PRIIPs Regulation and related legislation. CCIs are investments and contracts of insurance (or any interest in an investment or contract of insurance) where the value or amount payable to the investor goes up or down because of exposure to reference values, which track the performance of a group of assets, or to the performance of one or more assets which are not directly purchased by the investor.

In December 2024, the FCA published a consultation paper on a new product information framework for CCIs (CP24/30). In April 2025, the FCA published a further consultation paper with draft rules for consequential amendments and transitional provisions (CP25/9). This also included proposals for the use of powers in Parts 11 and 14 of FSMA in relation to CCIs. The FCA intends to issue a policy statement relating to both CP24/30 and CP25/9 in late 2025. The UK PRIIPs Regulation will continue to apply until the new CCI rules are in place.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of article 4(1) of EU MiFID II) (ii) a customer within the meaning of Directive (EU) 2016/97 as it forms part of UK domestic law by virtue of the EUWA (as amended) (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor (as defined in the EU Prospectus Regulation). Consequently no key information document required by Regulation (EU) No 1286/2014, as amended (the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or the United Kingdom has been prepared and therefore offering or selling the Notes and the Certificates or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and does not

omit anything likely to affect the import of such information. Any information sourced from third parties contained in this Prospectus has been accurately reproduced (and is clearly sourced where it appears in this Prospectus) and, as far as the Issuer is aware and is able to ascertain from information published by that third party no facts have been omitted which would render the reproduced information inaccurate or misleading.

Shawbrook accepts responsibility for the information set out in the sections headed "*The Seller*", "*The Loans*", "*Characteristics of the Provisional Portfolio*", "*Characteristics of the United Kingdom Residential Mortgage Market*" and the initial paragraph in the section entitled "*Risk Retention Requirements*". To the best of the knowledge of Shawbrook, the information contained in the sections referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Shawbrook as to the accuracy or completeness of any information contained in this Prospectus (other than in the sections referred to above and not specifically excluded therein) or any other information supplied in connection with the Notes and the Certificates or their distribution.

Bluestone accepts responsibility for the information set out in the sections headed "*The Servicer and the Legal Title Holder*" To the best of the knowledge of Bluestone, the information contained in the sections referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Bluestone as to the accuracy or completeness of any information contained in this Prospectus (other than in the sections referred to above and not specifically excluded therein) or any other information supplied in connection with the Notes and the Certificates or their distribution.

The Cash Manager accepts responsibility for the information set out in the section headed "*The Cash Manager*". To the best of the knowledge of the Cash Manager, the information contained in the section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Cash Manager as to the accuracy or completeness of any information contained in this Prospectus (other than in the section referred to above) or any other information supplied in connection with the Notes and the Certificates or their distribution.

The Issuer Account Bank accepts responsibility for the information set out in the section headed "*Issuer Account Bank*". To the best of the knowledge of the Issuer Account Bank, the information contained in the section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Issuer Account Bank as to the accuracy or completeness of any information contained in this Prospectus (other than in the sections referred to above) or any other information supplied in connection with the Notes and the Certificates or their distribution.

The Trustee accepts responsibility for the information set out in the section headed "*The Trustee*". To the best of the knowledge and belief of the Trustee, the information contained in the section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Trustee as to the accuracy or completeness of any information contained in this Prospectus (other than in the sections referred to above) or any other information supplied in connection with the Notes and the Certificates or their distribution.

The Swap Provider accepts responsibility for the information set out in the section headed "*The Swap Provider*". To the best of the knowledge of the Swap Provider, the information contained in the section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Swap Provider as to the accuracy or completeness of any information contained in this Prospectus (other than in the section referred to above) or any other information supplied in connection with the Notes and the Certificates or their distribution.

The Corporate Services Provider accepts responsibility for the information set out in the section headed "*The Corporate Services Provider*". To the best of the knowledge of the Corporate Services Provider, the information contained in the section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Corporate Services Provider as to the accuracy or completeness of any information contained in this Prospectus (other than in the section referred to above) or any other information supplied in connection with the Notes and the Certificates or their distribution.

The Arranger and the Lead Manager have not been responsible for providing and have not provided support, advice or otherwise to the Issuer or Shawbrook in complying with the risk retention, disclosure and transparency obligations imposed on them under (i) the UK Securitisation Framework (on an ongoing basis) and/or (ii) the EU Securitisation Regulation (as in force on the Closing Date), in particular SECN 5, SECN 6, Articles 6 and 7 of Chapter 2 of the PRA Securitisation Rules and Articles 6 and 7 of the EU Securitisation Regulation (as in force on the Closing Date).

No person is authorised to give any information or to make any representation in connection with the offering or sale of the Notes and the Certificates other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Seller, the Trustee, the Arranger, the Lead Manager or any of their respective affiliates or advisers. Neither the delivery of this Prospectus nor any sale or allotment made in connection with the offering of the Notes and the Certificates shall, under any circumstances, create any implication or constitute a representation that there has been no change in the affairs of the Issuer or the Seller in the other information contained herein since the date hereof. The information contained in this Prospectus was obtained from the Issuer and the other sources identified herein, but no assurance can be given by the Trustee, the Seller, the Lead Manager or the Arranger as to the accuracy or completeness of such information. None of the Arranger, the Lead Manager, the Seller or the Trustee have separately verified the information contained herein. Accordingly, none of the Arranger, the Lead Manager, or the Trustee makes any representation, warranty or undertaking, express or implied, or accepts any responsibility, nor liability, with respect to the accuracy or completeness of any of the information in this Prospectus or any document or agreement relating to the Notes and the Certificates or any Transaction Document. None of the Trustee, the Arranger or the Lead Manager shall be responsible for, any matter which is the subject of, any statement, representation, warranty or covenant of the Issuer contained in the Notes, the Certificates or any Transaction Documents, or any other agreement or document relating to the Notes, the Certificates or any Transaction Document, or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof. In making an investment decision, investors must rely on their own examination of the terms of this offering, including the merits and risks involved. The contents of this Prospectus should not be construed as providing legal, business, accounting or tax advice. Each prospective investor should consult its own legal, business, accounting and tax advisers prior to making a decision to invest in the Notes and/or the Certificates.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer, the Seller, the Trustee, the Lead Manager, the Arranger, or any of them to subscribe for or purchase any of the Notes or the Certificates in any jurisdiction where such action would be unlawful and neither this Prospectus, nor any part thereof, may be used for or in connection with any offer to, or solicitation by, any person in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

Payments of interest and principal in respect of the Notes and payments in respect of the Certificates will be subject to any applicable withholding taxes without the Issuer or any other person being obliged to pay additional amounts to compensate Noteholders or Certificateholders, as applicable, for the lesser amounts the Noteholders or Certificateholders, as applicable, may receive as a result of such withholding.

In this Prospectus all references to "**pounds**", "**sterling**", "**GBP**" and "**£**" are references to the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland (the "**United Kingdom**" or "**UK**").

In this Prospectus all references to the "**FCA**" are to the United Kingdom Financial Conduct Authority and any replacement thereof with powers and authority to regulate and/or supervise persons carrying on

Regulated Mortgage Activities, and all references to the "**PRA**" are to the United Kingdom Prudential Regulation Authority, which together replaced the Financial Services Authority (the "**FSA**") pursuant to the provisions of the UK Financial Services Act 2012.

In this Prospectus, words denoting the singular number only shall include the plural number and *vice versa* and words denoting one gender shall include the other genders, as the context may require. A defined term in the plural which refers to a number of different items or matters may be used in the singular or plural to refer to any (or any set) of those items or matters.

Forward-Looking Statements

Certain matters contained herein are forward-looking statements. Such statements appear in a number of places in this Prospectus, including with respect to assumptions on prepayment and certain other characteristics of the Loans, and reflect significant assumptions and subjective judgements by the Issuer that may not prove to be correct. Such statements may be identified by reference to a future period or periods and the use of forward-looking terminology such as "may", "will", "could", "believes", "expects", "anticipates", "continues", "intends", "plans" or similar terms. Consequently, future results may differ from the Issuer's expectations due to a variety of factors, including (but not limited to) the economic environment and regulatory changes in the residential mortgage industry in the United Kingdom. Moreover, past financial performance should not be considered a reliable indicator of future performance and prospective purchasers of the Notes and the Certificates are cautioned that any such statements are not guarantees of performance and involve risks and uncertainties, many of which are beyond the control of the Issuer. None of the Trustee, the Arranger or the Lead Manager has attempted to verify any such statements, nor does it make any representations, express or implied, with respect thereto. Prospective purchasers should therefore not place undue reliance on any of these forward-looking statements. None of the Issuer, the Trustee, the Arranger or the Lead Manager assumes any obligation to update these forward-looking statements or to update the reasons for which actual results could differ materially from those anticipated in the forward-looking statements.

CONTENTS

Page

RISK FACTORS 1
DIAGRAM OF THE TRANSACTION 56
DIAGRAM OF ONGOING CASH FLOWS 57
OWNERSHIP STRUCTURE DIAGRAM OF THE ISSUER 58
DESCRIPTION OF THE TRANSACTION PARTIES 59
DESCRIPTION OF THE PORTFOLIO AND SERVICING 62
SUMMARY OF THE TERMS AND CONDITIONS OF THE NOTES AND THE CERTIFICATES 66
DESCRIPTION OF THE CHARACTERISTICS OF THE NOTES AND THE CERTIFICATES 69
DESCRIPTION OF THE RIGHTS OF NOTEHOLDERS AND CERTIFICATEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS 75
DESCRIPTION OF THE CREDIT STRUCTURE AND CASHFLOW 83
TRIGGERS TABLES 90
DESCRIPTION OF THE FEES 98
UK SECURITISATION FRAMEWORK AND EU SECURITISATION REGULATION REQUIREMENTS 100
WEIGHTED AVERAGE LIVES OF THE NOTES 103
USE OF PROCEEDS 105
RATINGS 106
THE ISSUER 107
HOLDINGS 109
THE SELLER 111
THE SERVICER AND THE LEGAL TITLE HOLDER 112
THE CASH MANAGER AND THE ISSUER ACCOUNT BANK 113
THE TRUSTEE 114
THE SWAP PROVIDER 115
THE CORPORATE SERVICES PROVIDER AND BACK-UP SERVICER FACILITATOR 116
THE LOANS 117
CHARACTERISTICS OF THE PROVISIONAL PORTFOLIO 127
CHARACTERISTICS OF THE UNITED KINGDOM RESIDENTIAL MORTGAGE MARKET 132
SUMMARY OF THE KEY TRANSACTION DOCUMENTS 138
CREDIT STRUCTURE 163
CASHFLOWS 171
DESCRIPTION OF THE GLOBAL NOTES 180
DESCRIPTION OF THE GLOBAL CERTIFICATES 184
TERMS AND CONDITIONS OF THE NOTES 188
TERMS AND CONDITIONS OF THE CERTIFICATES 220
TAXATION 243
SUBSCRIPTION AND SALE 245
TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS 249
GENERAL INFORMATION 251
GLOSSARY 255
INDEX OF DEFINED TERMS 309

RISK FACTORS

The following is a description of the principal risks associated with an investment in the Notes and the Certificates. These risk factors are material to an investment in the Notes and the Certificates. Prospective Noteholders and Certificateholders should carefully read and consider all the information contained in this Prospectus, including the risk factors set out in this section, prior to making any investment decision.

An investment in the Notes and the Certificates is only suitable for investors experienced in financial matters who are in a position to fully assess the risks relating to such an investment and who have sufficient financial means to suffer any potential loss stemming therefrom.

The Issuer believes that the risks described below are the material risks inherent in the transaction for Noteholders and Certificateholders, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes or Certificates may occur for other reasons and the Issuer does not represent that the statements below regarding the risks relating to the Notes and the Certificates are exhaustive. Additional risks or uncertainties not presently known to the Issuer or that the Issuer currently considers immaterial may also have an adverse effect on the Issuer's ability to pay interest, principal or other amounts in respect of the Notes and the Certificates. Prospective Noteholders and Certificateholders should read the detailed information set out in this document and reach their own views, together with their own professional advisers, prior to making any investment decision.

The purchase of the Notes and the Certificates involves substantial risks and is suitable only for sophisticated investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes and the Certificates. Before making an investment decision, prospective purchasers of the Notes and the Certificates should (i) ensure that they understand the nature of the Notes and the Certificates and the extent of their exposure to risk, (ii) consider carefully, in the light of their own financial circumstances and investment objectives (and those of any accounts for which they are acting) and in consultation with such legal, financial, regulatory and tax advisers as it deems appropriate, all the information set out in this Prospectus so as to arrive at their own independent evaluation of the investment and (iii) confirm that an investment in the Notes and the Certificates is fully consistent with their respective financial needs, objectives and any applicable investment restrictions and is suitable for them. The Notes and the Certificates are not a conventional investment and carry various unique investment risks, which prospective investors should understand clearly before investing in them. In particular, an investment in the Notes and the Certificates involves the risk of a partial or total loss of investment.

GENERAL CREDIT STRUCTURE RISKS

Liabilities under the Notes and the Certificates

The Notes and the Certificates will not be obligations of, or the responsibility of, or guaranteed by, any person other than the Issuer. No liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes and the Certificates shall be accepted by any of the Transaction Parties or by any person other than the Issuer.

Limited recourse

The Notes and the Certificates will be limited recourse obligations of the Issuer. Other than the source of funds referred to in the following paragraph, the Issuer is not expected to have any other funds available to it to meet its Obligations under the Notes and the Certificates. Upon enforcement of the Security by the Trustee, if:

(a) there are no Charged Assets remaining which are capable of being realised or otherwise converted into cash;

(b) all amounts available from the Charged Assets have been applied to meet or provide for the relevant obligations specified in, and in accordance with, the provisions of the Deed of Charge; and

(c) there are insufficient amounts available from the Charged Assets to pay in full, in accordance with the provisions of the Deed of Charge, amounts outstanding under the Notes (including payments of principal and interest) and payments under the Certificates,

then the Secured Creditors (which include the Noteholders and Certificateholders) shall have no further claim against the Issuer or its directors, shareholders, officers or successors in respect of any amounts owing to them which remain unpaid (in the case of the Noteholders, principally payments of principal and interest in respect of the Notes and in the case of Certificateholders, payments thereunder) and such unpaid amounts shall be deemed to be discharged in full and any relevant payment rights shall be extinguished.

Limited source of Funds

The ability of the Issuer to meet its Obligations to pay principal and interest on the Notes and payments under the Certificates and its operating and administrative expenses will be dependent solely on receipts from the Loans in the Portfolio, interest earned on the Issuer Accounts (other than amounts representing interest earned on any Swap Collateral), income from any Authorised Investments, the Class A and Class B Liquidity Reserve Fund and the General Reserve Fund (applied in accordance with the terms of the Cash Management Agreement) and the net receipts under the Swap Agreement. Other than the foregoing, the Issuer is not expected to have any other funds available to it to meet its Obligations under the Notes and the Certificates and/or any other payment obligation of the Issuer under the applicable Priority of Payments including in respect of any increased margin applicable to the Notes following the Optional Redemption Date. If such funds are insufficient, any such insufficiency will be borne by the Noteholders, Certificateholders and the other Secured Creditors, subject to the applicable Priority of Payments. The recourse of the Noteholders and the Certificateholders to the Charged Assets following delivery of an Enforcement Notice is described below (see further "*Security and insolvency considerations*" below).

Credit risk

The Issuer is subject to the risk of default in payment by the Borrowers and the failure by the Servicer, on behalf of the Issuer, to realise or recover sufficient funds under the arrears and default procedures in respect of any Loan and its Related Security in order to discharge all amounts due and owing by the relevant Borrower(s) under such Loan, which may adversely affect payments on the Notes and the Certificates. This risk is mitigated to some extent by certain credit enhancement features which are described in the section entitled "*Credit Structure*". However, no assurance can be made as to the effectiveness of such credit enhancement features, or that such credit enhancement features will protect the Noteholders and Certificateholders from all risk of loss. Should there be credit losses arising in respect of the Loans, this could have an adverse effect on the ability of the Issuer to make payments of interest and/or principal on the Notes and payments under the Certificates.

Liquidity of the Issuer

The Issuer is subject to the risk of insufficiency of funds on any Interest Payment Date as a result of payments being made late by Borrowers (if, for example, such payment is made after the end of the Collection Period immediately preceding the Interest Payment Date). This risk is addressed in respect of the Notes by the provision of liquidity from alternative sources including: (i) in the case of the Class A Notes and the Class B Notes, the Class A and Class B Liquidity Reserve Fund Release Amounts (subject to the limitations set out in the definition of Class A and Class B Liquidity Deficit); (ii) in the case of all of the Notes (other than the Class X Notes), the General Reserve Fund Release Amounts (subject to the limitations set out in the definition of Revenue Deficit) and the use of Principal Addition Amounts (subject to the limitations set out in the definition of Senior Expenses Deficit); and (iii) in the case of all of the Notes, the General Reserve Fund Excess Amounts and the Class A and Class B Liquidity Reserve Fund Excess Amounts. However, no assurance can be made as to the effectiveness of such liquidity support features, or that such features will protect the Noteholders from all risk of delayed payment and/or loss.

Subordination of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the Certificates

The Class A Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, as provided in the Conditions and the Transaction Documents.

The Class B Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes, as provided in the Conditions and the Transaction Documents.

The Class C Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes and the Class B Notes, as provided in the Conditions and the Transaction Documents.

The Class D Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes, the Class B Notes and the Class C Notes, as provided in the Conditions and the Transaction Documents.

The Class E Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, as provided in the Conditions and the Transaction Documents.

The Class X Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes, the Class B Notes, the Class C Notes, Class D Notes and the Class E Notes.

The RC1 Certificates rank *pro rata* and *pari passu* without preference or priority among themselves in relation to RC1 Payments at all times and are subordinate to all payments due in respect of the Notes.

The RC2 Certificates rank *pro rata* and *pari passu* without preference or priority among themselves in relation to RC2 Payments at all times, and are subordinate to all payments due in respect of the Notes.

In addition to the above, payments on the Notes and the Certificates are subordinate to payments of certain fees, costs and expenses payable to the other Secured Creditors (including, amongst others, the Trustee, the Issuer Account Bank, the Swap Provider (other than (in respect of the Notes) certain subordinated swap payments), the Servicer, the Back-Up Servicer Facilitator, the Cash Manager, the Paying Agents, the Registrar and the Agent Bank) and certain third parties. For further information on the likely costs payable to such Secured Creditors, please see "*Description of the Fees*" below.

To the extent that the Issuer does not have sufficient funds to satisfy its Obligations to all its creditors, the holders of the lower ranking Notes and the Certificates will be the first to see their claims against the Issuer unfulfilled. However, there is no assurance that these subordination provisions will protect the holders of the more senior classes of Notes (including the Most Senior Class) from all or any risk of loss.

The priority of the Notes and the Certificates are further set out in "*Cashflows – Application of Available Revenue Receipts Prior to the Delivery of an Enforcement Notice on the Issuer", "Cashflows – Application of Available Redemption Receipts prior to the delivery of an Enforcement Notice on the Issuer*" and "*Cashflows – Distributions Following the Delivery of an Enforcement Notice on the Issuer*".

There is no assurance that these subordination rules will protect the holders of Notes from all risk of loss.

Limitations on enforcement

No Noteholder or Certificateholder shall be entitled to proceed directly against the Issuer or any other party to any of the Transaction Documents to enforce the performance of any of the provisions of the

Transaction Documents and/or to take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer unless the Trustee, having become bound so to do, fails to do so within a reasonable period and such failure shall be continuing, **provided that** no Noteholder or Certificateholder shall be entitled to take any steps or proceedings to procure the winding-up, administration or liquidation of the Issuer in any circumstances.

No additional sources of funds after the Optional Redemption Date

As of the Optional Redemption Date, the margin on the Notes will be increased. There will, however, be no additional receipts or other sources of funds available to the Issuer at such time, nor is it expected that any of the sources of income available to the Issuer prior to the Optional Redemption Date will be increased. In such circumstances the Issuer may not have sufficient funds to pay all amounts of interest (including any increased Relevant Step-Up Margin on the Notes).

Termination payments under the Swap Transaction

The Swap Transaction may be terminated and a termination payment by either the Issuer or the Swap Provider may be payable to the other party. The amount of such payment will be based on:

(a) where the Swap Transaction is terminated due to a Swap Provider Default, Swap Provider Downgrade Event or certain other limited circumstances as set out in the Swap Agreement, on the market value of the terminated swap as determined on the basis of quotations sought from leading dealers as to the costs of entering into a transaction with the same terms and conditions that would have the effect of preserving the economic equivalent of the respective full payment obligations of the parties (or based upon a good faith determination of total losses and costs (or gains) if an insufficient number of quotations can be obtained or if basing the valuation on quotations would not produce a commercially reasonable result); or

(b) where the Swap Transaction is terminated in any other circumstances, in accordance with the close-out methodology as set out in the ISDA Master Agreement which will reflect, amongst other things, the cost of entering into a replacement transaction at the time and third-party market data such as rates, prices, yields and yield curves, or similar information derived from internal sources of the party making the determination.

To the extent a termination payment (along with any additional amounts required to be paid by the Issuer following termination of the Swap Transaction, including any extra costs incurred in entering into a replacement swap or swaps) is due by the Issuer to the Swap Provider and amounts standing to the credit of the Swap Collateral Account that are applied in accordance with the Swap Collateral Account Priority of Payments are not sufficient to satisfy such termination payment, any shortfall shall be paid in accordance with the Priorities of Payments. Any termination payment (and any additional amounts) due to be paid by the Issuer to the Swap Provider in accordance with the Priorities of Payments will rank prior to payments in respect of the Notes and Certificates (other than in respect of any Swap Subordinated Amounts). This may lead to the Issuer not having sufficient funds available to pay interest and principal on the Notes and make payments under the Certificates.

No assurance can be given as to (i) the ability of the Issuer to enter into one or more replacement swap transactions following the termination of the Swap Transaction; (ii) if a termination payment is due and payable from the Swap Provider to the Issuer, that such termination payment shall be sufficient, to the extent required, to purchase a replacement swap transaction from a replacement Swap Provider; and (iii) if one or more replacement swap transactions are entered into, that the credit rating of the replacement Swap Provider will be sufficiently high to prevent a downgrade of any Notes by the Rating Agencies.

Deferral of Interest Payments on the Notes and Payments under the Certificates

If, on any Interest Payment Date, the Issuer has insufficient funds to make payment in full of all amounts of interest (including any accrued interest thereon) that would otherwise be payable absent the deferral provisions in respect of any Class of Notes (other than the Most Senior Class and other than where the Most Senior Class is the Class X Notes) after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments, then the Issuer will be entitled under Condition 18 (*Subordination by Deferral*) to defer payment of that amount (to the extent of the

insufficiency) until the following Interest Payment Date or such earlier date as the relevant Class of Notes becomes due and repayable in full in accordance with the Conditions. For the avoidance of doubt, any amounts of interest deferred on previous Interest Payment Dates prior to a Class of Notes becoming the Most Senior Class may continue to be deferred regardless of whether such Class is the then Most Senior Class. Any such deferral in accordance with the Conditions will not constitute an Event of Default. Payments on the Certificates will be dependent on the availability of funds of the Issuer to make such payments after providing for items of higher priority in the Pre-Enforcement Revenue Priority of Payments and failure to pay timely interest on the Most Senior Class (other than where the Most Senior Class is the Class X Notes) shall constitute an Event of Default under the Notes which may result in the Trustee enforcing the Security.

Accordingly, in circumstances where there are insufficient funds to make payments in full of amounts of interest on Classes of Notes other than the Most Senior Class (and other than where the Most Senior Class is the Class X Notes), Noteholders will not receive payment and will be deferred for an undetermined period of time resulting in delays on payment on the Notes other than the Most Senior Class (and other than where the Most Senior Class is the Class X Notes). For the avoidance of doubt, the Issuer may defer payment of amounts of interest on the Class X Notes on any Interest Payment Date, regardless of whether the Class X Notes (as applicable) are the Most Senior Class at such time.

Considerations Relating to Yield, Prepayments and Mandatory Redemption

The yield to maturity on the Notes will depend on, among other things, the amount and timing of payment of principal and interest on the Loans. Prepayments on the Loans may result from early repayment of the Loans by the relevant Borrower (whether through refinancing or otherwise), sales of Properties by Borrowers (voluntarily or as a result of enforcement proceedings under the relevant Mortgages), as well as the receipt of proceeds under any applicable insurance policies. The yield to maturity of the Notes may be adversely affected by, among other things, a higher or lower than anticipated rate of prepayments on the Loans.

The rate of prepayment of Loans is influenced by a wide variety of economic, social and other factors, including prevailing mortgage market interest rates, the availability of alternative financing programmes, local and regional economic conditions, homeowner mobility and illness (including any illness arising in connection with an epidemic or pandemic). However, the rate of payment cannot be predicted. Subject to the terms and conditions of the Loans, a Borrower may "overpay" or prepay principal at any time, with occasional customer overpayments preceding missed monthly instalments leading to increased allocation to principal items in the waterfall. No assurance can be given as to the level of prepayments that the Portfolio will experience. Accelerated prepayments will lead to a reduction in the weighted average life of the Notes. See also the section entitled "*Overpayments and Early Repayment Charges*". Generally, when market interest rates increase, borrowers are less likely to prepay their mortgage loans, while conversely, when market interest rates decrease, borrowers (in particular those paying by reference to a fixed interest rate, where there are no or minimal associated early repayment charges) are generally more likely to prepay their mortgage loans. Borrowers may prepay mortgage loans when they refinance their loans or sell their properties (either voluntarily or as a result of enforcement action taken). In this respect, investors should note that 2.34 per cent. of the Loans (by Principal Balance) in the Provisional Portfolio (with an aggregate Principal Balance of £8,098,978.39) have a maturity date of 10 years or less from the Portfolio Reference Date.

In addition, should a Borrower implement, subject to the agreement of the Legal Title Holder and the Servicer, a Further Advance or a Port in respect of any Loan, the Seller is required to repurchase the relevant Loan.

If the Seller is required to repurchase a Loan and its Related Security because, for example, one of the Loans does not materially comply with the Loan Warranties or in circumstances where the Seller is required to repurchase a Loan that is designated a Significant Deposit Loan or due to a Product Switch, Further Advance or Port, then the payment received by the Issuer will have the same effect as a prepayment of all the relevant Loans. As a result of these and other relevant factors not being within the control of the Issuer, no assurance can be given as to the timing or level of redemptions of the Notes.

Payments and prepayments of principal on the Loans will be applied, *inter alia*, to reduce the Principal Amount Outstanding of the Notes on a pass-through basis on each Interest Payment Date in accordance with the Pre-Enforcement Redemption Priority of Payments (see "*Cashflows*" below).

The Portfolio Purchase Option Holder may exercise its option to purchase the Portfolio in accordance with the terms of the Deed Poll. No make whole amount or other early repayment fee will be paid to the Noteholders if any such option is exercised by the Portfolio Purchase Option Holder. In addition, the Portfolio Purchase Option Holder is not obligated to exercise its rights in respect of the Portfolio Purchase Option on the relevant date or upon occurrence of the relevant event (as applicable) or at any time thereafter and accordingly, no assurance can be given that the Notes will be redeemed in full on or following the relevant date or upon occurrence of the relevant event (as applicable) as a result of a purchase or sale of the Portfolio.

Absence of secondary market

No assurance is **provided that** an active and liquid secondary market for the Notes and the Certificates will exist at any time after the Closing Date. None of the Notes and the Certificates have been, or will be, registered under the Securities Act or any other applicable securities laws and they are subject to certain restrictions on the resale and other transfer thereof as set out under "*Subscription and Sale*" and "*Transfer Restrictions and Investor Representations*". To the extent that a secondary market exists or develops further, it may not continue for the life of the Notes and the Certificates or it may not provide Noteholders and Certificateholders with liquidity of investment with the result that a Noteholder or Certificateholder may not be able to find a buyer to buy its Notes or Certificates readily or at prices that will enable the Noteholder or Certificateholder to realise a desired yield. Any investor in the Notes must be prepared to hold their Notes until the Final Maturity Date.

The secondary market for mortgage-backed securities similar to the Notes and Certificates has at times experienced limited liquidity resulting from reduced investor demand for such securities. Limited liquidity in the secondary market may have an adverse effect on the market value of mortgage-backed securities, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the requirements of limited categories of investors.

Central bank schemes such as, amongst others, the Bank of England's Sterling Monetary Framework, the Discount Window Facility, the Funding for Lending Scheme, the Term Funding Scheme (as such terms are defined at www.bankofengland.co.uk), the European Central Bank's liquidity scheme or emergency liquidity operations introduced by central banks (such as the Term Funding Scheme with additional incentives for small and medium-sized enterprises introduced by the Bank of England) in response to a financial crisis or a wide-spread health crisis (such as the COVID-19 outbreak), have provided an important source of liquidity in respect of eligible securities. None of the Issuer, the Seller, the Lead Manager nor any of their respective affiliates give any representation, warranty, confirmation or guarantee to any investor in the Notes that the Notes will, either upon issue or at any time prior to redemption in full, satisfy all or any of the requirements for such central bank schemes or that such schemes will be available for new drawings. Any potential investor in the Notes should make their own conclusions and seek their own advice with respect to whether or not the Notes constitute eligible collateral for such central bank schemes.

Revenue and Principal Deficiency Ledger

If, on any Interest Payment Date, as a result of shortfalls in Available Revenue Receipts, and after applying any Class A and Class B Liquidity Reserve Fund Release Amounts and any General Reserve Fund Release Amounts, there would be a Senior Expenses Deficit (arising as a result of any inability to pay amounts due in respect of interest on the Class A Notes, and (subject to certain limitations) the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, and certain prior ranking payments), the Issuer shall apply Available Redemption Receipts (if any) in accordance with item (b) of the Pre-Enforcement Redemption Priority of Payments to cure such Senior Expenses Deficit (such reapplied amounts, "**Principal Addition Amounts**"). Available Redemption Receipts (if any) may only be redirected as Principal Addition Amounts in respect of a Senior Expenses Deficit. The Issuer will not be able to use Available Redemption Receipts to pay interest in respect of any Class of Notes after the delivery of an Enforcement Notice (in accordance with the Post-Enforcement Priority of Payments).

Application of any Available Redemption Receipts as Principal Addition Amounts (in addition to the aggregate of (a) all realised losses on the Loans which are not recovered from the proceeds following the sale of the Property to which such Loan relates or any losses realised by the Issuer on the Loans as a result of the failure of the Collection Account Bank to remit funds to the Issuer and (b) any loss

to the Issuer as a result of an exercise of any set-off by any Borrower in respect of its Loan (together, the "**Losses**")) will be recorded first on the Class E Principal Deficiency Sub-Ledger until the balance of the Class E Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class E Notes then outstanding, and next on the Class D Principal Deficiency Sub-Ledger until the balance of the Class D Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class D Notes then outstanding, and next on the Class C Principal Deficiency Sub-Ledger until the balance of the Class C Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class C Notes then outstanding, and next on the Class B Principal Deficiency Sub-Ledger until the balance of the Class B Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class B Notes then outstanding, and next on the Class A Principal Deficiency Sub-Ledger until the balance of the Class A Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class A Notes then outstanding.

It is expected that during the course of the life of the Notes, any principal deficiencies (should they arise) will be recouped from Available Revenue Receipts. Available Revenue Receipts will be applied, after meeting prior ranking obligations as set out under the Pre-Enforcement Revenue Priority of Payments, to credit the Principal Deficiency Sub-Ledgers (starting from the Principal Deficiency Sub-Ledger relating to the Most Senior Class first). Any Available Revenue Receipts applied as Enhanced Amortisation Amounts will be recorded as a credit to the Principal Deficiency Ledger. The balance standing to the credit of the Principal Deficiency Ledger as a result of Enhanced Amortisation Amounts (if any) shall be reduced to the extent of any future Losses arising in respect of the Portfolio.

If there are insufficient funds available as a result of such income or principal deficiencies, then one or more of the following consequences may ensue:

- the Available Revenue Receipts, any Class A and Class B Liquidity Reserve Fund Release Amounts and Available Redemption Receipts may not be sufficient, after making the payments to be made in priority thereto, to pay, in full or at all, interest due on the Notes; and

- there may be insufficient Available Revenue Receipts and Available Redemption Receipts to repay principal on the Notes on or prior to the Final Maturity Date of the Notes.

Ratings of the Rated Notes

The ratings assigned to the Rated Notes by Moody's address, inter alia, the expected loss to a Noteholder (of the Rated Notes) in proportion to the Principal Amount Outstanding on the Closing Date of the Class of Notes held by such Noteholder on the Final Maturity Date. Ratings are expected to be assigned to each class of Rated Notes on or before the Closing Date. The assignment of a rating to each class of Rated Notes by any Rating Agency is not a recommendation to invest in the Rated Notes or to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning Rating Agency.

The ratings assigned by Fitch address, *inter alia* (a) the likelihood of timely payment of interest and full payment of principal to the holders of each of the Notes rated AAA on each Interest Payment Date, (b) the likelihood of timely payment of interest to the Noteholders of the Most Senior Class on each Interest Payment Date and (c) the likelihood of ultimate payment to the Noteholders of principal and interest in relation to the Notes on or prior to the Final Maturity Date. Ratings are expected to be assigned to each class of Rated Notes on or before the Closing Date. The assignment of a rating to each class of Rated Notes by any Rating Agency is not a recommendation to invest in the Rated Notes or to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning Rating Agency.

The expected ratings of the Rated Notes to be assigned on the Closing Date are set out under "*Ratings*". A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency if, in its judgement, circumstances (including a reduction in the perceived creditworthiness of third parties, including a reduction in the

credit rating of the Swap Provider and/or the Issuer Account Bank) in the future so warrant. See also "*Change of counterparties*" below.

At any time, any Rating Agency may revise its relevant rating methodology, with the result that any rating assigned to the Rated Notes may be withdrawn, lowered or qualified.

Rating agencies other than the Rating Agencies could seek to rate the Rated Notes and if such unsolicited ratings are lower than the comparable ratings assigned to the Rated Notes by the Rating Agencies, those unsolicited ratings could have an adverse effect on the value of the Rated Notes. For the avoidance of doubt and unless the context otherwise requires, any reference to "ratings" or "rating" in this Prospectus is to the ratings assigned by the Rating Agencies only.

As highlighted above, the ratings assigned to the Rated Notes by each Rating Agency are based on, among other things, (in the case of Moody's) the long-term deposit rating of at least A2 of the Issuer Account Bank and the Swap Provider or (in the case of Fitch) short-term deposit rating (or, if a deposit rating is not assigned, an issuer default rating) of at least "F1" or a long-term deposit rating (or, if a deposit rating is not assigned, an issuer default rating) of at least "A". If the Issuer Account Bank does not have a long-term rating by Moody's, a short-term deposit rating of at least P-1. In the event one or more of these transaction parties are downgraded below the requisite ratings trigger, there can be no assurance that a replacement to that counterparty will be found which has the ratings required to maintain the then current ratings assigned to the Rated Notes or, that any remedial action taken will be sufficient to maintain the then current ratings assigned to the Rated Notes by the Rating Agencies. If a replacement counterparty with the requisite ratings cannot be found or, any remedial action taken is considered insufficient, this is likely to have an adverse impact on the rating of the Rated Notes and, as a consequence, the resale price of the Rated Notes in the market and the prima facie eligibility of the Rated Notes for use in certain liquidity schemes established by, inter alios, the Bank of England.

Rating Agency confirmation in relation to the Rated Notes in respect of certain actions

The terms of certain Transaction Documents provide that certain actions to be taken by the Issuer and/or the other parties to the Transaction Documents are contingent on such actions not having an adverse effect on the ratings assigned to the Rated Notes. In such circumstances, the Trustee may require the Issuer to seek a Rating Agency Confirmation.

A Rating Agency Confirmation that any action or inaction proposed to be taken by the Issuer or the Trustee will not have an adverse effect on the then current ratings of the Rated Notes does not, for example, confirm that such action (i) is permitted by the terms of the Transaction Documents or (ii) is in the best interests of, or not prejudicial to, the Noteholders of the Rated Notes. While entitled to have regard to the fact that the Rating Agencies have confirmed in writing that the then current ratings of the Rated Notes would not be adversely affected, the above does not impose or extend any actual or contingent liability on the Rating Agencies to the Secured Creditors (including the Noteholders of the Rated Notes), the Issuer, the Trustee or any other person or create any legal relationship between the Rating Agencies and the Secured Creditors (including the Noteholders of the Rated Notes), the Issuer, the Trustee or any other person whether by way of contract or otherwise. In addition the Trustee, as applicable, may, but is not required to, have regard to any Rating Agency Confirmation.

Any such Rating Agency Confirmation may or may not be given at the sole discretion of each Rating Agency. Certain Rating Agencies have indicated that they will no longer provide Rating Agency Confirmations as a matter of policy. To the extent that a Rating Agency Confirmation cannot be obtained, whether or not a proposed action will ultimately take place will be determined in accordance with the provisions of the relevant Transaction Documents and specifically the relevant modification and waiver provisions. It should be noted that, depending on the nature of the request, the timing of delivery of the request and of any information needed to be provided as part of any such request, it may be the case that a Rating Agency cannot provide a Rating Agency Confirmation in the time available or at all, and the Rating Agency will not be responsible for the consequences thereof. A Rating Agency Confirmation, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time and in the context of cumulative changes to the transaction of which the securities form part since the Closing Date. A Rating Agency Confirmation represents only a restatement of the opinions given as at the Closing Date and cannot be construed as advice for the benefit of any parties to the transaction.

Where the Transaction Documents allow the Trustee to seek a Rating Agency Confirmation and a written request for such Rating Agency Confirmation or response is delivered to each Rating Agency by or on behalf of the Issuer and (i) (A) one Rating Agency (such Rating Agency, a "**Non-Responsive Rating Agency**") indicates that it does not consider such Rating Agency Confirmation or response necessary in the circumstances or that it does not, as a matter of practice or policy, provide such Rating Agency Confirmation or response or (B) within 30 days of delivery of such request, no Rating Agency Confirmation or response is received and/or such request elicits no statement by such Rating Agency that such Rating Agency Confirmation or response could not be given; and (ii) one Rating Agency gives such Rating Agency Confirmation or response based on the same facts, then such Condition to receive a Rating Agency Confirmation or response from each Rating Agency shall be modified so that there shall be no requirement for the Rating Agency Confirmation or response from the Non-Responsive Rating Agency if the Issuer provides to the Trustee a certificate signed by two directors certifying and confirming that each of the events in sub-paragraphs (i) (A) or (B) and (ii) has occurred, the Issuer having sent a written request to each Rating Agency.

If no such Rating Agency Confirmation is forthcoming within 30 days of such a request and two directors of the Issuer have certified the same in writing to the Trustee (an "**Issuer Certificate**"), the Trustee shall be entitled (but not obliged) to assume from a written certificate of the Seller to the Trustee (a "**Seller Certificate**") that such proposed action:

(a) (while any of the Rated Notes remain outstanding) has been notified to the Rating Agencies;

(b) would not adversely impact on the Issuer's ability to make payment when due in respect of the Rated Notes;

(c) would not affect the legality, validity and enforceability of any of the Transaction Documents or any Security; and

(d) (while any of the Rated Notes remain outstanding) the then current rating of the Rated Notes would not be reduced, qualified, adversely affected or withdrawn,

upon which confirmation from the Rating Agencies or the Issuer Certificate and the Seller Certificate (as the case may be), the Trustee shall be entitled to rely absolutely without liability to any person for so doing. In being entitled to take into account any such confirmation from the Rating Agencies, it is agreed and acknowledged by the Trustee that this does not impose or extend any actual or contingent liability for each of the Rating Agencies to the Trustee, the Noteholders of the Rated Notes or any other person or create any legal relations between each of the Rating Agencies and the Trustee, the Noteholders of the Rated Notes or any other person whether by way of contract or otherwise.

Where a Rating Agency Confirmation is a Condition to any action or step under any Transaction Document and it is deemed to be modified as a result of a Non-Responsive Rating Agency not having responded to the relevant request from the Issuer within 30 days, there remains a risk that such Non-Responsive Rating Agency may subsequently downgrade, qualify or withdraw the then current ratings of the Rated Notes as a result of the action or step. Such a downgrade, qualification or withdrawal to the then current ratings of the Rated Notes may have an adverse effect on the value of the Rated Notes.

The Trustee is not obliged to act in certain circumstances

Upon the occurrence of an Event of Default, the Trustee in its absolute discretion may or, if so directed in writing by the holders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class or if so directed by an Extraordinary Resolution of the holders of the Most Senior Class shall (subject, in each case, to being indemnified and/or prefunded and/or secured to its satisfaction), give an Enforcement Notice to the Issuer that all classes of the Notes are immediately due and repayable at their respective Principal Amount Outstanding, together with accrued interest thereon as provided in the Trust Deed.

The Trustee may, at any time, at its discretion and without notice, take such proceedings, actions or steps against the Issuer or any other party to any of the Transaction Documents as it may think fit to enforce the provisions of the Notes, the Certificates or the Trust Deed (including the Conditions) or the Deed of Charge or the other Transaction Documents to which it is a party or in respect of which it holds security. In respect of and at any time after the delivery of an Enforcement Notice, the Trustee may,

at its discretion and without notice, take such steps as it may think fit to enforce the Security. However, the Trustee shall not be bound to take any such proceedings or steps (including, but not limited to, the giving of an Enforcement Notice in accordance with Condition 11 (*Events of Default*)) unless it should have been directed to do so by the holders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class or if so directed by an Extraordinary Resolution of the holders of the Most Senior Class (or, in each case, where the Class A Notes are the Most Senior Class, any Class of the Class A Notes) and in each case it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

See further "*Terms and Conditions of the Notes – Condition 12 (Enforcement)*" and "*Terms and Conditions of the Certificates – Condition 11 (Enforcement)*" below.

In addition, the Trustee benefits from indemnities given to them by the Issuer pursuant to the Transaction Documents which rank in priority to the payments of interest and principal on the Notes and the Certificates.

In relation to the covenant to be given by Shawbrook to the Issuer in the Mortgage Sale Agreement in accordance with the PRA Securitisation Rules and the EU Securitisation Regulation (as in force on the Closing Date) regarding the material net economic interest to be retained by Shawbrook in the securitisation, the Trustee will not be under any obligation to monitor the compliance by Shawbrook with such covenant and will not be under any obligation to take any action in relation to non-compliance with such covenant (unless otherwise directed by the Secured Creditors (including the Noteholders and the Certificateholders) in accordance with the Transaction Documents).

RISKS RELATED TO INTEREST RATE ON THE LOANS AND/OR THE NOTES

Interest Rate Risk

The Issuer is subject to the risk of a mismatch between the rate of interest payable in respect of the Loans and the rate of interest payable in respect of the Notes. Some of the Loans in the Portfolio pay or will pay a fixed rate of interest for an initial period of time. However, the Issuer's liabilities under the Floating Rate Notes are based on SONIA for the relevant period.

To provide a hedge against the possible variance between:

(a) the fixed rates of interest payable on the Fixed Rate Loans in the Portfolio; and

(b) the rate of interest under the Floating Rate Notes being calculated by reference to Compounded Daily SONIA,

the Issuer has entered into the Swap Transaction in order to mitigate the risk (see "*Credit Structure – Interest Rate Risk for the Notes*" below). Following the initial fixed-rate period, the Fixed Rate Loans in the Portfolio revert to the SVR.

Under the Swap Transaction, on each Interest Payment Date the Issuer will pay to the Swap Provider at a fixed rate, and the Swap Provider will pay to the Issuer at a floating rate, amounts which are calculated by reference to the notional amount of the Swap Transaction for the related calculation period thereunder. Notwithstanding the foregoing, (i) in the event Compounded Daily SONIA as calculated under the Swap Agreement is negative for any related calculation period such that the amount due and payable by the Swap Provider to the Issuer on such Interest Payment Date would be a negative sum, the Issuer shall instead pay to the Swap Provider the absolute value of such amount and/or (ii) in the event the fixed rate under the Swap Transaction is negative such that the amount due and payable by the Issuer to the Swap Provider on an Interest Payment Date would be a negative sum, the Swap Provider shall instead pay to the Issuer the absolute value of such amount, in each case as more fully set out in "*Credit Structure – Interest Rate Risk for the Notes*" below. Changes to SONIA may therefore adversely affect payments under the Swap Transaction, which could result in the Issuer having insufficient amounts available to it to make payments on the Notes, and investors should note the risk factors – "*Changes or uncertainty in respect of SONIA may affect the value or payment of interest under the Loans or the Notes"* and "*The market continues to develop in relation to SONIA as a reference rate in the capital markets*" below in respect of such risks.

The Issuer has not entered into any interest rate swap or other hedging transaction in relation to Loans other than Fixed Rate Loans, and as a result there is no hedge in respect of the risk of any variances in the floating rate of interest (being referable to the SVR), charged on any Loans which revert to the reversionary rate following an initial fixed period in the Portfolio and interest set by reference to Compounded Daily SONIA on the Floating Rate Notes, which in turn may result in insufficient funds being made available to the Issuer for the Issuer to meet its obligations to the Secured Creditors. As such, the Issuer is subject to the risk of a mismatch between the rate of interest payable in respect of such Loans and the rate of interest payable in respect of the Notes.

Risks relating to payments under the Swap Transaction

The notional amount under the Swap Transaction is determined by reference to a fixed amortisation schedule. The amortisation schedule will be based on the expected repayment profile of the Fixed Rate Loans assuming a zero per cent. constant prepayment rate and zero per cent. defaults and delinquencies. The notional amount under the Swap Transaction is independent from, and does not necessarily match to, the balance of the Fixed Rate Loans in the Portfolio for the related calculation period under the Swap Transaction.

If the actual rate of repayment of the Fixed Rate Loans is faster or slower than anticipated, this may lead to the aggregate notional amount of the Swap Transaction to be, respectively, greater than or less than the outstanding amount of the Fixed Rate Loans. In such circumstances, there would be a mismatch between the aggregate notional amount of the Swap Transaction and the outstanding principal balance of the Fixed Rate Loans.

Since the aggregate notional amount of the Swap Transaction may be higher or lower than the outstanding principal balance of the Fixed Rate Loans, there may be circumstances in which the amount payable by the Issuer under the Swap Transaction exceeds the amount that the Issuer receives in respect of the Fixed Rate Loans in the Portfolio. This may result in insufficient funds being made available to the Issuer for the Issuer to meet its Obligations to the Noteholders.

Further, a failure by the Swap Provider to make timely payments of amounts due under the Swap Transaction will constitute a default under the Swap Agreement. The Swap Agreement provides that the Sterling amounts owed by the Swap Provider on any payment date under the Swap Transaction (which corresponds to an Interest Payment Date) may be netted against the Sterling amounts owed by the Issuer on the same payment date under the Swap Transaction. Accordingly, if the amounts owed by the Issuer to the Swap Provider on a payment date in respect of the Swap Transaction are greater than the amounts owed by the Swap Provider to the Issuer on the same payment date under the Swap Transaction, then the Issuer will pay the difference to the Swap Provider on such Interest Payment Date in respect of the Swap Transaction; if the amounts owed by the Swap Provider to the Issuer on a payment date are greater than the amounts owed by the Issuer to the Swap Provider on the same payment date in respect of the Swap Transaction, then the Swap Provider will pay the difference to the Issuer on such Interest Payment Date; and if the amounts owed by both parties are equal on a payment date in respect of the Swap Transaction, neither party will make a payment to the other on such Interest Payment Date in respect of the Swap Transaction. To the extent that the Swap Provider defaults on its obligations under the Swap Agreement to make payments to the Issuer in Sterling on any payment date (which corresponds to an Interest Payment Date) under the Swap Transaction, the Issuer will be exposed to the possible variance between various fixed rates payable on the Loans in the Portfolio and, SONIA.

The market continues to develop in relation to SONIA as a reference rate in the capital markets

Investors should be aware that the market continues to develop in relation to SONIA as a reference rate in the capital markets and its adoption as an alternative to London Interbank Offered Rate. In particular, market participants and relevant working groups were exploring alternative reference rates based on SONIA, including term SONIA reference rates (which seek to measure the market's forward expectation of an average SONIA rate over a designated term). The market or a significant part thereof may adopt an application of SONIA that differs significantly from that set out in the Conditions and used in relation to Notes that reference a SONIA rate issued under this Prospectus.

As a result of the development of SONIA, investors should be aware that the means of calculating SONIA in the Conditions could in the future, absent amendments pursuant to the Conditions, differ from the then market.

Interest on Notes which reference a SONIA rate is only capable of being determined at the end of the relevant Observation Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference a SONIA rate to reliably estimate the amount of interest which will be payable on such Notes.

Changes or uncertainty in respect of SONIA may affect the value or payment of interest under the Loans or the Notes and payments under the Certificates

Various interest rate benchmarks (including SONIA) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented including the Benchmarks Regulation.

The Benchmarks Regulation, among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed). The Benchmarks Regulation could have a material impact on any Notes linked to or referencing a benchmark in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

These reforms and other pressures may cause one or more interest rate benchmarks to disappear entirely, to perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain benchmarks or have other consequences which cannot be predicted.

Based on the foregoing, prospective investors should in particular be aware that:

(a) any of these reforms or pressures described above or any other changes to a relevant interest rate benchmark (including SONIA) could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be;

(b) while (i) an amendment may be made under Condition 13.6 (*Additional Right of Modification*) of the Terms and Conditions of the Notes to change the current reference rate to an alternative base rate under certain circumstances broadly related to the dysfunction, discontinuation or transition of the current base rate and subject to certain Conditions being satisfied including no objection to the proposal being received by at least 10 per cent. of Noteholders of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding (in this regard please also refer to the risk factor above entitled "*Meetings of Noteholders, Modifications and Waivers*"), and (ii) an amendment may be made under Condition 13.6 (*Additional Right of Modification*) to change the base rate that then applies in respect of the Swap Agreement for the purpose of aligning the base rate of the Swap Agreement to the base rate of the Notes following a Base Rate Modification, there can be no assurance that any such amendments will be made or, if made, that they (i) will fully or effectively mitigate all relevant interest rate risks or result in an equivalent methodology for determining the interest rates on the Notes and the Swap Agreement or (ii) will be made prior to any date on which any of the risks described in this risk factor may become relevant (in this regard, please also refer to the risk factor above entitled "*Meetings of Noteholders, Modifications and Waivers*"); and

(c) if SONIA is discontinued, and whether or not an amendment is made under Condition 13.6 (*Additional Right of Modification*) to change the SONIA reference rate with respect to the Notes as described in paragraph (c) above, if a proposal for an equivalent change to the reference rate on the Swap Agreement is not approved in accordance with Condition 13.6 (*Additional Right of Modification*), there can be no assurance that the applicable fall-back provisions under the Swap Agreement would operate to allow the transactions under the Swap Agreements to effectively

mitigate interest rate risk in respect of the Notes. This, in turn, could cause a risk of mismatch of interest and reduced payments on the Notes.

Any reduction in the amounts payable under the Loans will impact the availability of funds to make payments under the Notes and the Certificates.

In addition, it should be noted that broadly divergent interest rate calculation methodologies may develop and apply as between the Loans, Notes and/or the Swap Agreement due to applicable fall-back provisions or other matters and the effects of this are uncertain but could include a reduction in the amounts available to the Issuer to meet its payment obligations in respect of the Notes.

Moreover, any of the above matters (including an amendment to change the SONIA rate as described in paragraph (c) above) could affect the ability of the Issuer to meet its Obligations under the Notes and/or could have a Material Adverse Effect on the value or liquidity of, and the amount payable under, the Notes. Changes in the manner of administration of SONIA could result in amendments to the Conditions and the Swap Agreement, early redemption, delisting or other consequences in relation to the Notes. No assurance may be **provided that** relevant changes will not occur with respect to SONIA or any other relevant interest rate benchmark and/or that such benchmarks will continue to exist. Investors should consider these matters when making their investment decision with respect to the Notes.

CERTAIN NON-REGULATORY RISKS RELATED TO THE MORTGAGES

Interest-only Loans

Each Loan in the Portfolio may be repayable either on a capital repayment basis or an interest-only basis (see "*The Loans – Repayment Terms*" below). The Seller does not have, and the Issuer shall not have, the benefit of any investment policies taken out by Borrowers.

The ability of such Borrower to repay an Interest-only Loan at maturity will often depend on such Borrower's ability to refinance or sell the Property in respect of which the Loan is secured.

However, the only security that exists in relation to a Loan (including any Interest-only Loans) in the Portfolio will be the Mortgage in respect of the relevant Property as well as any personal guarantees in respect of corporate Borrowers. The ability of a Borrower to refinance the Property will be affected by a number of factors, including the value of the Property, the Borrower's equity in the relevant Property, the Borrower's age and employment status, the financial condition and payment history of the Borrower, tax laws and prevailing general economic conditions. Further, there can be no guarantee that any guarantor has the financial resources to meet its obligations under the personal guarantee given to the Legal Title Holder in respect of a corporate Borrower. The inability of the Borrowers to refinance their respective Properties (in circumstances where the Issuer or the Servicer on its behalf are unable to claim under any personal guarantee given in respect of the relevant Loan) may ultimately result in a reduction of amounts available to the Issuer and adversely affect its ability to make payments under the Notes and Certificates. In addition, as the Borrowers in respect of Loans in the Portfolio are generally professional landlords, the Legal Title Holder does not expect Borrowers to take out investment or life policies in relation to the repayment of the relevant Interest-only Loans in full or on time. If a Borrower cannot repay an Interest-only Loan and a loss occurs, this may affect payments on the Notes and Certificates if the resulting Principal Deficiency Ledger entry cannot be cured from Available Revenue Receipts being applied for such purpose in accordance with the Pre-Enforcement Revenue Priority of Payments.

Claims against third parties

The Seller has assigned its rights in respect of causes and rights of actions against solicitors and Valuers to the Issuer pursuant to the Mortgage Sale Agreement, to the extent they are assignable (although the Legal Title Holder will not instruct solicitors or Valuers in all cases). The Servicer has, pursuant to the Servicing Agreement, undertaken to prepare and submit any claim under any Third Party Buildings Policies or (if entered into by the Legal Title Holder) any Legal Title Holder Insurance Policies in accordance with the requirements of any relevant Legal Title Holder Insurance Policy or the Third Party Buildings Policies (as relevant) and otherwise in accordance with the usual procedures undertaken by a Reasonable, Prudent Mortgage Servicer on behalf of the Issuer. Any failure by or

inability of the Servicer to take action against third parties may have an adverse effect on the Issuer's ability to make payments of interest and/or principal in respect of the Notes. Please see also the risk factor entitled "*Insurance Policies*" below.

Delinquencies or Default by Borrowers in paying amounts due on their Loans

Borrowers may default on their obligations under the Loans in the Portfolio. Defaults may occur for a variety of reasons. The Loans are affected by credit, liquidity and interest rate risks. Various factors influence mortgage delinquency rates, prepayment rates, repossession frequency and the ultimate payment of interest and principal, such as changes in the national or international economic climate, regional economic or housing conditions, changes in tax laws, interest rates, inflation, the availability of financing, yields on alternative investments, political developments, government policies, impact of the macro-economy on tenants' ability to pay rent or borrowers' ability to make mortgage payments, and illness (including the present cost of living crisis in certain European countries and any impact of the conflict in Ukraine and the ongoing Israeli-Hamas conflict and any illness arising in connection with an epidemic or pandemic, and associated governmental interventions (including but not limited to, rent freezes)). Whilst the recent interest rate rises seen in the UK from 0.75 per cent. to a peak of 5.25 per cent. by the Bank of England have since receded to the current rate of 4.0 per cent., there is a chance that they may increase again in the future (and possibly further than its previous peak), and any further increase in interest rates may adversely affect Borrowers' ability to pay interest or repay principal on their Loans. Other factors in Borrowers' individual, personal or financial circumstances may affect the ability of Borrowers to repay the Loans. Unemployment, loss of earnings, illness, increases in the cost of living as a result of, among other things, energy costs, inflation, increases in taxes and/or national insurance contributions, divorce and other similar factors may lead to an increase in delinquencies by and bankruptcies (and analogous arrangements) of Borrowers, and could ultimately have an adverse impact on the ability of Borrowers to repay the Loans. In addition, the ability of a Borrower to sell a property given as security for a Loan at a price sufficient to repay the amounts outstanding under that Loan will depend upon a number of factors, including the availability of buyers for that property, the value of that property and property values in general at the time. A valuation was obtained by the Legal Title Holder on or about the time of origination of each Loan, see the section entitled "*The Loans*" below.

In order to enforce a power of sale in respect of a mortgaged property, the relevant mortgagee must first obtain possession of the relevant property. Possession is usually obtained by way of a court order or decree. This can be a lengthy and costly process and will involve the mortgagee assuming certain risks. Any possession order given in favour of the lender may be suspended to allow the Borrower more time to pay. In addition, if possession has been obtained, a reasonable period must be allowed for marketing the property, to discharge obligations to take reasonable care to obtain a proper price. If obtaining possession of properties and arranging a sale in such circumstances is lengthy or costly, the Issuer's ability to make payments on the Notes and Certificates may be reduced. The Issuer's ability to make such payments may be reduced further if the powers of a mortgagee in relation to obtaining possession of properties permitted by law are restricted in the future.

Further measures by UK regulatory authorities in respect of delinquencies and defaults by borrowers may also affect the Issuer's ability to make payments on the Notes and Certificates.

Increases in prevailing market interest rates may adversely affect the performance of the Portfolio

Borrowers with Loans which revert to a variable rate of interest may be exposed to increased monthly payments if the related mortgage interest rate adjusts upward. This increase in Borrowers' monthly payments may ultimately result in higher delinquency rates and losses in the future.

Borrowers seeking to avoid increased monthly payments by refinancing their mortgage loans may no longer be able to find available replacement loans at comparably low interest rates. Any decline in housing prices may also leave borrowers with insufficient equity in their properties to permit them to refinance. These events, alone or in combination, may contribute to higher delinquency rates, slower prepayment rates and higher losses on the Portfolio, which in turn may affect the ability of the Issuer to make payments of interest and/or principal on the Notes and make payments under the Certificates.

The Legal Title Holder to initially retain legal title to the Loans and risks relating to set-off

Legal title to all of the English Loans, the Scottish Loans and (subject in some cases to registration or recording at the Land Registry or (as applicable) the Registers of Scotland) their related Mortgages are currently vested in the Legal Title Holder.

Until the Issuer obtains legal title to the Loans and their related Mortgages and the Related Security, the sale of the English Loans and their related Mortgages and Related Security will take effect in equity only, in terms of which the Issuer will acquire the beneficial interest therein.

The sale of the Scottish Loans and their related Scottish Mortgages is given effect by the Seller (as beneficiary under the Existing Scottish Trust) assigning its interest as beneficiary under the Existing Scottish Trusts granted pursuant to a Scottish Declaration of Trust pursuant to a Scottish Trust Transfer to the Issuer. By virtue of such Scottish Trust Transfer, the beneficial interest in such Scottish Loans and their Related Security is held on trust for the benefit of the Issuer. The holding of a beneficial interest under a Scottish trust has (broadly) equivalent legal consequences in Scotland to the holding of an equitable interest in England and Wales.

In each case, this means that legal title to the Loans and their Related Security in the Portfolio will remain with the Legal Title Holder until the occurrence of a Perfection Event. The legal title to the Loans will be transferred to the Issuer or a nominee of the Issuer as soon as reasonably practicable following the occurrence of a Perfection Event.

The Issuer has not applied, and prior to the occurrence of a Perfection Event will not apply, to the Land Registry to register or record its equitable interest in the Mortgages secured on Properties in England and Wales, respectively, and cannot in any event apply to the Registers of Scotland to register or record its beneficial interest in the Scottish Mortgages pursuant to a Scottish Declaration of Trust assigned to it pursuant to the Scottish Trust Transfer.

Following a Perfection Event, (i) notice of the transfer of legal title to the Loans to the Issuer or a nominee of the Issuer will be given to the Borrowers in respect of the English Loans and their Related Security; and (ii) notice of the assignation of the Scottish Loans and their Related Security to the Issuer or a nominee of the Issuer will be given to the Borrowers (in addition to the Legal Title Holder executing and delivering to the Issuer such assignations). Until the time such notice is given to the relevant Borrowers, equitable or independent set-off rights may accrue in favour of any Borrower against his or her obligation to make payments to the Legal Title Holder under the relevant Loan. These rights may result in the Issuer receiving reduced payments on the Loans. The transfer of the benefit of any Loans to the Issuer will continue to be subject to any prior rights that any applicable Borrower may become entitled to after the transfer. However, following notice of the assignment or assignation to the Issuer or its nominee, being given to the Borrowers, some rights of set-off (being those rights that are not connected with or related to the relevant Loan) may not arise after the date notice is given. For the purposes of this Prospectus, references herein to "set-off" shall be construed to include analogous rights in Scotland. For further information on the effects of a set-off in relation to the Portfolio, see "*A set-off may adversely affect the value of the Portfolio or any part thereof" below.*

As a consequence of the Issuer not obtaining legal title to the Loans and their Related Security or the Properties secured thereby, a *bona fide* purchaser from any Legal Title Holder for value of any of such Loans and their Related Security without notice of any of the interests of the Issuer might obtain a good title free of any such interest. If this occurred, then the Issuer would not have good title to the affected Loan and its Related Security, and it would not be entitled to payments by a Borrower in respect of that Loan. However, the risk of third-party claims obtaining priority to the interests of the Issuer in this way would likely be limited to circumstances arising from breach by the Legal Title Holder of its contractual obligations or from fraud, negligence or mistake on the part of the Legal Title Holder or any of its respective personnel or agents.

Until notice of the assignment or assignation is given to the Borrowers, the Issuer would not be able to enforce any Borrower's obligations under a Loan or its Related Security itself but to the extent that the Servicer failed to take any or appropriate enforcement action against the relevant Borrower (in accordance with the enforcement procedures of the Servicer) the Issuer or the Trustee would be able to take action (under the power of attorney to be entered into pursuant to the Mortgage Sale Agreement) or would have to join the Legal Title Holder as a party to any legal proceedings. Borrowers

will also have the right to redeem their Loan by repaying the relevant Loan directly to the Legal Title Holder. However, the Legal Title Holder and the Servicer undertakes, pursuant to the Servicing Agreement and the Mortgage Sale Agreement, to hold any money repaid to it in respect of relevant Loans on trust for the Issuer. In addition, the Seller will, pursuant to the Mortgage Sale Agreement, agree to hold on trust any money repaid to it in respect of relevant Loans received from the Legal Title Holder or any other party (or on their behalf) to the order of the Issuer.

If any of the risks described above were to occur then the realisable value of the Portfolio or any part thereof may be affected.

In all cases, this means that in order for legal title to be transferred to the Issuer, transfers, conveyances, assignments and assignations would have to be registered or recorded at the Land Registry or Registers of Scotland, as applicable, and notice would have to be given to Borrowers of the transfer.

The Issuer will have power of attorney to act in the name of the Legal Title Holder, in respect of the Loans and their Related Security.

A set-off may adversely affect the value of the Portfolio or any part thereof

As described above, the sale by the Seller to the Issuer of the English Loans and their Related Security will be given effect by an assignment in equity only and the sale of the Scottish Loans and their Related Security will be given effect by a Scottish Trust Transfer which assigns the Seller's beneficial interest in a Scottish Declaration of Trust to the Issuer. As a result, the Legal Title Holder will remain the lender of record.

Once notice has been given to the Borrowers of the assignment or assignation of the Loans and their Related Security to the Issuer or its nominee following a Perfection Event, independent set-off rights (and the equivalent rights under Scots law) which a Borrower has against the Legal Title Holder will crystallise and further rights of independent set-off would cease to accrue from that date and no new rights of independent set-off could be asserted following that notice. Whilst as at the date of this Prospectus the Legal Title Holder does not take deposits from the Borrowers, there can be no assurances that the Legal Title Holder or the Replacement Legal Title Holder or any Successor Legal Title Holder will not in the future. Set-off rights arising under "*transaction set-off*" (being those set-off claims arising out of a transaction connected with the Loan) will not be affected by that notice and will continue to exist.

In respect of Scottish Loans, references in this Prospectus to 'set-off' are to be read as references to analogous rights in Scotland.

The relevant Borrower may set off any claim for damages arising from the Legal Title Holder's breach of contract against the Legal Title Holder's (and therefore, an equitable assignee of or holder of the beneficial interest in the Loans and their Related Security, the Issuer's) claim for payment of principal and/or interest under the relevant Loan as and when it becomes due. These set-off claims will constitute transaction set-off, as described above. In this respect, the Seller will represent and warrant in the Mortgage Sale Agreement that the terms and conditions of the Loans do not require the Legal Title Holder to agree to any Further Advance, Product Switch or any Port. If the Legal Title Holder agrees with any Borrower that a Further Advance, Product Switch or Port may occur in respect of such Loan, such Loan is required to be repurchased prior to the granting of such Further Advance, Product Switch or Port.

Notwithstanding the representation, warranty and undertakings described above, the exercise of set-off rights by Borrowers may adversely affect the timing of receipt and ultimate amount received by the Issuer in respect of the relevant Loans and the realisable value of the Portfolio and/or the ability of the Issuer to make payments under the Notes and Certificates.

Banks, insurance companies and other financial institutions in the UK (such as the Seller and Replacement Legal Title Holder) are subject to the FSCS which gives customers protection where an authorised firm is unable or is likely to be unable to meet claims against it because of its financial circumstances. The majority of deposits made by Borrowers or guarantors (as applicable) with the Seller and Replacement Legal Title Holder will be covered by the FSCS which gives the Borrower protection up to the FSCS limit (as at the date of this Prospectus being £85,000). As such, in the event that the Seller (if the Seller has become the Replacement Legal Title Holder) or the Legal Title Holder

(to the extent that the Legal Title Holder subsequently accepts deposits) is unable to meet a claim from a Borrower or (if applicable) guarantor over and above the FSCS limit, set-off rights of such Borrower or guarantor, despite the giving of notice to the Borrowers or guarantors of the assignment of the Loans and their Related Security to the Issuer, may apply. It is noted that as of the date of this Prospectus the Legal Title Holder is not a deposit taking institution. In order to mitigate this risk, the Seller will be required pursuant to the terms of the Mortgage Sale Agreement to promptly notify the Servicer, Issuer and Trustee (with a copy to the Rating Agencies) on becoming aware of any loan that is a Significant Deposit Loan, (being a Loan in respect of which the borrower or borrowers who is or are named and defined as such in the relevant Loan has a deposit account with the Legal Title Holder (or the Replacement Legal Title Holder, if they become Legal Title Holder) for an amount in excess of £85,000 (or such other amount as set by the FSCS from time to time) or to the extent such borrower or borrowers are unable to benefit from the FSCS (as determined by the Seller) and have a deposit account with the Legal Title Holder (or the Replacement Legal Title Holder, if they become Legal Title Holder) for any amount greater than zero) before notice of the transfer of legal ownership of that Borrower's Loan to either the Issuer or another third party (other than the Replacement Legal Title Holder) is given and on each Interest Payment Date will be required to repurchase any Loans in the Portfolio that the Seller has determined to be Significant Deposit Loans as at the immediately preceding Collection Period Start Date and for which the Issuer has delivered to the Seller a repurchase notice.

Buy-to-Let Loans

As at the end of September 2025, approximately 0.80 per cent. of the aggregate number of the Loans (representing 0.61 per cent. of the aggregate principal amount of the Principal Balance of the Loans) in the Provisional Portfolio are Buy-to-Let Loans. None of the Loans are Flexible Loans, self-certified loans, or loans that were marketed and underwritten on the premise that the loan applicant or, where applicable, intermediaries were made aware that the information provided might not be verified by the lender. The Borrower's ability to service such Loans is likely to depend on the Borrower's ability to lease the relevant Property on appropriate terms. There can be no assurance that each such Property will be the subject of an existing tenancy when the relevant Loan is acquired by the Issuer or that any tenancy which is granted will subsist throughout the life of the Loan and/or that the rental income from such tenancy will be sufficient (whether or not there is any default of payment in rent) to provide the Borrower with sufficient income to meet the Borrower's interest obligations or capital repayments in respect of the Loan. Upon enforcement of a Loan in respect of a Property which is the subject of an existing tenancy, the Servicer may not be able to obtain vacant possession of the Property, in which case the Servicer will only be able to sell the Property as an investment property with one or more sitting tenants. This may affect the amount which the Servicer could realise upon enforcement of the Loan and the sale of the Property. In such a situation, amounts received in rent may not be sufficient to cover all amounts due in respect of the Loan. However, enforcement procedures in relation to such Loans include appointing a receiver of rent, in which case such a receiver must collect any rents payable in respect of the Property and apply them accordingly in payment of any interest and arrears accruing under the Loan.

Additionally, the introduction of the various taxation and regulatory measures may adversely affect the private residential rental market in the United Kingdom in general, or (in the case of the restriction of income tax relief) the ability of individual Borrowers of Buy-to-Let Loans to meet their obligations under those Loans. Further, such measures may prompt Borrowers to refinance their Loan or sell the underlying Property, which in turn may adversely affect the yield to maturity of the Notes and payments under the Notes and Certificates. See further "*Risk Factors – Considerations Relating to Yield, Prepayments and Mandatory Redemption*" above and "*Risk Factors – Potential effects of any additional regulatory changes*" below.

As of the date of this prospectus, income tax relief for residential property finance costs is, effectively, restricted to, at most, the basic rate of income tax (20 per cent).

The buy-to-let market in the UK has been disrupted as a result of a series of regulatory interventions, which are in the process of reshaping the sector. Significant changes have been seen to date, and the effects are yet to work themselves out fully. The regulatory changes in 2017 were implemented in two phases.

Phase One:

From 1 January 2017, the PRA imposed common standards for affordability testing in the buy-to-let sector, similar, in principle, to the approach adopted by the FCA for owner-occupied mortgages. Most lenders were able to adopt these changes without serious disruption.

Phase Two:

From 1 October 2017, lenders were required to underwrite portfolio buy-to-let applications on a much more specialised basis, differentiating between professional and amateur landlords, based on the number of properties owned with buy-to-let finance. Whilst the market in general was slow to reflect the required regulatory changes and communicate these to landlords and intermediaries leading to some disruption around the implementation date due to lack of clarity on lenders' requirements, such disruption has subsequently eased as lenders have made their position clearer. Lenders in the buy-to-let market now broadly fall into one of three groups: those that only offer buy-to-let mortgages to non-portfolio landlords; those that offer only limited services to portfolio landlords and specialist lenders (such as the Seller) that provide a full range of products for professional portfolio landlords.

Further changes post 2017:

Borrowers may have Loans in the Portfolio that are related to shared properties where HMO licensing rules apply. Prior to October 2018, a property was only classified as an HMO (and thus needed a permit) if it was rented to five or more people from more than one household, was at least three storeys high, and had shared facilities. In October 2018, the three-storey rule was removed, so any large flat or house share of five or more people now requires an HMO licence. For landlords who fall under the licensing scheme, from October 2018, the rules also introduce minimum size requirements for each bedroom in the property. If an inspection were to find these requirements were breached, the relevant local authority may give a period of time for the relevant issue to be fixed (for example, by either moving out the tenant or making the room larger). However, the rules may be enforced more strictly (and fines applied) if a landlord let the room to a tenant knowing they were in breach. Where a property requires a licence due to it being a HMO, it is a requirement of Bluestone's underwriting process that the conveyancer will confirm that this is in place or that an application has been made for such licence at the time of completion.

On 15 April 2019, the Government announced its plans to run a consultation on proposals to remove the ability of landlords to use "no fault" evictions under Section 21 of the Housing Act 1988 (the "**2019 Consultation**"). As the law currently stands, a landlord can evict a tenant who has an assured shorthold tenancy using a Section 21 or Section 8 Notice. As part of this consultation process, the Government intends to consult and collaborate with landlords, tenants and letting agents.

Section 21 Notices can be served to evict tenants either on expiry of the fixed term of the tenancy, where there is provision for a break during the tenancy, or at the end of a period of the tenancy where the tenancy has become "periodic". When issuing a Section 21 Notice, there is no requirement for the tenant to be in breach, or for a landlord to specify valid reasons for wanting to bring the tenancy to an end. Under the proposals, landlords will be required to provide an evidenced reason for bringing a tenancy to an end, which may be similar to the method of gaining possession under Section 8 of the Housing Act 1988. The reasons, or "grounds" under which landlords can seek possession under Section 8 are listed in Section 8 of Schedule 2 of the 1988 Act.

The UK Government introduced the Renters (Reform) Bill to the UK Parliament on 17 May 2023, which has been progressing through the parliamentary stages. This proposes certain changes to housing laws as they relate to the private rental sector, including a proposal to abolish "no fault" evictions by landlords. Further, on 17 July 2024, the UK Government announced an intention to introduce legislation to give "greater rights and protections to people renting their homes, including ending no fault evictions and reforming grounds for possession". It is not known at this stage what effect the proposals will have on the Issuer or Bluestone or their respective business or operations.

The introduction of the above taxation and regulatory measures may adversely affect the private residential rental market in the United Kingdom in general, or (in the case of the restriction of income tax relief, the changes to the HMO licencing regime and any change in landlords' ability to evict tenants) the ability of individual Borrowers of Buy-to-Let Loans to meet their obligations under those

Loans. Further, such measures may prompt Borrowers to re-finance their Loan or sell the underlying Property, which in turn may adversely affect the yield to maturity of the Notes and payments under the Notes and Certificates. See further "*Risk Factors – Considerations Relating to Yield, Prepayments and Mandatory Redemption*" above and "*Risk Factors – Potential effects of any additional regulatory changes*" below.

Help to Buy Loans

As at the end of September 2025, approximately 8.36 per cent. of the aggregate number of the Loans (representing 10.03 per cent. of the aggregate principal amount of the Principal Balance of the Loans) in the Provisional Portfolio are Help to Buy Loans. In March 2013, the UK Government announced the "Help to Buy" Scheme involving two separate proposals to assist home buyers in England and Wales. (In this prospectus, Help to Buy Scheme means the help to buy scheme provided by the UK Government to assist home buyers by the UK Government (through Homes England) providing a shared equity loan made to borrowers secured by way of a second charge mortgage on the relevant property). The first involves a shared equity loan made available from 1 April 2013 by the UK Government (through Homes England) to borrowers, for up to 20 per cent. of the property price, for the purchase of new homes. The upper limit for the equity loan was increased, from February 2016, to up to 40 per cent. of the property price for properties in London by the "London Help to Buy Scheme". The shared equity loan provided by the UK Government is secured by way of a second charge mortgage on the relevant property.

Following a sale of a property which benefits from a Help to Buy equity loan, the UK Government (through Homes England) will be repaid a pro rata amount of the disposal proceeds of the property equal to a percentage of the market value equal to the percentage contribution of assistance received (plus interest and charges). In circumstances where the disposal proceeds are insufficient to discharge in full both the Loan and the Help to Buy equity loan secured on the property, the disposal proceeds will be applied to discharge the first ranking legal Mortgage and the remaining proceeds (if any) applied to discharge the Help to Buy equity loan. Any disposal of a property which benefits from a Help to Buy equity loan (including following an enforcement of a Help to Buy Loan), would require the consent of Homes England which may result in a delay to the enforcement of the relevant Mortgage.

The second "Help to Buy" Scheme involves a guarantee provided by the UK Government for loans made to borrowers allowing up to a 95 per cent. loan to value ratio. The guaranteed loans were available from 1 October 2013 (each of the loans under this scheme, a Help to Buy Loan). Equivalent Help to Buy schemes were introduced in Scotland by the Scottish Government. No Loans in the Portfolio benefit from any guarantee provided under the Help to Buy Scheme or the equivalent Scottish schemes. The Help to Buy scheme closed in England on 31 March 2023 and was expected to close in Wales on 31 March 2025 but has since been extended to September 2026.

Insurance Policies

The Mortgage Conditions require borrowers to have buildings insurance for the relevant Property. However, it will be difficult in practice for the Servicer and/or the Issuer to determine whether the relevant Borrower has valid insurance in place at any time.

No assurance can be given that the Issuer will always receive the benefit of any claims made under any applicable buildings insurance contracts. This could adversely affect the Issuer's ability to make payment of interest and/or principal in respect of the Notes and payments under the Certificates.

In addition, the Legal Title Holder does not currently have any Legal Title Holder Insurance Policies such as those which give the Issuer certain protection in respect of any loss arising from the existence of any adverse matter which would have been revealed had the Legal Title Holder instructed a solicitor to conduct a search or other procedure against the title to the relevant Property or Properties. Investors should be aware that there is no guarantee that the Legal Title Holder will enter into any Legal Title Holder Insurance Policies over the life of the transaction.

Searches, Investigations and Warranties in Relation to the Loans

The Seller will give certain warranties to the Issuer regarding the Loans and their Related Security sold to the Issuer on the Closing Date (see "*Summary of the Key Transaction Documents – Mortgage Sale Agreement*" below for a summary of these).

Neither the Trustee, the Arranger, the Lead Manager nor the Issuer has undertaken, or will undertake, any investigations, searches or other actions of any nature whatsoever in respect of any Loan or its Related Security in the Portfolio and each relies instead on the warranties given in the Mortgage Sale Agreement by the Seller. As such, the Loans may be subject to matters which would have been revealed by a full investigation of title and which may have been remedied or, if incapable of remedy, may have resulted in the Related Security not being accepted as security for a Loan had such matters been revealed. Certain warranties are qualified by the knowledge of Bluestone, however investors should be aware that notwithstanding that the Seller is the sole shareholder of Bluestone, there is no on-going active involvement of Bluestone to monitor the correctness of any such warranty or notify any breach of warranty or defect in relation to the circumstances of the Loans to the Issuer or the Seller. In addition the Seller and the other transaction parties will have limited obligations to monitor compliance with such warranties following the Closing Date.

Although the Seller gives warranties to the Issuer regarding the Loans and their Related Security, the Seller was not the originator or original lender of any of the Loans. The Seller purchased beneficial title to all of the Loans and Related Security from Bluestone under various asset purchase agreements**.** Bluestone holds legal title to all of the Loans in the Portfolio. Whilst Shawbrook has an ongoing commercial relationship with Bluestone and became the sole shareholder of Bluestone on 31 May 2023, the Seller was not directly involved in the origination of any of the Loans in the Portfolio, including those Loans originated following 31 May 2023 and the reporting process agreed between Bluestone and the Seller in the context of various asset purchase agreements in respect of breach of Loan Warranties remains unchanged following the acquisition. As a result, the Seller's knowledge is limited to knowledge regarding the portfolio of residential mortgage loans originated by Bluestone as a whole. Therefore the Seller does not have any direct knowledge as to whether a warranty which relates to the origination process in respect of an individual Loan is correct or not (particularly those warranties qualified by the knowledge of Bluestone) and the Seller may not have actual knowledge of any relevant matters which give rise to a breach of warranty.

The primary remedy of the Issuer against the Seller if any of the warranties made by the Seller is materially breached or proves to be materially untrue as at the Closing Date which breach is not remedied in accordance with the Mortgage Sale Agreement, will be to require the Seller to repurchase any relevant Loan and its Related Security in accordance with the repurchase provisions in the Mortgage Sale Agreement. However, there can be no assurance that the Seller will have the financial resources to honour such obligations under the Mortgage Sale Agreement. In each case, the Issuer will not have recourse to any other person in the event that the Seller, for whatever reason, fails to meet such obligations. Furthermore, although the Seller and the Servicer have undertaken, pursuant to the Mortgage Sale Agreement and Servicing Agreement, to notify the Issuer (and, if applicable, the Servicer) upon becoming aware of a material breach of any Loan Warranty, there shall be no obligation on the part of the Seller or the Servicer to monitor compliance of the Loans with the Loan Warranties following the Closing Date. This may affect the quality of the Loans and their Related Security in the Portfolio and accordingly the ability of the Issuer to make payments due on the Notes and Certificates.

Declining property values

The value of the Related Security in respect of the Loans may be affected by, among other things, a decline in the residential property values in the United Kingdom. If the residential property market in the United Kingdom should experience an overall decline in property values, such a decline could in certain circumstances result in the value of the Related Security being significantly reduced and, in the event that the Related Security is required to be enforced, may result in an adverse effect on payments on the Notes and the Certificates.

The Issuer cannot guarantee that the value of a property will remain at the same level as on the date of origination of the related Loan. A fall in property prices resulting from the deterioration in the housing market could result in losses being incurred by lenders where the net recovery proceeds are insufficient to redeem any outstanding loan secured on such property. If the value of the Related Security backing

the Loans is reduced this may ultimately result in losses to Noteholders if the Security is required to be enforced and the resulting proceeds are insufficient to make payments on all Notes and Certificates.

Borrowers may have insufficient equity in their properties to refinance their Loans with lenders other than Bluestone and may (as a result of the circumstances described in "*Delinquencies or Default by Borrowers in paying amounts due on their Loans*" or otherwise) have insufficient resources to pay amounts in respect of their loans as and when they fall due. This could lead to higher delinquency rates and to losses which in turn may adversely affect payments on the Notes and the Certificates.

Concentration Risks

Loans in the Portfolio may also be subject to geographic concentration risks within certain regions of the United Kingdom. To the extent that specific geographic regions within the United Kingdom have experienced or may experience in the future weaker regional economic conditions, housing markets and letting markets than other regions in the United Kingdom, a concentration of the Loans in such a region may be expected to exacerbate the risks relating to the Loans described in this section. Certain geographic regions within the United Kingdom rely on different types of industries. Any downturn in a local economy or particular industry may adversely affect the regional employment levels and consequently the repayment ability of the Borrowers in that region or in the region that relies most heavily on that industry. Any natural disasters or widespread health crises or the fear of such crises in a particular region may weaken economic conditions and reduce the value of affected Properties and/or negatively impact the ability of affected Borrowers to make timely payments on the Loans. This may result in a loss being incurred upon the sale of such Properties. These circumstances could affect receipts on the Loans and ultimately result in losses on the Notes or inability to make payments under the Certificates. For an overview of the geographical distribution of the Loans in the Provisional Portfolio, see "*Characteristics of the Provisional Portfolio – Geographical distribution*".

In addition, investors should note that as at the Portfolio Reference Date, none of the Loans in the Provisional Portfolio have a Principal Balance of more than £1,000,000. As the rate of payment and prepayment cannot be predicted with any certainty in respect of the Loans in the Portfolio, investors should be aware that the concentration of Loans in excess of £1,000,000 may increase over time (due to, for example, accrued interest or arrears of interest or a change to the reversionary rate of interest increasing the Principal Balance) which may in turn adversely affect payments on the Notes and Certificates.

Breathing Space Regulations

Under the Breathing Space Regulations, an individual may apply for a moratorium (either a breathing space moratorium or mental health crisis moratorium) in respect of 'qualifying debt'. A debtor may only enter into a breathing space moratorium whilst receiving debt advice (from a debt advice provider authorised to provide debt counselling under article 39E of the RAO or a local authority) and potentially entering into a debt solution. Breathing spaces will end either (a) 60 days from the date it started; (b) the day after a debt adviser or court cancels it; or (c) if the debtor dies during the breathing space period. In this case, the breathing space ends on the day after the debtor died.

In addition, in circumstances where the debtor is suffering from a mental health crisis, the debtor themselves or mental health professionals may apply to debt advisors for a mental health breathing space. This will end 30 days after the debtor's mental health crisis treatment ended, or 30 days after the date a debt adviser had no response after asking for confirmation from the nominated point of contact about a debtor's ongoing mental health crisis treatment.

A 'qualifying debt' includes any debt or liability other than 'non-eligible debt' (defined in regulation 5(4)) including, for example, secured debt which does not amount to arrears in respect of secured debt (regulation 5(4)(a)), whether or not it is entered into, or due to be paid or repaid, before the Breathing Space Regulations come into force (regulation 5(2)). This includes any amount that the debtor is liable to pay under or in relation to an order or warrant for possession of the debtor's place of residence (regulation 3(a)). Accordingly, arrears amounts on mortgage agreements and arrears in rental payments would constitute "qualifying debt".

A moratorium includes protection from creditor action for most personal debts, including financial services debt, household bill arrears and most public sector debts. The Breathing Space Regulations impose obligations on consumer credit lenders, mortgage lenders and other regulated firms, to comply

with the restrictions and obligations imposed by the moratorium on collection and enforcement of debts and application of interest and other charges. This may impact the Loans insofar as these include arrears amounts on mortgage agreements, which will be within scope of breathing spaces. No enforcement action may be taken in respect of these arrears amounts for the duration of a breathing space. Additionally, tenants of rented properties are protected from evictions for the duration of a breathing space – however, the debtor needs to meet their ongoing rent obligation (the ongoing obligation to pay rent constitutes a new payment obligation incurred during the breathing space, and therefore is not a "qualifying debt" – only rental arrears fall within the scope of the Breathing Space Regulations). If payments in respect of ongoing obligations are not made, the debt adviser may elect to cancel the standard breathing space. Any such moratoria may adversely affect the Issuer's ability to make payments to the Noteholders and Certificateholders.

SERVICING AND THIRD PARTY RISKS

Issuer Reliance on Other Third Parties

The Issuer is also a party to contracts with a number of other third parties who have agreed to perform services in relation to the Issuer and/or Notes and Certificates. In particular, but without limitation, the Corporate Services Provider has agreed to provide certain corporate services to the Issuer pursuant to the Corporate Services Agreement, the Issuer Account Bank has agreed to provide the Issuer Accounts to the Issuer pursuant to the Bank Account Agreement, the Swap Provider has agreed to enter into the Swap Transaction pursuant to the terms of the Swap Agreement, the Servicer has agreed to service the Portfolio pursuant to the Servicing Agreement, the Back-Up Servicer Facilitator has agreed to provide facilitation services in relation to the Portfolio pursuant to the Servicing Agreement, the Cash Manager has agreed to provide cash management services pursuant to the Cash Management Agreement, and the Agents have all agreed to provide services with respect to the Notes and Certificates pursuant to the Agency Agreement. In the event that any of the above parties were to fail to perform their obligations under the respective agreements, including any failure arising from circumstances beyond their control such as epidemics (for example, COVID-19), to which they are a party and/or are removed or if such a party resigns without a sufficiently experienced substitute or any substitute being appointed in their place promptly thereafter, collections on the Portfolio and/or payments to Noteholders and Certificateholders may be disrupted and Noteholders and Certificateholders may be adversely affected.

The Transaction Documents do not contain any restrictions on the ability of any third party providing services to the Issuer to change their business plans and strategies and access other business lines or markets after the Closing Date. Any changes of the business plans and strategies of a third-party service provider could expose that third party to additional risks (including regulatory, operational and systems risk) which could have an adverse effect on the ability of the third party to provide services to the Issuer and consequently could have an adverse effect on the Issuer's ability to perform its Obligations under the Notes and Certificates.

Termination of the appointment of the Servicer and/or the Legal Title Holder

Bluestone will be appointed by the Issuer as Servicer to service the Loans and their Related Security. If the Servicer breaches the terms of the Servicing Agreement, then, prior to the delivery of an Enforcement Notice and with the prior written consent of the Trustee, the Seller or the Issuer or, after delivery of an Enforcement Notice, the Trustee will be entitled to terminate the appointment of the Servicer in accordance with the terms of the Servicing Agreement.

The aggregate liability of the Servicer is subject to limitation and caps, as more particularly described in the section entitled "*Summary of the Key Transaction Documents – The Servicing Agreement*".

In the event that the Issuer suffers a loss in respect of the Portfolio, or becomes liable to a third party, in each case as a result of any claim arising out of or in connection with the performance (or non-performance) of the Servicer's duties and obligations under the Servicing Agreement and the Servicer is liable to the Issuer for such acts or omissions pursuant to the terms of the Servicing Agreement, any loss over and above the liability cap set out in the Servicing Agreement (to the extent enforceable under applicable law and other than as a result of the fraud, gross negligence or wilful default of the Servicer or that of its officers, directors or employees) may be irrecoverable by the Issuer. This may result in fewer proceeds being available to meet the Obligations of the Issuer in respect of the Notes and Certificates.

Any change in Servicer or Legal Title Holder could delay collection of payments on the Loans and ultimately could adversely affect the ability of the Issuer to make payments in full on the Notes and payments under the Certificates.

If a Servicer Termination Event occurs (including those specified in the first paragraph of this risk factor), the Replacement Servicer has agreed to act as Servicer and the Replacement Servicer, the Replacement Legal Title Holder, the Issuer, the Seller, the Back-Up Servicer Facilitator and Trustee shall enter into a replacement servicing agreement on such terms and in such form as is consistent with the prevailing market standard at the relevant time. Investors should be aware that no comfort can be given as to what the prevailing market standard will be at any time a Servicer Termination Event occurs and, as such, there is no guarantee that the protections included in respect of the Issuer in such replacement servicing agreement (including, but not limited to, servicer standard of care, servicer covenants, limitation on the liability of the Replacement Servicer, servicer fees and ability for the Issuer to terminate the Replacement Servicer) will not be materially weaker than those included in the Servicing Agreement. Investors should also note that the Seller is able to make consequential changes to other Transaction Documents in this scenario to implement the appointment of the Replacement Servicer and the transfer of legal title to the Loans – see the risk factor entitled "*Meetings of Noteholders, Certificateholders, Modifications and Waivers*".

However, to the extent the Replacement Servicer is insolvent or defaults in its obligations to act as Servicer on a Servicer Termination Event, there can be no assurance that a substitute Servicer with sufficient experience of servicing the Loans and their Related Security would be found who would be willing and able to service the Loans and their Related Security on the terms, or substantially similar terms, set out in the Servicing Agreement. Further, investors should be aware that no comfort can be given as to what the prevailing market standard will be at any time a substitute Servicer is appointed and it may be that the terms on which such a substitute Servicer may be appointed are substantially different from those set out in the Servicing Agreement (including in respect of the location of the payment of any servicing fees in the Priority of Payments) and the terms may be such that the Noteholders and Certificateholders may be adversely affected. The ability of a substitute Servicer to fully perform the required services would depend, among other things, on the information, software and records available at the time of the appointment. Any delay or inability to appoint a substitute Servicer may affect payments on the Loans and hence the Issuer's ability to make payments when due on the Notes and Certificates.

In addition, Noteholders and Certificateholders should be aware that the Servicer has no obligation itself to advance payments that Borrowers fail to make in a timely fashion.

For further details on the arrangements with the Servicer, please see "*Summary of the Key Transaction Documents – Servicing Agreement*" below.

Change of counterparties

The parties to the Transaction Documents who receive and hold monies or provide support to the transaction pursuant to the terms of such documents (such as the Issuer Account Bank and the Swap Provider) are required to satisfy certain criteria in order that they can continue to be a counterparty to the Issuer.

These criteria include requirements in relation to (in the case of Moody's) the short term deposit rating, senior unsecured debt rating and/or long-term counterparty risk assessment or (in the case of Fitch) the short term deposit rating, senior unsecured debt rating and/or long term counterparty risk assessment rating ascribed to such party by the Rating Agencies. If the party concerned ceases to satisfy the applicable criteria, including the ratings criteria set out in the relevant Transaction Documents and as described in this Prospectus, then the rights and obligations of that party (including the right or obligation to receive monies on behalf of the Issuer) may be required to be transferred to another entity which does satisfy the applicable ratings criteria. In these circumstances, the terms agreed with the replacement entity may not be as favourable as those agreed with the original party pursuant to the relevant Transaction Document and the cost to the Issuer may therefore increase. In addition, it may not be possible to find an entity with the ratings prescribed in the relevant Transaction Document who would be willing to act in the role. This may reduce amounts available to the Issuer to make payments of interest and principal on the Notes and payments under the Certificates and/or lead to a downgrade in the ratings of the Notes.

In addition, should the applicable criteria cease to be satisfied, then the parties to the relevant Transaction Document may agree to amend or waive certain of the terms of such document, including the applicable criteria (although this will not apply to mandatory provisions of law), in order to avoid the need for a replacement entity to be appointed. The consent of Noteholders or Certificateholders may not be required in relation to such amendments and/or waivers and as such investors should be aware that certain counterparties to the Transaction Documents may change from time to time without their consent.

RISKS RELATED TO THE RIGHTS OF NOTEHOLDERS, CERTIFICATEHOLDERS AND SECURED CREDITORS

Conflict between Noteholders, Certificateholders and other Secured Creditors

So long as any of the Notes are outstanding, except where expressly provided otherwise, the Trustee shall not have regard to the interests of the Certificateholders or the other Secured Creditors as regards all powers, trusts, authorities, duties and discretions of the Trustee, subject to the provisions of the Trust Deed, Conditions 13.5 (*Modification to the Transaction Documents*) and 13.6 (*Additional Rights of Modification*) and Certificate Conditions 12.5 (*Modification to the Transaction Documents*) and 12.6 (*Additional Right of Modification*).

Conflict between Noteholders and Certificateholders

The Trust Deed and the Deed of Charge contain provisions requiring the Trustee to have regard to the interests of Noteholders and not the interests of the Certificateholders (whilst the Notes are outstanding) as regards all powers, trusts, authorities, duties and discretions of the Trustee (except where expressly provided otherwise).

If, in the Trustee's opinion, however, there is or may be a conflict between the interests of the holders of one or more Classes of Notes (or, if no Notes are outstanding, Certificates), on the one hand, and the interests of the holders of one or more Classes of Notes (or, if no Notes are outstanding, Certificates), on the other hand, then the Trustee is required to have regard only to the interests of the holders of the relevant affected Class of Notes or Certificates ranking in priority to other relevant Classes of Notes or Certificates in the Post-Enforcement Priority of Payments.

As a result, holders of Notes and Certificates other than the Most Senior Class may not have their interests taken into account by the Trustee when the Trustee exercises discretion where there is a conflict of interest.

In addition, prospective investors should note that the Trust Deed provides that no Extraordinary Resolution of the holders of a Class of Notes or Certificates, other than the holders of the Most Senior Class, shall take effect for any purpose while the Most Senior Class remains outstanding unless such Extraordinary Resolution shall have been sanctioned by an Extraordinary Resolution of the holders of the Most Senior Class or the Trustee is of the opinion it would not be materially prejudicial to the interests of the holders of the Most Senior Class.

For certain purposes, including the determination as to whether Notes and Certificates are deemed outstanding, for the purposes of convening a meeting of Noteholders or Certificateholders, those Notes or Certificates (if any) which are for the time being held by or on behalf of or for the benefit of the Issuer, the Seller, any holding company as defined in section 1159 of the Companies Act 2006 ("**Holding Company**") of the Issuer or the Seller or any other subsidiary as defined in section 1159 of the Companies Act 2006 ("**Subsidiary**") of either such Holding Company (each such entity a "**Relevant Person**"), in each case as beneficial owner, shall (unless and until ceasing to be so held) be deemed not to remain outstanding or in issue, except where all of the Notes or Certificates of any Classes are held by or on behalf of or for the benefit of one or more Relevant Persons, in which case such Classes of Notes or Certificates (the "**Relevant Class**") shall be deemed to remain outstanding or in issue (as the case may be) except that, if there is any other Class of Notes or Certificates ranking (with regard to the definition of Most Senior Class) *pari passu* with, or junior to, the Relevant Class and one or more Relevant Persons are not the beneficial owners of all the Notes or Certificates of such Class, then the Relevant Class shall be deemed not to remain outstanding and **provided that** in relation to a matter relating to a Basic Terms Modification, any Notes or Certificates which are for the time being

held by or on behalf of or for the benefit of a Relevant Person, in each case as beneficial owner, shall be deemed to remain outstanding or in issue, as applicable.

Conflicts of Interest

Certain of the Transaction Parties and their respective affiliates are acting in a number of capacities in connection with the transaction described herein. Those Transaction Parties and any of their respective affiliates acting in such capacities will have only the duties and responsibilities expressly agreed by each such entity in the relevant capacity and will not, by reason of it or any of its affiliates acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided with respect to each such capacity. In no event shall such Transaction Parties or any of their respective affiliates be deemed to have any fiduciary obligations to any person by reason of their respective affiliates acting in any capacity.

In addition to the interests described in this Prospectus, the Arranger, the Lead Manager and any Lead Manager Related Person:

(a) may from time to time be a Noteholder or Certificateholder or have other interests with respect to the Notes and Certificates and they may also have interests relating to other arrangements with respect to a Noteholder or a Note, a Certificateholder or a Certificate;

(b) may receive (and will not have to account to any person for) fees, brokerage and commission or other benefits and act as principal with respect to any dealing with respect to any Notes or Certificates;

(c) may purchase all or some of the Notes and/or Certificates and resell them in individually negotiated transactions with varying terms; and

(d) may be or have been involved in a broad range of transactions including, without limitation, banking, lending, advisory, dealing in financial products, credit derivative and liquidity transactions, investment management, corporate and investment banking and research in various capacities in respect of the Notes and Certificates, the Issuer or any other Transaction Party or any related entity, both on its own account and for the account of other persons.

Prospective investors should be aware that:

(i) each Lead Manager Related Person in the course of its business (including in respect of interests described above) may act independently of any other Lead Manager Related Person or Relevant Party;

(ii) to the maximum extent permitted by applicable law, the duties of each Lead Manager Related Person in respect of the Notes and Certificates are limited to the relevant contractual obligations set out in the Transaction Documents (if any) and, in particular, no advisory or fiduciary duty is owed to any person. No Lead Manager Related Person shall have any obligation to account to the Issuer, any Relevant Party or any Noteholder or Certificateholder for any profit as a result of any other business that it may conduct with either the Issuer or any Relevant Party;

(iii) a Lead Manager Related Person may have or come into possession of information not contained in this Prospectus that may be relevant to any Noteholder or Certificateholder or to any decision by a potential investor to acquire the Notes and/or Certificates and which may or may not be publicly available to potential investors ("**Relevant Information**");

(iv) to the maximum extent permitted by applicable law no Lead Manager Related Person is under any obligation to disclose any Relevant Information to any other Lead Manager Related Person, to any Relevant Party or to any potential investor and this Prospectus and any subsequent conduct by a Lead Manager Related Person should not be construed as implying that such Lead Manager Related Person is not in possession of such Relevant Information; and

(v) each Lead Manager Related Person may have various potential and actual conflicts of interest arising in the ordinary course of its businesses, including in respect of the interests described

above. For example, a Lead Manager Related Person's dealings with respect to a Note or Certificate, the Issuer or a Relevant Party, may affect the value of a Note or Certificate.

These interests may conflict with the interests of a Noteholder and/or Certificateholder and the Noteholder and/or Certificateholder may suffer loss as a result. To the maximum extent permitted by applicable law, a Lead Manager Related Person is not restricted from entering into, performing or enforcing its rights in respect of the Transaction Documents, the Notes, the Certificates or the interests described above and may otherwise continue or take steps to further or protect any of those interests and its business even where to do so may be in conflict with the interests of Noteholders, Certificateholders and the Lead Manager Related Persons in so doing so act in its own commercial interests and without notice to, and without regard to, the interests of any such person.

Meetings of Noteholders, Certificateholders Modification and Waivers

The Conditions contain provisions for calling separate or combined meetings of Noteholders and Certificateholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders and Certificateholders (including Noteholders and Certificateholders who did not attend and vote at the relevant meeting and Noteholders and Certificateholders who voted in a manner contrary to the requisite majority for such vote).

The Conditions also provide that the Trustee may agree, without the consent of the Noteholders, the Certificateholders or the other Secured Creditors (other than any Secured Creditors which are party to the relevant Transaction Document), to (a) except in the case of a Basic Terms Modification, any modification of, or the waiver or authorisation of, any breach or proposed breach of, the Conditions or any of the Transaction Documents which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders or, if no Notes are outstanding, the Certificateholders or (b) any modification which, in the opinion of the Trustee, is of a formal, minor or technical nature or to correct a manifest error. The Conditions also specify that certain categories of amendments (including changes to majorities required to pass resolutions or quorum requirements) would be classified as Basic Terms Modifications. Investors should note that a Basic Terms Modification is required to be sanctioned by an Extraordinary Resolution of the holders of the relevant affected Class or Classes of Notes or Certificates then in issue, as applicable which are affected by such Basic Terms Modifications. The Conditions also provide that the Trustee shall, subject to the terms thereof, without the consent or sanction of the Noteholders, Certificateholders or any of the other Secured Creditors (other than any Secured Creditors which are party to the relevant Transaction Document), agree to any modification to the Transaction Documents, the Conditions or the Certificate Conditions requested by the Issuer (a) in order for it to comply with any requirements which apply to it under UK EMIR and EU EMIR, commonly known as the European Market Infrastructure Regulation, or (b) for the purpose of enabling the Issuer (or the Servicer on its behalf) to (x) transfer the Collection Account from the Collection Account Bank to another bank or (y) transfer the role of the Servicer and/or the Legal Title Holder to the Replacement Servicer and the Replacement Legal Title Holder or, as the case may be, to the Successor Servicer and the Successor Legal Title Holder (as applicable) in each case in circumstances where the Servicer's and Legal Title Holder's appointment is terminated pursuant to clause 25 (*Appointment following Termination*) of the Servicing Agreement, irrespective of whether such modifications are (i) materially prejudicial to the interests of the holders of any Class of Notes, any Class of Certificates or any other Secured Creditor or (ii) in respect of a Basic Terms Modification, **provided that** the Issuer (or Servicer on its behalf) certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect and that the conditions stipulated in clause 30.2 or 25, respectively, of the Servicing Agreement have been satisfied or (c) for the purpose of enabling the Issuer to open any custody account for the receipt of any collateral posted by the Swap Provider under the Swap Agreement in the form of securities irrespective of whether such modifications are (i) materially prejudicial to the interests of the holders of any Class of Notes or Certificates or any other Secured Creditor or (ii) in respect of a Basic Terms Modification **provided that** the Issuer (or the Seller on its behalf) certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect.

Further, the Trustee may also be obliged, in certain circumstances, to agree to amendments to the Conditions and/or the Transaction Documents for the purpose of (i) complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, (ii) complying with any changes in the requirements of the EU Securitisation Regulation, including as a result of the adoption of regulatory technical standards in relation to the EU

Securitisation Regulation or any other risk retention legislation, regulations or official guidance in relation thereto, (iii) complying with any changes in the requirements of the UK Securitisation Framework, including as a result of the adoption of regulatory technical standards in relation thereto, (iv) enabling the Notes to be (or to remain) listed on Euronext Dublin, (v) enabling the Issuer or any of the other Transaction Parties to comply with FATCA, (vi) complying with any changes in the requirements of the UK CRA Regulation including as a result of the adoption of regulatory technical standards in relation to the UK CRA Regulation, the UK CRA3 Requirements, the UK Securitisation Framework including any requirements imposed by the UK Securitisation Framework and/or any new regulations or official guidance in relation thereto, (vii) making a Base Rate Modification after the Closing Date or (viii) making a Swap Rate Modification (each a "**Proposed Amendment**"), without the consent of the Noteholders or Certificateholders.

In relation to any such Proposed Amendments, the Issuer is required, amongst other things, to certify in writing to the Trustee that the Issuer has provided at least 30 calendar days' notice to the Noteholders or Certificateholders, as applicable, of each Class of the proposed modification in accordance with Condition 16 (*Notice to Noteholders*) or Certificate Condition 15 (*Notice to Certificateholders*) and by publication on Bloomberg on the "Company News" screen relating to the Notes and Certificates. However, Noteholders and Certificateholders should be aware that, in relation to each Proposed Amendment, if Noteholders or Certificateholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class (or, if no Notes are outstanding, the Certificates) have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes and Certificates may be held) within such notification period notifying the Issuer that such Noteholders or Certificateholders, as applicable, do not consent to the modification, the modification will be passed without Noteholder or Certificateholder consent.

If Noteholders or Certificateholders, as applicable, representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class (or, if no Notes are outstanding, Certificates) then outstanding have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes or Certificates may be held) within the notification period referred to above that they do not consent to the modification, the such modification will not be made unless an Extraordinary Resolution of the Noteholders or Certificateholders, as applicable, of the Most Senior Class of Notes (or, if no Notes are outstanding, Certificates) then outstanding is passed in favour of such modification in accordance with Condition 13 (*Meetings of Noteholders Modification, Waiver and Substitution*) or Certificate Condition 12 (*Meetings of Certificateholders, Modification, Waiver and Substitution*). See "*Terms and Conditions of the Notes – Condition 13 (Meetings of Noteholders, Modification, Waiver and Substitution)*" and "*Terms and Conditions of the Certificates* – Certificate Condition 12 (*Meetings of Certificateholders, Modification, Waiver and Substitution*)" below.

There is no guarantee that any changes made to the Transaction Documents and the Conditions pursuant to the obligations imposed on the Trustee, as described above, would not be prejudicial to the Noteholders or Certificateholders.

CERTAIN REGULATORY RISKS RELATED TO THE PORTFOLIO

Regulation of Buy-to-Let mortgage loans

Buy-to-Let mortgage loans can fall under several different regulatory regimes. They can be:

- unregulated;
- regulated by the CCA as a Regulated Credit Agreement as defined by article 60B of the RAO;
- regulated by the FSMA as a Regulated Mortgage Contract, as defined by article 61 of the RAO; or
- regulated as a Consumer Buy-to-Let Loan.

The Portfolio comprises Loans that the Seller believes are unregulated and regulated loans as described below. The Seller has given a warranty in the Mortgage Sale Agreement that no agreement for any

Loan is in whole or in part a Regulated Credit Agreement. A breach of the relevant regulations in respect of any regulated loan, as outlined above (including if any loan is in fact a Regulated Credit Agreement), could give rise to a number of consequences (as applicable), including but not limited to: unenforceability of the Loans, interest payable under the Loans being irrecoverable for certain periods of time, borrowers being entitled to cancel the Loans under the Financial Services (Distance Marketing) Regulations 2004 ("**DM Regulations**") or borrowers being entitled to claim damages for losses suffered and being entitled to set off the amount of their claims against the amount owing by the borrower under the Loans, all of which may adversely affect the ability of the Issuer to make payments in full on the Notes when due and payments under the Certificates. With respect to Consumer Buy-to-Let Loans, breach of the relevant regulations could give rise to a number of consequences, including but not limited to: unenforceability of the Loans, the Legal Title Holder having engaged in a criminal offence and the exercise of other powers under FSMA including orders for injunctions or restitution. These and other consequences may adversely affect the ability of the Issuer to make payments in full on the Notes when due and payments under the Certificates.

Investors should note that there is no guarantee that the Seller will have the financial resources to honour its repurchase undertaking in respect of any Loan for which the above warranty is breached (please see the risk factor above entitled "*Searches, Investigations and Warranties in Relation to the Loans*").

Unregulated Buy-to-Let mortgage loans

The Portfolio comprises Loans that the Seller believes are unregulated and regulated Buy-to-Let Loans. The Seller believes some of the Buy-to-Let Loans in the Portfolio are unregulated because they do not meet the criteria for a Regulated Credit Agreement, Regulated Mortgage Contract or Consumer Buy-to-Let Loan. There are, however, still some regulated activities that apply to unregulated Buy-to-Let mortgage loans. The relevant activities in respect of the Loans being debt administration and debt collection. The Servicer and Issuer will be excluded as lender from the regulated activities of debt administration and debt collection in respect of any unregulated loan, Consumer Buy-to-Let Loans or Regulated Credit Agreements.

Being unregulated, these Loans should not be subject to scrutiny under the CRA because the relevant borrowers should not fall within the definition of 'consumer' for the purpose of the CRA. For the purpose of the CRA, a "consumer" is defined as an individual acting for purposes that are wholly or mainly outside that individual's trade, business, craft or profession. However, the question of whether a borrower taking out a Loan will be regarded as acting within the course of a trade, business, craft or profession (thereby bringing the Loan out of the scope of scrutiny under the CRA) will depend on the facts of each case and a number of factors will be taken into consideration. A statement in the Loan documentation that the loan is made for commercial purposes will not, in and of itself, be effective to bring a Loan outside the scope of scrutiny under the CRA and therefore there is a risk that the CRA might apply in limited circumstances. If the CRA were to apply, a borrower may have a right of recourse against the Legal Title Holder if any of the terms of the Loan were unfair, which would be a matter for a court to determine if a case was brought.

Regulation of residential secured lending under the Mortgage Credit Directive

The United Kingdom implemented the MCD via the MCDO. This: (i) put in place a new regulatory regime for Consumer Buy-to-Let Mortgages; (ii) widened the definition of a Regulated Mortgage Contract to include second mortgages, and mortgages over secured land located within the EEA (rather than just the UK), timeshare accommodation and equitable mortgages; and (iii) transferred the regulation of some existing regulated credit agreements (e.g. second charge loans) from the consumer credit regime to the Regulated Mortgage Contract regime. The new requirements became mandatory on 21 March 2016.

Registered lenders, brokers or administrators of Consumer Buy-to-Let Loan mortgage contracts are subject to a number of obligations under the MCDO. These include conduct of business standards, requirements for the provision of information and for practices preliminary to the conclusion of the Consumer Buy-to-Let Loan mortgage contract, and other obligations pertaining, amongst others, to property valuation, the calculation of the annual percentage rate of charge, the assessment of the creditworthiness of the borrower or the sound execution of Consumer Buy-to-Let Loan contracts and related rights.

The MCDO also provides the FCA with appropriate powers to supervise and enforce this framework. These powers apply or mirror the FCA's investigative and sanctioning powers under FSMA and include the power to issue a public censure and to impose a penalty or a suspension under the MCDO.

Following Brexit, the UK government intends to repeal and, where appropriate, replace retained EU law relating to financial services. FSMA 2023 enables HM Treasury to revoke retained EU legislation and empowers the PRA and FCA to replace it with their own rules. The MCDO is part of the subordinate legislation that will be revoked by the FSMA 2023. The UK government has not yet published a formal deadline by which it intends to complete this process.

In the event that any of the Loans are Consumer Buy-to-Let Loan mortgage contracts, any further changes in the regulatory framework for lending and mortgages may adversely affect the Loans, the Legal Title Holders, the Seller, the Issuer, and/or the Servicer and their respective businesses and operations.

Regulated Mortgage Contracts

The Portfolio includes Owner-Occupied Loans, Buy-to-Let Loans, Right-to-Buy Loans and Help-to-Buy Loans. These loans will be subject to regulation, either under FSMA or MCDO as below.

Failure to comply with the regulatory mortgage regime in the United Kingdom under the FSMA "Mortgages and Home Finance: Conduct of Business Sourcebook" ("MCOB"), COBS, MCDO and other regulatory frameworks may render regulated mortgage contracts or other secured credit agreements unenforceable against the borrower and may ultimately adversely affect the ability of the Issuer to make payments on the Notes when due

There are various pieces of regulation, legislation and FCA guidance which govern the origination of Owner-Occupied Loans and consumer protections in relation to such Owner-Occupied Loans.

Residential mortgage lending business in the United Kingdom became a regulated activity under the FSMA on 31 October 2004.

As the Owner-Occupied loans included and to be included in the Portfolio were offered on or after 31 October 2004, the FSMA regime is intended to apply to such Owner-Occupied Loans. The Seller has given or, as applicable, will give warranties to the Issuer and others in the Mortgage Sale Agreement that, *inter alia*, each Owner-Occupied Loan is enforceable. If a Owner-Occupied Loan does not comply with these warranties in a material respect, and if such material breach is not cured within the applicable timeframe, then the Seller will either (i) at its election upon becoming aware of such material breach and upon giving notice to the Issuer and the Trustee or (ii) upon receipt of the notice from the Issuer (copied to the Trustee) be required to repurchase the relevant Owner-Occupied Loan.

MCOB, which sets out the FCA's rules for regulated mortgage activities, came into force on 31 October 2004. MCOB applies to all Regulated Mortgage Contracts and Consumer Buy-to-Let Loans where the lender is not registered with the FCA. The MCDO came into force on 6 April 2015. Schedule 2 of the MCDO applies to Consumer Buy-to-Let Loans regardless of whether or not the lender is registered with the FCA. The rules contained in both the MCOB and the MCDO cover, among other things, certain pre-origination matters such as financial promotion and pre-application illustrations, pre-contract and start-of-contract and post-contract disclosure, contract changes, charges and arrears and repossessions. Other rules for prudential and authorisation requirements for mortgage firms, and for extending the appointed representatives regime to mortgages, also came into force on 31 October 2004.

On 4 November 2024, new MCOB 13 rules came into force to incorporate into the FCA Handbook relevant aspects of the FCA's Tailored Support Guidance for Consumer Credit, Mortgages and Overdrafts (which has now been withdrawn in light of the new Handbook rules). It is possible that further changes may be made to the FCA's MCOB rules as a result of the FCA's ongoing reviews and other related future regulatory reforms. Failure to comply with any updated and new MCOB rules applicable to the Loans may entitle a borrower to claim damages for loss suffered or to set off the amount of the claim against the amount owing under the Loan.

A borrower who is a private person may be entitled to claim damages for loss suffered as a result of any contravention by the lender of the FSMA, MCDO, an FCA or a PRA rule (such as the rules in MCOB), or may set-off the amount of the claim against the amount owing by the borrower under the loan or any other

loan that the borrower has taken (or exercise analogous rights in Scotland). Any such claim or set-off may adversely affect the Issuer's ability to make payments on the Notes.

In October 2012, the FCA published a policy statement and final rules in relation to its mortgage market review ("**Mortgage Market Review**"). As a result of the Mortgage Market Review and the MCD, the rules relating to mortgages may operate in certain circumstances to require the servicer to take certain forbearance-related actions in relation to Owner-Occupied Loans in the Portfolio and their Related Security which do not comply with the programme documents in respect of one or more Owner-Occupied Loans.

No assurance can be made that any such actions will not reduce the amounts available to meet the payments due in respect of the Notes, although the impact of this will depend upon the number of Owner-Occupied Loans in the Portfolio which involve a borrower experiencing difficulty in making repayments.

Cancellation of certain credit agreements by borrowers under the distance marketing regulations may have an adverse impact on the originators, the Issuer and/or the servicer and may ultimately adversely affect the ability of the Issuer to make payments on the Notes when due

With effect from 31 October 2004, the Distance Marketing of Financial Services Directive (2002/65/EC) has been implemented in the United Kingdom by way of the DM Regulations and other amendments to MCOB.

Some of the Owner-Occupied Loans included in the Portfolio may have been originated on the basis of distance marketing and are therefore subject to the requirements and risks set out in this paragraph. If a significant portion of the Owner-Occupied Loans in the Portfolio are characterised as being cancellable under these DM Regulations, then there could be an adverse effect on the Issuer's receipts in respect of the Owner-Occupied Loans, affecting the Issuer's ability to make payments on the Notes.

Regulation of consumer credit lending in the United Kingdom may have an impact on the originators, the Issuer and/or the servicer and may adversely affect the ability of the Issuer to make payments in full when due on the Notes

The Seller has interpreted certain technical rules under the CCA in a way common with many other lenders in the mortgage market. If such interpretation were held to be incorrect by a court or the Financial Ombudsman Service (the "**FOS**"), then a loan, to the extent that it is regulated by the CCA or treated as such, would be unenforceable as described above. If such interpretation were challenged by a significant number of borrowers, then this would lead to significant disruption and shortfall in the income of the Issuer. Court decisions have been made on technical rules under the CCA against certain mortgage lenders, but such decisions are very few and are generally county court decisions which are not binding on other courts.

The Seller has given warranties to the Issuer and others in the Mortgage Sale Agreement that, among other things, each Loan in the Portfolio and its Related Security is enforceable. If a Loan or its Related Security does not comply with these warranties in a material respect, then in certain circumstances the Seller will be required to repurchase the relevant Loan under the relevant mortgage account and its Related Security from the Issuer.

If a Loan in the Portfolio is a credit agreement which is regulated by the CCA, any failure to comply with the requirements of the CCA may adversely affect the ability of the Issuer to make payments in full on the Notes when due.

Regulations in the United Kingdom could lead to some terms of the agreements relating to the Loans being unenforceable, which may adversely affect payments on the Notes

The extremely broad and general wording of the Unfair Terms in Consumer Contracts Regulations 1999 ("**UTCCR**") makes any assessment of the fairness of terms largely subjective and makes it difficult to predict whether or not a term would be held by a court to be unfair. When the unfair contract terms regime of the Consumer Rights Act 2015 (the "**CRA**") came into force it revoked the UTCCR and introduced a new regime for dealing with unfair contractual terms.

The UTCCR applies to any term of an agreement entered into between 1 October 1999 and 30 September 2015 by a "consumer" within the meaning of the UTCCR where the term has not been individually negotiated. Any term found to be "unfair" within the meaning of the UTCCR will not be binding on the

consumer (although the rest of the agreement will remain enforceable if it is capable of continuing in existence without the unfair term).

It is therefore possible that any loans which have been made to borrowers covered by the UTCCR, and subsequently the CRA, may contain unfair terms which may result in the possible unenforceability of the terms of such loans. This may adversely affect the Issuer's ability to make payments in full on the Notes when due.

See "Certain Regulatory Risks Related to the Portfolio – Consumer Rights Act 2015" below.

Mortgage Charter

On 26 June 2023, HM Treasury published the "Mortgage Charter" in light of the current pressures on households following interest rate rises and the cost-of-living crisis. The Mortgage Charter states that the UK's largest mortgage lenders and the FCA have agreed with the Chancellor a set of standards that they will adopt when helping their regulated mortgage borrowers worried about high interest rates (the Mortgage Charter). In addition, lenders will permit borrowers who are up to date with their payments to: (i) switch to interest-only payments for six months (the "**MC Interest-only Agreement**"); or (ii) extend their mortgage term to reduce their monthly payments and give borrowers the option to revert to their original term within six months by contacting their lender (the "**MC Extension Agreement**"). These options can be taken by borrowers who are up to date with their payments without a new affordability check or affecting their credit score.

On 30 June 2023, the FCA published PS23/8 amending MCOB 11.6 to align with the objectives of the Mortgage Charter, providing limited exemptions from its affordability requirements which would allow lenders to allow mortgage borrowers to (a) reduce their capital repayments for up to six months; and (b) fully or partly reverse a term extension within six months of it taking effect.

Although the Mortgage Charter commitments do not apply to buy-to-let mortgages, they do apply to owner-occupied mortgages (which constitute a significant proportion of the Portfolio). However, Bluestone has not signed up to the Mortgage Charter.

In general, there can be no assurance that the FCA or other UK government or regulatory bodies will not take further steps in response to the rising cost of living in the UK which may impact the performance of the Loans, including further amending and extending the scope and applicability of the Mortgage Charter or related rules. Such developments may adversely affect the ability of the Issuer to make payments in full under the Notes and Certificates.

Regulation of switching in the mortgage market and supporting "mortgage prisoners"

There are ongoing efforts to support borrowers paying interest on mortgages at standard variable rates (SVR), particularly consumers who cannot switch to fixed-rate mortgages despite being up to date with payments as their interest rates are at or linked to SVR (often called "**mortgage prisoners**"). Such interventions could lead to early redemptions and negatively impact the Portfolio's quality, affecting the Issuer's ability to make payments on the Notes and Certificates.

The FCA monitors the risk of customer detriment in the mortgage market in the UK. In March 2019, the FCA's Final Report in relation to its Mortgages Market Study (MS16/2.3) found that some consumers, including "mortgage prisoners," were harmed by paying more than necessary or being unable to switch to more affordable mortgages. On 28 October 2019, the FCA issued a policy statement (PS 19/27) amending its responsible lending rules under MCOB to remove barriers and reduce costs for consumers switching to more affordable mortgages. The changes allow lenders to carry out a modified affordability assessment for borrowers who meet certain criteria, including that they are up to date with their existing mortgage payments and want to switch to a more affordable mortgage for their existing property without borrowing more. Where the customer meets these criteria, the FCA's modified affordability assessment permits lenders offering new mortgages to base the assessment on a customer's repayment history. On 22 July 2025, the FCA issued a policy statement (PS25/11) widening the scope of the modified affordability assessment (MAA), to permit lenders to use the MAA for a mortgage contract where it is more affordable than either a customer's current mortgage or a new mortgage product that is available to that customer from their current lender.

PS19/27 also required inactive lenders and administrators for unregulated entities to review their customer books and inform borrowers about switching to more affordable mortgages. In April 2021, Parliament rejected amendments to cap the Standard Variable Rate for mortgage prisoners. During the Parliamentary debate, the Government committed to working with the FCA to review data and the impact of modified affordability assessments. In November 2021, the FCA published the "Mortgage Prisoners Review" in which it reviewed its regulatory interventions in relation to mortgage prisoners and reported on characteristics of mortgage prisoners in closed books with inactive firms, but set out no additional regulatory steps to be taken.

On 11 September 2024, a Private Members' Bill (the Mortgage Prisoners Inquiry Bill) was introduced in the House of Lords to establish an inquiry into the events surrounding the creation of mortgage prisoners, their consequences and any other relevant matters with the power to make recommendations. HM Treasury has stated that it remains committed to looking for practical new solutions for borrowers who are struggling in the context of mortgage imprisonment. It is, therefore, possible that there may be further relevant legislative and regulatory changes in the future.

Home Owner and Tenant Protection

Part 1 of the Home Owner and Debtor Protection (Scotland) Act 2010 (the "**Home Owner and Debtor Protection Act**") came into force on 30 September 2010 and contains provisions imposing additional requirements on heritable creditors (the Scottish equivalent to mortgagees) in relation to the enforcement of standard securities over residential property in Scotland. The Home Owner and Debtor Protection Act amends the provisions of the Conveyancing and Feudal Reform (Scotland) Act 1970 which permitted a heritable creditor to proceed to sell the secured property where the notice period specified in a calling up notice or notice of default served in respect of the relevant standard security had expired without challenge (or where a challenge had been made but not upheld). Under the Home Owner and Debtor Protection Act, the heritable creditor is required to obtain a court order to exercise its power of sale, unless the borrower and any other occupier have surrendered the property voluntarily. In addition, the Home Owner and Debtor Protection Act requires the heritable creditor in applying for a court order to demonstrate that it has taken various preliminary steps (including the service and expiry of a two-month "calling-up" notice) to resolve the borrower's position, as well as imposing further procedural requirements.

Under the provisions of the Home Owner and Debtor Protection Act a heritable creditor must obtain a court order to exercise its power of sale unless the borrower and any other occupiers have surrendered the property voluntarily, and there are requirements in relation to actions it must take prior to obtaining such a court order (including the service and expiry of a two month "calling up" notice). This may restrict the ability of the relevant originator as heritable creditor in respect of the Scottish mortgages to exercise its power of sale and this could in turn affect the ability of the Issuer to make payments of interest and principal on the Notes.

FCA Consumer Duty

The Consumer Duty has applied since 31 July 2023 to products and services that remain open to sale or renewal and since 31 July 2024 to closed products and services, including the Portfolio.

There are three elements to the Consumer Duty, comprising a new consumer principle, that "a firm must act to deliver good outcomes for the retail consumers of its products", cross-cutting rules supporting the consumer principle, and four outcomes, relating to the quality of firms' products and services, price and value, consumer understanding and consumer support.

The Consumer Duty applies in respect of mortgage loans falling within scope of MCOB, as well as loans falling within the consumer credit regime. It applies to product manufacturers and distributors, as well as firms administering or servicing in scope mortgages and loans, who have direct contact with customers. Although the Consumer Duty will not apply retrospectively, the FCA has set out rules and guidance on how to assess contracts held by existing customers. Under the cross-cutting rules which form part of the Consumer Duty requirements there is more onus on firms to act in good faith when they identify matters which have the potential to cause customers potential harm. This may increase the type and extent of remedial activity which the Servicer is expected to undertake.

In March 2025, the FCA published feedback statement FS25/2 which sets out a programme of action the FCA will take to simplify requirements on firms following the introduction of the outcomes-focused

Consumer Duty. The FCA has outlined various planned next steps including the publication of a consultation paper on proposed mortgage changes as part of its mortgage rule review in May 2025 and a discussion paper on further proposed mortgage changes in June 2025, including a discussion on consumer disclosure requirements within the mortgage sector.

Given the Consumer Duty is a relatively new obligation, it is difficult to predict the precise effect of the new Consumer Duty on the mortgage loans with any certainty, which may result in adverse effects on the enforceability of certain loans and consequently the Issuer's ability to make payment in full on the Notes when due.

Mortgage repossession

A pre-action protocol based on mortgage or home plan arrears in respect of residential property in England and Wales came into force on 19 November 2008 (the "**Pre Action Protocol**"), setting out the steps that judges will expect any lender to take before starting a claim for possession. A number of mortgage lenders, including the servicer, have confirmed that they will delay the initiation of repossession action for at least three months, in the case of some lenders, six months after arrears start to accrue and where the property is occupied by the borrower. The application of such a moratorium may be subject to the wishes of the relevant borrower, and may not apply in cases of fraud.

The Mortgage Repossessions (Protection of Tenants etc) Act 2010 came into force on 1 October 2010. This Act gives courts in England and Wales the same power to postpone and suspend repossession for up to two months on application by an unauthorised tenant (i.e. a tenant in possession without the lender's consent) as generally exists on application by an authorised tenant. Additionally, under the Dwelling Houses (Execution of Possession Orders by Mortgagees) Regulations 2010, the lender has to serve notice at the property before enforcing at least 14 days' notice of its intention to execute a possession order over residential premises which have been let.

The amendments to Chapter 13 of MCOB which came into force on 25 June 2010 prevent, in relation to regulated mortgage contracts: (a) repossessing the property unless all other reasonable attempts to resolve the position have failed, which include considering whether it is appropriate to offer an extension of term, a conversion to interest only for a period or a product switch and (b) automatically capitalising a payment shortfall. Formerly, these matters were the subject of non-binding guidance only.

A further Pre-Action Protocol for Debt Claims came into force on 1 October 2017 and applies to any business when claiming payment of a debt from an individual. The Protocol encourages early and reasonable engagement between parties and aims to allow parties to resolve the matter without the need to start court proceedings. Such out of court proceedings would include discussing a reasonable payment plan or considering the use of alternative dispute resolution.

A CPR Practice Direction 55C ("**PD 55C**") was in force from 20 September 2020 until 30 November 2021 but continues to have effect after 30 November 2021 in relation to any claims issued before 1 December 2021. PD 55C sets out the steps required to reactivate stayed possession claims, as well as procedural changes applying both to existing possession claims and the issue of new claims. Different requirements apply under PD 55C depending on when the relevant possession claim was first issued.

Delays to landlords seeking possession of property may result in less rental income being available to meet the borrower's repayment obligations in respect of a mortgage loan.

There can be no assurance that any delay in starting and/or completing repossession or enforcement actions by the Seller or Legal Title Holder would not result in the amounts recovered being less than if there had not been any such delays (which may ultimately adversely affect the ability of the Issuer to make payment in full under the Notes and Certificates when due). The protocol in the Mortgage Repossessions (Protection of Tenants etc) Act 2010 may have adverse effects in markets experiencing above average levels of possession claims. Delays in the initiation of responsive action in respect of the Loans may result in delayed or lower recoveries and a lower repayment rate on the Notes and Certificates.

Forbearance

On 16 June 2022, the FCA issued a "Dear CEO" letter which emphasised that in the economic context of the cost of living crisis, lenders must treat borrowers fairly and act in alignment with existing FCA principles and guidance, such as the rules in MCOB 13 and the Tailored Support Guidance published

in March 2021 (which has since been withdrawn following relevant aspects having been incorporated into MCOB 13, as described further below).

If a borrower indicates that they are experiencing or reasonably expect to experience payment difficulties due to the rising cost of living, the FCA have said that lenders should offer prospective forbearance to enable them to avoid, reduce, or manage any payment shortfall that would otherwise arise. This includes borrowers who have not yet missed a payment.

A lender must not repossess a property unless all other reasonable attempts to resolve the position have failed. The FCA further states that mortgage lenders must also establish and implement clear, effective and appropriate policies and procedures for the fair and appropriate treatment of borrowers whom the lender understands, or reasonably suspects, to be vulnerable. The FCA also expects that action to seek possession should be a last resort.

The FCA also proposed targeted additional changes to support consumers in financial difficulty. On 10 April 2024, the FCA published PS24/2: Strengthening protections for borrowers in financial difficulty: Consumer credit and mortgages and the related Consumer Credit and Mortgages (Tailored Support) Instrument 2024 (FCA 2024/7). The FCA stated that it wants to build on the Tailored Support Guidance and provide a stronger framework for lenders to protect customers facing payment difficulties, and is doing this by incorporating relevant aspects of the Tailored Support Guidance into the FCA Handbook, as well as introducing further targeted changes.

For mortgages, the FCA has changed their rules and guidance to allow lenders more scope to capitalise payment shortfalls where appropriate and to improve disclosure for all customers in payment shortfall. The majority of the rules and guidance were finalised broadly as they were consulted upon but there are certain amendments, including, transparency on how any proposed payment arrangements will be reported on the credit file explanation on the meaning of priority debts, provision of information required for mortgage arrear statements and transparency on the range of forbearance options that may be considered. The new rules came into force on 4 November 2024 at which time the Tailored Support Guidance was withdrawn.

Under various regulatory and voluntary schemes, the Servicer has agreed in certain circumstances to delay repossession actions. There can be no assurance that any delay in starting and/or completing repossession actions by the Issuer would not result in the amounts recovered being less than if the Issuer did not allow any such delays (which may ultimately affect the ability of the Issuer to make payments of interest and principal on the Notes).

The Pre Action Protocol, the Mortgage Repossession (Protection of Tenants etc) Act and MCOB may have adverse effects in markets experiencing above average levels of possession claims. Delays in the initiation of responsive action in respect of the loans may result in lower recoveries and may adversely affect the ability of the Issuer to repay the Notes. Where the period of grace is afforded it may affect the amount recovered and may result in such recovery being less than may otherwise be the case if, for example, the property sells for less than the amount of the outstanding loan.

Decisions of the FOS could lead to some terms of the loans being varied, which may adversely affect payments on your Notes

Under the FSMA, the FOS, as an independent adjudicator, is required to make decisions on, among other things, complaints relating to activities and transactions under its jurisdiction on the basis of what, in the FOS's opinion, would be fair and reasonable in all circumstances of the case, taking into account, among other things, law and guidance.

Complaints properly brought before the FOS for consideration must be decided on a case by-case basis, with reference to the particular facts of any individual case. Each case would first be adjudicated by an adjudicator. Either party to the case may appeal against the adjudication. In the event of an appeal, the case proceeds to a final decision by the FOS. The FOS may order a money award to a debtor, which may adversely affect the ability of the Issuer to meet its Obligations under the Notes. As the Ombudsman is required to make decisions on the basis of, among other things, the principles of fairness, and may order a monetary award to a complaining borrower, it is not possible to predict how any future decision of the Ombudsman would affect the ability of the Issuer to make payments to noteholders.

As at 1 April 2025, the maximum award limits are (a) £445,000 for complaints referred to the FOS on or after 1 April 2025 about acts or omissions by firms on or after 1 April 2019 and (b) £200,000 for complaints referred to FOS on or after 1 April 2025 about acts or omissions by firms before 1 April 2019.

Consumer Credit Act

Under the CCA there is a risk that any credit agreement intended to be a regulated mortgage contract under the FSMA or unregulated, might instead be wholly or partly regulated by the CCA or be treated as such (or *vice versa*) because of technical rules on:

- determining whether any credit under the CCA arises, or (where applicable) whether any applicable financial limit of the CCA is exceeded;
- determining whether the credit agreement is an exempt agreement under the CCA (for example, certain types of credit agreement to finance the purchase of, or alteration to, homes or business premises, or regulated mortgage contracts under the FSMA; or
- changes to the credit agreements.

Under section 75 of the CCA, in certain circumstances the lender is liable to the borrower in relation to misrepresentation and breach of contract by a supplier in a transaction financed by a credit agreement that is wholly or partly regulated by the CCA or treated as such. The borrower may set off the amount of the claim against the lender against the amount owing by the borrower under the loan or under any other loan that the borrower has taken (or exercise analogous rights in Scotland including but not limited to compensation, retention and the balancing of accounts upon insolvency). Any such claim or set-off in relation to a Owner-Occupied Loan in the Portfolio may adversely affect the Issuer's ability to make payments on the Notes.

Unfair Relationships

Under the CCA, the previous "extortionate credit bargain" regime was replaced by an "unfair relationship" test under sections 140A to 140C of the CCA. The "unfair relationship" test applies to all existing and new credit agreements, except Regulated Mortgage Contracts and regulated home purchase plans under the FSMA. If the court makes a determination that the relationship between a lender and a borrower is unfair, then it may make an order, among other things, requiring any assignee such as the Legal Title Holder or the Issuer, to repay amounts received from such borrower. In applying the "unfair relationship" test, the courts are able to consider a wider range of circumstances surrounding the transaction, including the conduct of the creditor (or anyone acting on behalf of the creditor) before and after making the agreement or in relation to any related agreement. There is no statutory definition of the word "unfair" in the CCA as the intention is for the test to be flexible and subject to judicial discretion and it is therefore difficult to predict whether a court would find a relationship "unfair". However, the word "unfair" is not an unfamiliar term in UK legislation due to the UTCCR and the CRA. The courts may, but are not obliged to, look solely to the CCA for guidance. The principle of "treating customers fairly" (which, in respect of retail customers, was replaced on 31 July 2023 by the Consumer Duty principle to act to deliver good outcomes for retail customers – please see below) under the FSMA, and guidance published by the Financial Services Authority and, as of 1 April 2013, the FCA on that principle and by the Office of Fair Trading on the unfair relationship test, may also be relevant. Under the CCA, once the debtor alleges that an "unfair relationship" exists, the burden of proof is on the creditor to prove the contrary.

Plevin v Paragon [2014] UKSC 61, a Supreme Court judgment, has clarified that compliance with the relevant regulatory rules by the creditor (or a person acting on behalf of the creditor) does not preclude a finding of unfairness, as a wider range of considerations may be relevant to the fairness of the relationship than those which would be relevant to the application of the rules.

A more recent Supreme Court decision in *Smith and Burrell v Royal Bank of Scotland Plc* [2023] UKSC 34 further clarified that in judging unfairness, the Court must consider the whole history of the relationship and have regard to any matter that it thinks relevant: including not only the entering into of the credit agreement, but also any relevant act or omission of the creditor before the making of that agreement or any related agreement.

If a court determines that there was an unfair relationship between the creditor and a Borrower in respect of the Loans and orders that financial redress be made in respect of such Loan, such redress may adversely affect the ultimate amount received by the Issuer in respect of the relevant Loan and the realisable value of the Portfolio and/or the Issuer's ability to make payment in full under the Notes and Certificates when due.

The Renting Homes (Wales) Act 2016

The Renting Homes Act received royal assent on 18 January 2016 and fully entered into force from 1 December 2022. This Act converts the majority of residential tenancies in Wales into a 'standard contract' with retrospective effect. However some tenancies will not be converted with retrospective effect (including those which have Rent Act protection and tenancies for more than 21 years).

The Renting Homes Act (which only has effect in Wales) does not contain an equivalent mandatory ground for possession that a lender had under the Housing Act 1988 where a property was subject to a mortgage granted before the beginning of the tenancy and the lender required possession in order to dispose of the property with vacant possession.

The Renting Homes Act may result in lower recoveries in relation to Buy-to-Let Loans over Properties in Wales and may affect the ability of the Issuer to make payments under the Notes and Certificates.

Assured Shorthold Tenancy (AST)

Depending on the level of ground rent payable, a long leasehold in England and Wales may be an Assured Tenancy ("**AT**") or Assured Shorthold Tenancy ("**AST**") under the Housing Act 1988 ("**HA 1988**"). An AT is granted, if after 15 January 1989, the tenant is an individual and occupies the dwelling as their principal home. However to qualify as AT before 1 April 1990, certain criteria based on the date and rateable value of the property would need to be met. There is no maximum term for an AT and therefore any lease can constitute an AT if it satisfies the relevant criteria. Since 28 February 1997 all ATs automatically become ASTs unless the landlord serves notice to the contrary. This allows landlords to recover the property at the end of the term of the tenancy. The HA 1988 also allows landlords to obtain an order for possession and terminate an AT/AST during its fixed term if certain grounds for possession are met, such as Ground 8, which concerns rent arrears.

Most leases in England and Wales allow landlords to forfeit the lease if rent is unpaid for a certain period, but courts can grant relief if arrears are paid. Statutory protections exist to prevent unjustified forfeiture action. However, possession under Ground 8, as mentioned in section 7(6) of the HA 1988, is different and does not allow for court relief. Landlords must follow the notice procedure in section 8 of the HA 1988 and apply for a court order if the tenant does not leave. Ground 8 is mandatory, so the court will be obliged to grant the order if the conditions are met. There is a government consultation underway to review residential leasehold law in England and Wales generally and it is anticipated that this issue will be addressed as part of any resulting reforms.

Currently, however, there is a risk that if a long lease is also an AT/AST due to ground rent levels, and the tenant is in arrears of ground rent for over 3 months, the landlord can use the HA 1988 route to seek possession under Ground 8. If the tenant is unable to reduce the arrears below 3 months' ground rent by the date of the court hearing, the long lease will end, and the landlord will be able to re-enter the relevant property.

Energy Efficiency Regulations 2015

From 1 April 2018, landlords of relevant domestic properties in England and Wales may not grant a tenancy to new or existing tenants if their property has an EPC rating of band F or G (as shown on a valid energy performance certificate for the property) and from 1 April 2020, landlords must not continue letting a relevant domestic property which is already let if that property has an EPC rating of band F or G (as shown on a valid energy performance certificate for the property). In both cases described above this is referred to in the Energy Efficiency Regulations 2015 as the prohibition on letting substandard property. Where a landlord wishes to continue letting property which is currently substandard, they will need to ensure that energy efficiency improvements are made which raise the EPC rating to a minimum of E.

In certain circumstances landlords may be able to claim an exemption from this prohibition on letting sub-standard property; this includes situations where the landlord is unable to obtain funding to cover

the cost of making improvements, or where all improvements which can be made have been made, and the property remains below an EPC rating of band E. Local authorities will enforce compliance with the domestic minimum level of energy efficiency. They may check whether a property meets the minimum level of energy efficiency, and may issue a compliance notice requesting information where it appears to them that a property has been let in breach of the Energy Efficiency Regulations 2015 (or an invalid exemption has been registered in respect of it). Where a local authority is satisfied that a property has been let in breach of the Energy Efficiency Regulations 2015 it may serve a notice on the landlord imposing financial penalties. This may impact the ability of the relevant Borrower to make payment on the relevant Loan which in turn could affect the Issuer's ability to make payments on the Notes and Certificates.

Similar provisions have been enacted in Scotland pursuant to the Energy Efficiency (Domestic Private Rented Property) (Scotland) Regulations 2020 but the implementation of the regulations has been postponed and there is no current timetable for their application. The original timetable required that all new tenancies should have an EPC of at least Band E on or after 1 October 2020 and that all private rented properties should reach this standard by 31 March 2022; thereafter new tenancies require an EPC of at least Band D from 1 April 2022 with all private properties meeting this standard by 31 March 2025.

Consumer Rights Act 2015

The Consumer Rights Act (CRA) applies to contracts between traders and consumers made on or after 1 October 2015. The CRA defines a consumer as an individual acting for purposes that are wholly or mainly outside their trade, business, craft, or profession. It is therefore possible that some of the borrowers in relation to the Loans may be classified as consumers where they are not commercial landlords. The CRA reforms and consolidates UK consumer law, combining the Unfair Contract Terms Act 1977 and UTCCR. It applies to contracts entered into or materially varied on or after 1 October 2015. All of the Loans were originated on or after 1 October 2015.

Under the CRA, it is possible for a consumer to challenge a term in a contract on the basis that it is unfair or for the regulator to take enforcement action to stop the use of terms that are considered to be unfair. Part 2 of the CRA provides that, an unfair term in a consumer contract is not binding on the consumer. Additionally, an unfair notice is not binding on a consumer, although a consumer may rely on the term or notice if the consumer chooses to do so. A term is considered unfair if it causes a significant imbalance in the parties' rights and obligations to the detriment of the consumer, contrary to good faith. To determine fairness, the nature of the subject matter of the contract, the circumstances when the term was agreed, and all of the other terms of the contract or any other contract on which it depends must be considered.

Schedule 2 of the CRA contains an indicative and non-exhaustive "grey list" of terms of consumer contracts that may be regarded as unfair, such as allowing a trader to unilaterally alter contract terms without a valid reason which is specified in the contract. However, paragraph 22 of Schedule 2 provides this does not apply to terms by which financial services suppliers reserves the right to alter the rate of interest payable by or due to the consumer, or the amount of other charges for financial services without notice where there is a valid reason if the supplier is required to inform the consumer of the alteration at the earliest opportunity and the consumer is free to dissolve the contract immediately.

A term of a consumer contract which is not on the "grey list" can still be deemed unfair. If a term is found to be unfair, it will not bind the consumer, but the remainder of the contract, so far as practicable, will continue to have effect in every other respect. Where a term in a consumer contract has multiple meanings, the meaning most favourable to the consumer will prevail. It is the duty of the court to consider the fairness of any given term, even if neither party to the proceedings have explicitly raised the issue.

Consumer Protection from Unfair Trading Regulations 2008 and the Digital Markets, Competition and Consumers Act 2024

The European Parliament and Council adopted a directive on unfair business-to-consumer commercial practices (the "**Unfair Practices Directive**") on 11 May 2005, mandating full harmonisation and preventing Member States from imposing stricter rules, except in financial services and immovable property, such as

mortgage loans. The Unfair Practices Directive allows enforcement bodies to take administrative action or legal proceedings against "unfair" commercial practices to protect collective consumer interests, but it does not intend to give any claim, defence or right of set off to an individual.

The Unfair Practices Directive was implemented into UK law through the Consumer Protection from Unfair Trading Regulations 2008 (the "**CPUTR**"), effective from 26 May 2008. The CPUTR prohibit "unfair" practices within the terms of the CPUTR and breaches of it are criminal offences, punishable by a fine and/or imprisonment, but would not render an agreement void or unenforceable. The possible liabilities for misrepresentation or breach of contract in relation to the underlying credit agreements may result in irrecoverable losses on amounts to which such agreements apply. Consumers must rely on private law remedies based on the law of misrepresentation and duress as the CPUTR do not provide consumers with a private act of redress. The amendments to the CPUTR introduced by the Consumer Protection (Amendment) Regulations 2014 (SI No.2014/870) came into force on 1 October 2014, giving consumers the right to redress for misleading or aggressive commercial practices (as defined in the CPUTR), including a right to unwind agreements.

The impact of the CPUTRs on the Loans, Legal Title Holders, Seller, Servicer, or Issuer will depend on whether those entities engage in any of the practices described in the CPUTRs. In practical terms, the CPUTRs have not significantly added to existing regulatory requirements, such as treating customers fairly and conduct of business rules. There is no assurance that the CPUTR will not have a material adverse effect on the Loans or their servicing, impacting the Issuer's ability to make payments on the Notes and Certificates.

On 24 May 2024 the Digital Markets, Competition and Consumers Bill received Royal assent, becoming the Digital Markets, Competition and Consumers Act 2024 ("**DMCCA**"). The DMCCA came into force on 1 January 2025 with most of its key provisions brought into force through secondary legislation. The unfair commercial practices regime under the DMCCA came into force on 6 April 2025. The DMCCA revokes the CPUTR and recreates their effect, with minor amendments (Part 4 of the DMCCA), prohibiting unfair commercial practices in business to consumer relationships. The DMCCA adds to the list of commercial practices which are in all circumstances considered unfair, and gives the government the power to amend the list of practices using secondary legislation. Similar to the CPUTR, if there is a finding of an unfair practice, a trader will have committed an offence under section 237 of the DMCCA (subject to defences). Unless subject to a right of redress under section 232 (which affords a consumer rights such as unwinding a contract and damages under secondary regulation in the context of the prohibited practices of "misleading action" and "aggressive practice"), contracts will remain enforceable. The FCA (or another enforcer listed in FSMA e.g. the CMA) (following consultation with the infringer) could apply to the court under Part 3, for an enforcement order to stop the practice. The DMCCA introduces new powers for the CMA to enforce the unfair commercial practices provisions directly (including to issue significant fines directly for breaches without the need to go to court). Under the DMCCA, only the CMA is empowered to directly enforce consumer law (and impose penalties). However, other "enforcers" under the DMCCA, including the FCA, will be able to apply to the court to impose financial penalties, including fines of up to 10 per cent of a company's global turnover.

The new unfair commercial practices regime established by the DMCCA applies to acts or omissions which take place on or after the commencement date (6 April 2025). The CPUTR apply to acts or omissions occurring prior to 6 April 2025.

There is no assurance that entry into force of the unfair commercial practices regime under the DMCCA will not have a material adverse effect on the Loans or their servicing, impacting the Issuer's ability to make payments on the Notes and Certificates.

Land Registration Reform in Scotland

The 2012 Act received royal assent on 8 December 2014. One of the policy aims of the 2012 Act is to encourage the transfer of property titles recorded in the historic General Register of Sasines to the more recently established Land Register of Scotland with the aim of eventually closing the General Register of Sasines by 2024.

Previously, title to a residential property that was recorded in the General Register of Sasines would usually only require to be moved to the Land Register of Scotland (a process known as 'first registration') when that property was sold or if the owner decided voluntarily to commence first

registration. However, the 2012 Act provides additional circumstances which will trigger first registration of properties recorded in the General Register of Sasines, including the recording of a standard security (which will extend to any standard security granted by the Issuer in favour of the Trustee over Scottish Mortgages in the Portfolio recorded in the General Register of Sasines pursuant to the terms of the Deed of Charge following a Perfection Event (a "**Scottish Sasine Sub-Security**")).

The relevant provisions of the 2012 Act relating to the recording of standard securities came into force on 1 April 2016. As of this date, the General Register of Sasines is now closed to the recording of standard securities. Despite the provisions of the 2012 Act mentioned above, for the time being, no date has been set for the closure of the General Register of Sasines to other deeds such as assignations of standard securities (including any assignation granted by the Seller in favour of the Issuer in respect of Scottish Mortgages in the Portfolio recorded in the General Register of Sasines pursuant to the terms of the Servicing Agreement following a Perfection Event), and so these will continue to be accepted in the General Register of Sasines; although the Registers of Scotland have reserved the right to consult further on this issue in the future.

If a Perfection Event occurs then an application to record a Scottish Sasine Sub-Security in relation to Scottish Mortgages in the Portfolio would trigger a first registration in the Land Register of Scotland of the underlying Scottish Properties secured by the relevant Scottish Mortgages.

The impact of these changes to the Scottish land registration system is unlikely to be of material detriment to the Issuer, the Trustee or to the Noteholders and Certificateholders for the following reasons: (i) the Registers of Scotland report on the consultation process indicated that whilst these changes are likely to prolong completion of the registration process, where possible they will take a pragmatic view and not burden parties (such as the Issuer, Trustee or the Borrower who owns the underlying Scottish Property) with unreasonable or arbitrary costs and, in particular, the fee for a voluntary first registration of land over which a new standard security is to be granted is currently zero, which would keep the statutory cost of registering a Scottish Sasine Sub-Security in line with current statutory costs; and (ii) whilst the prolonged registration process is likely to be of practical inconvenience to the transaction parties and may give rise to costs that result in a reduction in the amounts that the Issuer has to make payments to Noteholders under the Notes and to Certificateholders under the Certificates, the validity and effectiveness of any Scottish Sasine Sub-Security would be unaffected by the change to the registration system (and the relevant Scottish Mortgages would in any event continue to be covered by the floating charge granted by the Issuer under the Deed of Charge). However, it is not unlikely that, were a Perfection Event to occur, the parties involved may still encounter increased legal and other third party costs relating to the first registration process and additional administrative burden.

As noted above, no indication has been given as to when or if the above provisions may be extended to other types of deed, such as assignations of standard securities. However, if the General Register of Sasines becomes closed to assignations of standard securities under the same provisions at any time subsequent to the Closing Date then this would also have an impact on the registration of any transfers through the General Register of Sasines in Scotland executed following a Perfection Event in a manner similar to Scottish Sasine Sub-Securities, with the probability of higher legal costs and a longer period required to complete registration than would currently be the case.

As noted above, such events will only occur following a Perfection Event and, given that the proportion of residential properties in Scotland which remain recorded in the General Register of Sasines continues to decline it is likely that, in relation to the current Portfolio where approximately 10.96 per cent. of the Provisional Portfolio by aggregate Principal Balance of the Loans are Scottish Loans, only a minority of the Scottish Mortgages will be recorded in the General Register of Sasines.

Potential effects of any additional regulatory changes

No assurance can be given that additional regulatory changes by or guidance from the Competition and Markets Authority, the FCA, the FOS or any other regulatory authority will not arise with regard to the mortgage market in the United Kingdom generally, the Seller's particular sector in that market, the private rental market in the United Kingdom, or specifically in relation to the Seller. Any such action or developments or compliance costs may have a Material Adverse Effect on the Loans, the Seller, the Issuer, the Servicer and their respective businesses and operations. This may adversely

affect the Issuer's ability to make payments in full on the Notes when due and payments under the Certificates.

CERTAIN INSOLVENCY RISKS

Insolvency legislation in the United Kingdom

The Issuer has represented in the Transaction Documents that it will have its centre of main interests in the United Kingdom and may therefore be subject to the insolvency proceedings under the laws of England and Wales.

Company voluntary arrangement and small companies moratorium

Under the company voluntary arrangement procedure set out in the Insolvency Act 1986, certain "small companies" are permitted to seek court protection from their creditors by way of a moratorium for a period of up to 28 days, with the option for creditors to extend this protection for up to a further two months (although the Secretary of State may, by order, extend or reduce the duration of either period).

A "**small company**" is defined by reference to whether the company meets certain tests contained in section 382(3) of the Companies Act 2006, relating to a company's balance sheet total, turnover and average number of employees in a particular period. The position as to whether or not a company is a "small company" may change from financial period to financial period, depending on its financial position and average number of employees during that particular period. The Secretary of State may, by regulation, also modify the qualifications for eligibility of a company for a moratorium and may also modify the present definition of a "small company". Accordingly, the Issuer may, at any given time, come within the ambit of the "small companies" provisions, such that the Issuer may (subject to the exemptions referred to below) be eligible to seek a moratorium, in advance of a company voluntary arrangement.

During the period for which a moratorium is in force in relation to a company, *inter alia*, no winding up may be commenced or administrator appointed to that company, no administrative receiver of that company may be appointed, no security created by that company over its property may be enforced (except with the leave of the court) and no other proceedings or legal process may be commenced or continued in relation to that company (except with the leave of the court). In addition, if the holder of security (the "**Chargee**") created by that company consents or if the court gives leave, the company may dispose of the secured property as if it were not subject to the security. Where the property in question is subject to a floating charge, the chargee will have the same priority in respect of any property of the company directly or indirectly representing the property disposed of as he would have had in respect of the property subject to the floating charge. Where the security in question is that other than a floating charge, it shall be a condition of the chargee's consent or the leave of the court that the net proceeds of the disposal shall be applied towards discharging the sums secured by the security. Further, during the period for which a moratorium is in force in respect of a company it may not make any payments with respect to debts or liabilities existing prior to the date of filing for a moratorium unless (i) there are reasonable grounds for believing the payment will benefit the company, and (ii) the payment is approved by a committee of creditors of the company if established or, if not, by the nominee of the proposed company voluntary arrangement.

Certain companies which qualify as small companies for the purposes of these provisions may be, nonetheless, excluded from being so eligible for a moratorium under the provisions of the Insolvency Act 1986 (Amendment No. 3) Regulations 2002. Companies excluded from eligibility for a moratorium include those which are party to a capital market arrangement, under which a debt of at least £10,000,000 is incurred and which involves the issue of a capital market investment. The definitions of "**capital market arrangement**" and "**capital market investment**" are broad and are such that, in general terms, any company which is a party to an arrangement which involves at least £10,000,000 of debt, the granting of security to a trustee, and the issue of a rated, listed or traded debt instrument, is excluded from being eligible for a moratorium. The Secretary of State may modify the criteria by reference to which a company otherwise eligible for a moratorium is excluded from being so eligible.

Accordingly, the provisions described above will serve to limit the Trustee's ability to enforce the Security to the extent that: *firstly*, if the Issuer falls within the criteria for eligibility for a moratorium

at the time a moratorium is sought; *secondly*, if the directors of the Issuer seek a moratorium in advance of a company voluntary arrangement; and, *thirdly*, if the Issuer is considered not to fall within the capital market exception (as expressed or modified at the relevant time) or any other applicable exception at the relevant time; in those circumstances, the enforcement of any security by the Trustee will be for a period prohibited by the imposition of the moratorium. In addition, the other effects resulting from the imposition of a moratorium described above may impact the transaction in a manner detrimental to the Noteholders.

Security and insolvency considerations

The Issuer will enter into the Deed of Charge pursuant to which it will grant the Security in respect of certain of its obligations, including its Obligations under the Notes and Certificates (as to which, see "*Summary of the Key Transaction Documents – Deed of Charge*"). If certain insolvency proceedings (including administrations or liquidations) are commenced in respect of the Issuer, the ability to realise the Security may be delayed and/or the value of the Security impaired.

The Insolvency Act 1986 allows for the appointment of an administrative receiver in relation to certain transactions in the capital markets. Although there is as yet no case law on how these provisions will be interpreted, it should be applicable to the floating charge created by the Issuer and granted by way of security to the Trustee. However, as this is partly a question of fact, were it not to be possible to appoint an administrative receiver in respect of the Issuer, the Issuer would be subject to administration if it became insolvent. In such circumstances, the primary emphasis may be to rescue the Issuer as a going concern which may lead to the ability to realise the Security being delayed, the value of the Security being impaired and/or conflict with the interests of the Noteholders and Certificateholders.

In addition, it should be noted that, to the extent that the assets of the Issuer are subject only to a floating charge (including any fixed charge recharacterised by the courts as a floating charge), in certain circumstances under the provisions of section 176A of the Insolvency Act 1986 (as noted further below), certain floating charge realisations which would otherwise be available to satisfy the claims of secured creditors under the Deed of Charge may be used to satisfy any claims of unsecured creditors. While certain of the covenants given by the Issuer in the Transaction Documents are intended to ensure it has no significant creditors other than the secured creditors under the Deed of Charge, it will be a matter of fact as to whether the Issuer has any other such creditors at any time. There can be no assurance that the Noteholders and Certificateholders will not be adversely affected by any such reduction in floating charge realisations upon the enforcement of the Security.

While the transaction structure (through the use of limited recourse provisions and non-petition clauses) is designed to minimise the likelihood of the Issuer becoming insolvent, there can be no assurance that the Issuer will not become insolvent and/or the subject of insolvency proceedings and/or that the Noteholders and Certificateholders would not be adversely affected by the application of insolvency laws (including English insolvency laws).

Fixed charges may take effect under English law as floating charges

The law in England and Wales relating to the characterisation of fixed charges is unsettled. The fixed charges purported to be granted by the Issuer (other than by way of assignment) may take effect under English law as floating charges only, if, for example, it is determined that the Trustee does not exert sufficient control over the Charged Assets (although it should be noted that there is no equivalent concept of recharacterisation of fixed security as floating charges under Scots law). If the charges take effect as floating charges instead of fixed charges, then, as a matter of law, certain claims would have priority over the claims of the Trustee in respect of the floating charge assets.

The interest of the Secured Creditors in property and assets over which there is a floating charge will rank behind the expenses of any administration or liquidator and the claims of certain preferential creditors on enforcement of the Security. Section 250 of the Enterprise Act 2002 abolishes Crown Preference in relation to all insolvencies (and thus reduces the categories of preferential debts that are to be paid in priority to debts due to the holder of a floating charge) but section 176A of the Insolvency Act 1986 requires a "prescribed part" (up to a maximum amount of £800,000) of the floating charge realisations available for distribution to be set aside to satisfy the claims of unsecured creditors. This means that the expenses of any administration, the claims of preferential creditors and the beneficiaries of the prescribed part will be paid out of the proceeds of enforcement of the floating charge ahead of

amounts due to Noteholders and Certificateholders. The prescribed part will not be relevant to property subject to a valid fixed security interest or to a situation in which there are no unsecured creditors.

Liquidation expenses

Prior to the House of Lords' decision in the case of *Re Leyland Daf* [2004] UKHL 9, the general position was that, in a liquidation of a company, the liquidation expenses ranked ahead of unsecured debts and floating chargees' claims. *Re Leyland Daf* reversed this position so that liquidation expenses could no longer be recouped out of assets subject to a floating charge. However, section 176ZA of the Insolvency Act 1986, which came into force on 6 April 2008, effectively reversed by statute the House of Lords' decision in *Re Leyland Daf*. As a result costs and expenses of a liquidation will be payable out of floating charge assets in priority to the claims of the floating charge-holder. In respect of certain litigation expenses of the liquidator only, this is subject to the approval of the amount of such expenses by the floating charge-holder (or, in certain circumstances, the court) pursuant to rules 4.218A to 4.218E of the Insolvency Rules 1986. In general, the reversal of *Re Leyland Daf* applies in respect of all liquidations commenced on or after 6 April 2008.

Therefore, floating charge realisations upon the enforcement of the floating charge security to be granted by the Issuer which would otherwise have been available to the Secured Creditors would be reduced by the amount of all, or a significant proportion of, any liquidation expenses which could have an adverse effect on the ability of the Issuer to make payments in respect of the Notes and Certificates.

Insolvency proceedings and subordination provisions

There is uncertainty as to the validity and/or enforceability of a provision which (based on contractual and/or trust principles) subordinates certain payment rights of a creditor to the payment rights of other creditors of its counterparty upon the occurrence of insolvency proceedings relating to that creditor. In particular, recent cases have focused on provisions involving the subordination of a hedging counterparty's payment rights in respect of certain termination payments upon the occurrence of insolvency proceedings or other default on the part of such counterparty (so-called "**flip clauses**"). Such provisions are similar in effect to the terms which will be included in the Transaction Documents relating to the subordination of Swap Subordinated Amounts.

The Supreme Court of the United Kingdom has held that a flip clause as described above is valid under English law. Contrary to this, however, in parallel proceedings the U.S. Bankruptcy Court has held that such a subordination provision is unenforceable under U.S. bankruptcy law and that any action to enforce such provision would violate the automatic stay which applies under such law in the case of a U.S. bankruptcy of the counterparty. On 11 August 2020, the US Court of Appeals for the Second Circuit issued a decision disagreeing with the U.S. Bankruptcy Court's decision and finding that a flip clause that altered the priority of payments waterfall in a swap agreement was enforceable in bankruptcy because the swap transaction was protected under the Bankruptcy Code. This decision is binding within the Second Circuit (which includes New York) but not across the whole of the United States. Regardless of such decision, there remains a risk that the decisions of the UK and US courts may diverge in their approach, and an unfavourable decision in the US may adversely affect the Issuer's ability to make payments under the Note and/or Certificates.

If a creditor of the Issuer (such as the Swap Provider) or a related entity becomes subject to insolvency proceedings in any jurisdiction outside England and Wales (including, but not limited to, the U.S.), and it is owed a payment by the Issuer, a question arises as to whether the insolvent creditor or any Insolvency Official appointed in respect of that creditor could successfully challenge the validity and/or enforceability of subordination provisions included in the English law governed Transaction Documents (such as a provision of the applicable Priority of Payments which refers to the ranking of the Swap Provider's payment rights in respect of Swap Subordinated Amounts). In particular, based on the decision of the U.S. Bankruptcy Court referred to above, there is a risk that such subordination provisions would not be upheld under U.S. bankruptcy laws. Such laws may be relevant in certain circumstances with respect to the Swap Provider given that it has assets and/or operations in the U.S., notwithstanding that it is a non-U.S. established entity and/or with respect to any replacement counterparty, depending on certain matters in respect of that entity.

In general, if a subordination provision included in the Transaction Documents was successfully challenged under the insolvency laws of any relevant jurisdiction outside England and Wales and any relevant

foreign judgment or order was recognised by the English courts, there can be no assurance that such actions would not adversely affect the rights of the Noteholders and Certificateholders, the market value of the Notes and Certificates and/or the ability of the Issuer to satisfy its Obligations under the Notes and Certificates.

Lastly, given the general relevance of the issues under discussion in the judgments referred to above and that the Transaction Documents will include terms providing for the subordination of Swap Subordinated Amounts, there is a risk that the final outcome of the dispute in such judgments (including any recognition action by the English courts) may result in negative rating pressure in respect of the Notes. If any rating assigned to the Notes is lowered, the market value of the Notes may reduce.

Risks relating to the Banking Act 2009

The Banking Act includes provision for a special resolution regime ("**SRR**") pursuant to which specified UK authorities have extended tools to deal with the failure (or likely failure) of certain UK incorporated entities, including authorised deposit-taking institutions and investment firms, and powers to take certain resolution actions in respect of third country institutions. In addition, powers may be used in certain circumstances in respect of UK established banking group companies, where such companies are in the same group as a relevant UK or third country institution or in the same group as an EEA credit institution or investment firm. Relevant transaction parties for these purposes include the Seller and the Collection Account Bank.

The tools available under the Banking Act include share and property transfer powers (including powers for partial property transfers), bail-in powers, certain ancillary powers (including powers to modify contractual arrangements in certain circumstances) and special insolvency procedures which may be commenced by the UK authorities. It is possible that the extended tools described above could be used prior to the point at which an application for insolvency proceedings with respect to a relevant entity could be made and, in certain circumstances, the UK authorities may exercise broad pre-resolution powers in respect of relevant entities with a view to removing impediments to the exercise of the stabilisation tools.

In general, the Banking Act requires the UK authorities to have regard to specified objectives in exercising the powers provided for by the Banking Act. One of the objectives (which is required to be balanced as appropriate with the other specified objectives) refers to the protection and enhancement of the stability of the financial system of the United Kingdom. The Banking Act includes provisions related to compensation in respect of instruments and orders made under it. In general, there is considerable uncertainty about the scope of the powers afforded to UK authorities under the Banking Act and how the authorities may choose to exercise them.

If an instrument or order were to be made under the provisions of the Banking Act currently in force in respect of a relevant entity as described above, such action may (amongst other things) affect the ability of such entity to satisfy its obligations under the Transaction Documents and/or result in the cancellation, modification or conversion of certain unsecured liabilities of such entity under the Transaction Documents or in other modifications to such documents. In particular, modifications may be made pursuant to powers permitting (i) certain trust arrangements to be removed or modified, (ii) contractual arrangements between relevant entities and other parties to be removed, modified or created where considered necessary to enable a transferee in the context of a property or share transfer to operate the transferred business effectively and (iii) in connection with the modification of an unsecured liability through use of the bail-in tool, the discharge of a relevant entity from further performance of its obligations under a contract. In addition, subject to certain Conditions, powers would apply to require a relevant instrument or order (and related events) to be disregarded in determining whether certain widely defined "**default events**" have occurred (which events may include trigger events included in the Transaction Documents in respect of the relevant entity, including termination events and (in the case of the Seller) trigger events in respect of perfection of legal title to the Loans). As a result, the making of an instrument or order in respect of a relevant entity as described above may affect the ability of the Issuer to meet its Obligations in respect of the Notes and Certificates.

As noted above, the stabilisation tools may be used in respect of certain banking group companies provided certain Conditions are met. If the Issuer was regarded to be a banking group company and

no exclusion applied, then it would be possible in certain scenarios for the relevant authority to exercise one or more relevant stabilisation tools (including the property transfer powers and/or the bail-in powers) in respect of it, which could result in reduced amounts being available to make payments in respect of the Notes and Certificates and/or in the modification, cancellation or conversion of any unsecured portion of the liability of the Issuer under the Notes and Certificates at the relevant time. In this regard, it should be noted that the UK authorities have provided an exclusion for certain securitisation companies, which exclusion is expected to extend to the Issuer, although aspects of the relevant provisions are not entirely clear.

At present, the UK authorities have not made an instrument or order under the Banking Act in respect of the entities referred to above and there has been no indication that any such instrument or order will be made, but there can be no assurance that this will not change and/or that Noteholders and Certificateholders will not be adversely affected by any such instrument or order if made. While there is provision for compensation in certain circumstances under the Banking Act, there can be no assurance that Noteholders and Certificateholders would recover compensation promptly and equal to any loss actually incurred.

The Bank Resolution (Recapitalisation) Bill Act 2025 enhances the SRR by providing a new mechanism to facilitate the use of certain existing stabilisations powers to manage the failure of small banks and limit risks to public funds. The statutory functions of the FSCS have been expanded, requiring it to provide funds to the Bank of England upon request: these funds could be used to meet certain costs arising from the use of the resolution regime to manage the failure of certain banks, building societies and PRA-authorised investment firms. The FSCS can use its levy-raising powers to recover any funds provided to the Bank of England through imposing levies on the banking sector. The PRA's depositor protection rules were also amended to facilitate the proposed changes.

Lastly, as a result of Directive 2014/59/EU providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms and any relevant national implementing measures, it is possible that an institution with its head office in an EU member state and/or certain group companies could be subject to certain resolution actions in that other state. Once again, any such action may affect the ability of any relevant entity to satisfy its obligations under the Transaction Documents and there can be no assurance that Noteholders and Certificateholders will not be adversely affected as a result.

Corporate Insolvency and Governance Act 2020

The CIGA came into force on 26 June 2020. The CIGA introduces significant new corporate restructuring tools to the UK insolvency regime. The principal elements of the CIGA are a moratorium on certain actions taken against eligible companies, a prohibition on termination of certain contracts triggered by certain insolvency-related events of an eligible company (the "***ipso facto* termination provisions**") and a new comprise procedure allows for a 75 per cent. majority of creditors or members in each class to bind others in the same class even if they do not vote in favour. It is also possible for one class of creditors to bind all others, including secured creditors (a "**cross-class cram down**").

The Issuer is not expected to be an eligible company for purposes of either the moratorium provisions or of the *ipso facto* termination provisions of the CIGA as the Issuer is expected to be a securitisation company within the meaning of the Taxation of Securitisation Companies Regulations 2006. The issuer is further not expected to be an eligible company for purposes of the moratorium provisions, and the Transaction Documents are not expected to be subject to the *ipso facto* termination provisions, because the Transaction is expected to constitute a "**capital market arrangement**" and the Notes a "**capital market investment**" (each as defined under paragraphs 13 and 14 of new schedule ZA1 to the Insolvency Act introduced by CIGA). That said, if for any reason the Issuer is an eligible company for the purposes of the moratorium or the *ipso facto* termination provisions, application of these provisions could result in a Material Adverse Effect on the ability of Noteholders to accelerate their debts and enforce the security granted under the Deed of Charge in a timely manner, which in turn may result in material losses being incurred by Noteholders.

Further, although the Issuer is theoretically within the scope of the new cross-class cram down provisions, given the fact that it is established as an insolvency remote vehicle, with limited third-party creditors and where its Secured Creditors have entered into non-petition covenants and limited recourse provisions it is unlikely to fulfil the prerequisites for the cross-class cram down to apply in

practice. If, however, the cross-class cram down provisions were to be used in respect of the Issuer, it would be possible under some circumstances for 75 per cent. by value of the creditors in one class to approve a compromise and thereby "cram down" dissenting classes of creditors, which, if approved by the court, may result in material losses being incurred by Noteholders.

However, the CIGA may impact the ability of the Servicer (acting on behalf of the Issuer) to bring proceedings against a Borrower which is a corporate entity or to enforce Mortgages and other Related Security securing a Loan to a corporate in case of a moratorium (unless the relevant Borrower which is a corporate entity is an ineligible company under the CIGA). The inability of the Servicer (acting on behalf of the Issuer) to obtain timely and complete payment of debts from Borrowers may in turn have a Material Adverse Effect on the ability of the Issuer to make timely and complete payments under the Notes.

CERTAIN TAX CONSIDERATIONS

UK Taxation treatment of the Issuer

The Issuer has been advised that it should fall within the permanent regime for the taxation of securitisation companies (as introduced by the Securitisation Tax Regulations), and, as such, should be taxed only on the amount of its "retained profit" (as that term is defined in the Securitisation Tax Regulations), for so long as it satisfies the conditions of the Securitisation Tax Regulations. However, if the Issuer does not satisfy the conditions of the Securitisation Tax Regulations (or subsequently ceases to satisfy those conditions), then the Issuer may be subject to tax liabilities not contemplated in the cash flows for the transaction described in this Prospectus. Any such tax liabilities may reduce amounts available to the Issuer to meet its Obligations under the Notes and may result in investors receiving less interest and/or principal than expected.

Withholding tax under the Notes

In the event that any withholding or deduction for or on account of any tax is imposed on payments in respect of the Notes, neither the Issuer nor any other person is obliged to gross up or otherwise compensate the Noteholders for such withholding or deduction. However, in such circumstances, the Issuer will, in accordance with Condition 8.4 (*Redemption of the Notes pursuant to Taxation call*) of the Notes, be required (subject to certain conditions) to the extent that the Portfolio Purchase Option Holder has exercised its option to purchase the Portfolio in accordance with the terms of the Deed Poll to use the Portfolio Purchase Option Purchase Price received from the Portfolio Purchase Option Holder to redeem all (but not some only) of the Notes in each Class at their Principal Amount Outstanding together with accrued interest up to but excluding the date of redemption on any Interest Payment Date. The Issuer also has the ability to optionally redeem the Notes in these circumstances.

Provided that the Notes are and continue to be "listed on a recognised stock exchange" (within the meaning of section 1005 (for the purposes of section 987) of the Income Tax Act 2007), no withholding or deduction for or on account of United Kingdom income tax will be required on payments of interest of the Notes. However, there can be no assurance that the law will not change during the life of the Notes.

The applicability of any withholding or deduction for or on account of United Kingdom tax on payments of interest on the Notes is discussed further under "*United Kingdom Taxation*" below.

CERTAIN MARKET RISKS

Social, legal, political and economic factors may affect payments under the Notes and the Certificates and repayment of the Notes and are unpredictable

A variety of social, legal, political and economic factors in the United Kingdom can affect the performance of the Portfolio. Social factors include changes in public confidence levels such as may result from concerns about the state of the economy or public health matters (for example, a widespread epidemic like the COVID-19 outbreak), attitudes toward debt and changes in government. Economic factors include, but are not limited to, the rate of inflation, the unemployment rate, cost of living, increases in taxes and/or national insurance contributions and relative interest rates offered for various types of loans. For example, a severe deterioration in the economy for any reason (for example, such as may result from the COVID-19 outbreak or the present cost of living crisis) coupled with rising

unemployment and base rates could have a negative impact on mortgage repayments and, residential property prices in the United Kingdom. Political factors include lobbying from interest groups, such as consumers and retailers, and government initiatives in consumer and related affairs and government-encouraged payment accommodations in times of economic stress such as during an epidemic (such as the COVID-19 outbreak).

It is difficult to determine whether, or to what extent, social, legal, political or economic factors will affect the payment patterns, default rates or the yield on the Portfolio generally and therefore have a corresponding effect on the payment of the Notes.

For more information please see section "*The rising cost of living may exacerbate certain risks in relation to the Notes*" below.

The rising cost of living may exacerbate certain risks in relation to the Notes

The rising cost of living is having a significant impact in the United Kingdom in respect of social behaviour, macroeconomic outlook and the response of the United Kingdom government. The United Kingdom government has provided guidance to regulated firms on how to address forbearance in the residential mortgage market.

On 16 June 2022, the FCA sent a "Dear CEO" letter which stated that the FCA consider that the Mortgages Tailored Support Guidance published on 25 March 2021 which was issued to address exceptional circumstances arising out of coronavirus, is also relevant for borrowers in financial difficulties due to other circumstances such as the rising cost of living (the "**Mortgages Tailored Support Guidance**"). The Mortgages Tailored Support Guidance (which has since been withdrawn following relevant aspects having been incorporated into MCOB 13, as described further below) confirms the FCA's expectation that action to seek possession should be a last resort.

In March 2023, the FCA published guidance addressing support for borrowers in light of the rising cost of living, including its finalised "*Guidance for firms supporting their existing mortgage borrowers impacted by the rising cost of living*" (FG23/2). This guidance clarified that the Mortgages Tailored Support Guidance remains relevant in the case of borrowers in financial difficulty due to the rising cost of living, and further stated that the purpose of this finalised guidance was not to set new expectations or requirements of lenders, but was to ensure that lenders are clear about the effect of the FCA rules and the range of options lenders have to support their customers including those who are facing higher interest rates alongside the rising cost of living. On 10 April 2024, the FCA published updated guidance (FG24/2) which replaced FG23/2 with effect from 4 November 2024. FG24/2 incorporated relevant aspects of the Tailored Support Guidance into the FCA Handbook and the Tailored Support Guidance was withdrawn at that time. On 22 July 2025, the FCA retired FG24/2 to reduce the burden on firms, stating that FG24/2 has served its purpose.

The FCA made clear in the Mortgage Tailored Support Guidance that it expects lenders of both owner-occupied and buy-to-let mortgage loans to act in a manner consistent with the guidance.

As a consequence, the rising cost of living could exacerbate numerous risks in respect of the Notes and in this respect see "*Considerations Relating to Yield, Prepayments and Mandatory Redemption*", "*Delinquencies or Default by Borrowers in paying amounts due on their Loans*", "*Issuer Reliance on Other Third Parties*", and "*Social, legal, political and economic factors may affect payments under the Notes and the Certificates and repayment of the Notes and are unpredictable*" in particular, however the overall consequences of the rising cost of living are not known at this stage.

There can be no assurance that the FCA, or other UK government or regulatory bodies, will not take further steps in response to the rising cost of living in the UK which may impact the performance of the Loans. The ultimate impact of the consequences of the rising cost of living is uncertain and may pervade over time and may adversely affect the ability of the Issuer to satisfy its Obligations under the Notes.

General market volatility and Brexit

On 31 January 2020, the UK ceased to be a member of the EU ("**Brexit**"), and the subsequent transition period ended on 31 December 2020 at 11pm. As a result, the Treaty on the European Union and the Treaty on the Functioning of the European Union have ceased to apply to the UK. The UK is also no longer part of the EEA.

The EU-UK Trade and Cooperation Agreement (the "**Trade and Cooperation Agreement**"), which governs relations between the EU and the UK following the end of the transitional period and which had provisional application pending completion of ratification procedures, entered into force on 1 May 2021. However, the Trade and Cooperation Agreement does not create a detailed framework to govern the cross-border provision of regulated financial services from the UK into the EU and from the EU into the UK.

The European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020) and secondary legislation made under powers provided in this Act ensure that there is a functioning statute book in the UK. While the UK introduced a temporary permission regime to allow EEA firms to continue to do business in the UK for a limited period of time, once the passporting regime fell away, the majority of EEA states have not introduced similar transitional regimes. The Trade and Cooperation Agreement is only part of the overall package of agreements reached. Other supplementing agreements included a series of joint declarations on a range of important issues where further cooperation is foreseen, including financial services. The declarations state that the EU and the UK will discuss how to move forward with equivalence determinations in relation to financial services. It should be noted that even if equivalence arrangements for certain sectors of the financial services industry are agreed, market access is unlikely to be as comprehensive as the market access that the UK enjoyed through its EU membership. This could adversely affect the Transaction and the interests of Noteholders.

Such uncertainty and consequential market disruption may also cause investment decisions to be delayed, reduce job security and damage consumer confidence. The resulting adverse economic conditions could affect obligors' willingness or ability to meet their obligations, resulting in increased defaults in the securitised portfolio and ultimately the ability of the Issuer to pay interest and repay principal to Noteholders and make payments to Certificateholders.

Brexit may also have an adverse effect on counterparties on the Transaction. Depending on the interpretation of the terms of the Trade and Cooperation Agreement, its practical application and the overall relationship of the UK and EU, such entities may become unable to perform their obligations as a result of changes in regulation, including the loss of existing regulatory rights to carry on cross-border business. Additionally, counterparties may be adversely affected by rating actions, an economic downturn or volatile and illiquid markets (including currency markets and bank funding markets) arising from Brexit. As a result, there is an increased risk of such counterparties becoming unable to fulfil their obligations which could (directly or indirectly) have an adverse impact on their ability to provide services to the Issuer and, accordingly, on the ability of the Issuer to make payments of interest and repayments of principal to Noteholders and make payments to Certificateholders. See "*Issuer Reliance on Third Parties*" above.

It is difficult to determine what the ongoing impact of the new relationship between the UK and the EU will be on general economic conditions in the UK, including any implication for the UK sovereign ratings, ratings of the relevant Transaction Parties and the performance of the UK mortgage market. If rating action is widespread, it may become difficult or impossible to replace counterparties on the Transaction with others who have the required ratings on similar terms or at all. Moreover, a more pessimistic economic outlook for the UK in general could lead to increased concerns around the future performance of the securitised portfolio and accordingly the ability of the Issuer to pay interest and repay principal to Noteholders and make payments to Certificateholders and the ratings assigned to the Rated Notes on the Closing Date could be adversely affected.

Registered Definitive Notes and denominations in integral multiples

The Notes have a denomination consisting of a minimum authorised denomination of £100,000 plus higher integral multiples of £1,000. Accordingly, it is possible that the Notes may be traded in amounts in excess of the minimum authorised denomination that are not integral multiples of such denomination. In such a case, if Registered Definitive Notes are required to be issued, a Noteholder who holds a principal amount less than the minimum authorised denomination at the relevant time may not receive a Registered Definitive Note in respect of such holding and may need to purchase a principal amount of Notes such that their holding amounts to the minimum authorised denomination (or another relevant denomination amount).

If Registered Definitive Notes are issued, Noteholders should be aware that Registered Definitive Notes which have a denomination that is not an integral multiple of the minimum authorised denomination may be particularly illiquid and difficult to trade.

Book-Entry Interests

Unless and until Registered Definitive Notes and Certificates are issued in exchange for the Book-Entry Interests, holders and beneficial owners of Book-Entry Interests will not be considered the legal owners or holders of the Notes and Certificates under the Trust Deed. After payment to the Principal Paying Agent, the Issuer will not have responsibility or liability for the payment of interest, principal or other amounts in respect of the Notes and Certificates to Euroclear or Clearstream, Luxembourg or to holders or beneficial owners of Book-Entry Interests.

A nominee for the Common Depositary will be considered the registered holder of the Notes and Certificates as shown in the records of Euroclear or Clearstream, Luxembourg and will be the sole legal holder of the Global Note or Global Certificate under the Trust Deed while the Notes or Certificates are represented by the Global Note. Accordingly, each person owning a Book-Entry Interest must rely on the relevant procedures of Euroclear and Clearstream, Luxembourg and, if such person is not a participant in such entities, on the procedures of the participant through which such person owns its interest, to exercise any right of a Noteholder or Certificateholder under the Trust Deed.

Except as noted in the previous paragraphs, payments of principal and interest on, and other amounts due in respect of, the Global Note or Global Certificate will be made by the Principal Paying Agent to a nominee of the Common Depositary. Upon receipt of any payment from the Principal Paying Agent, Euroclear and Clearstream, Luxembourg, as applicable, will promptly credit participants' accounts with payments in amounts proportionate to their respective ownership of Book-Entry Interests as shown on their records. The Issuer expects that payments by participants or indirect participants to owners of Book-Entry Interests held through such participants or indirect participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers registered in "street name", and will be the responsibility of such participants or indirect participants. None of the Issuer, the Trustee, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, the Book-Entry Interests or for maintaining, supervising or reviewing any records relating to such Book-Entry Interests.

Unlike Noteholders and Certificateholders, holders of the Book-Entry Interests will not have the right under the Trust Deed to act upon solicitations by or on behalf of the Issuer for consents or requests by or on behalf of the Issuer for waivers or other actions from Noteholders or Certificateholders. Instead, a holder of Book-Entry Interests will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear or Clearstream, Luxembourg (as the case may be) and, if applicable, their participants. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Book-Entry Interests to vote on any requested actions on a timely basis. Similarly, upon the occurrence of an Event of Default under the Notes or Certificates, holders of Book-Entry Interests will be restricted to acting through Euroclear and Clearstream, Luxembourg unless and until Registered Definitive Notes or Definitive Certificates are issued in accordance with the relevant provisions described herein under "*Terms and Conditions of the Notes*" and "*Terms and Conditions of the Certificates*" below. There can be no assurance that the procedures to be implemented by Euroclear and Clearstream, Luxembourg under such circumstances will be adequate to ensure the timely exercise of remedies under the Trust Deed.

Although Euroclear and Clearstream, Luxembourg have agreed to certain procedures to facilitate transfers of Book-Entry Interests amongst account holders of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Trustee, any Paying Agent, the Registrar or any of their agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective participants or account holders of their respective obligations under the rules and procedures governing their operations.

The lack of Notes and Certificates in physical form could also make it difficult for a Noteholder or Certificateholder to pledge such Notes or Certificates if Notes or Certificates in physical form are

required by the party demanding the pledge and hinder the ability of the Noteholder or Certificateholder to resell such Notes or Certificates because some investors may be unwilling to buy Notes or Certificates that are not in physical form.

Certain transfers of Notes or Certificates or interests therein may only be effected in accordance with, and subject to, certain transfer restrictions and certification requirements.

CERTAIN REGULATORY RISKS FOR POTENTIAL INVESTORS IN RESPECT OF THEIR INVESTMENT IN THE NOTES AND CERTIFICATES

Change of Law Risks

The structure of the transaction and, *inter alia*, the issue of the Notes and the Certificates and the ratings which are to be assigned to the Notes are based on the law and administrative practice in effect as at the date of this Prospectus as it affects the parties to the transaction and the Portfolio, and having regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given as to the impact of any possible change to such law (including any change in regulation which may occur without a change in primary legislation, including any changes as a result of FSMA 2023) and practice or tax treatment after the date of this Prospectus (including, but not limited to, temporary measures as a result of concerns about the state of the economy or a public health matter) nor can any assurance be given as to whether any such change would adversely affect the ability of the Issuer to make payments under the Notes and the Certificates. In addition, it should be noted that regulatory requirements (including any applicable retention, due diligence or disclosure obligations) may be recast or amended and there can be no assurance that any such changes will not adversely affect the compliance position of a transaction described in this Prospectus or of any party under any applicable law or regulation.

Legal considerations may restrict certain investments

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (a) Notes and Certificates are legal investments for it, (b) Notes and Certificates can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase or pledge of any Notes and Certificates. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes and Certificates under any applicable risk-based capital or similar rules.

Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes and the Certificates

In 2011, the international regulatory capital and liquidity framework was significantly updated by the Basel Committee to strengthen prudential rules intended to reinforce capital standards and to establish a leverage ratio "backstop" for financial institutions and certain minimum liquidity standards (such changes being commonly referred to as "**Basel III**"). The Basel III reforms were implemented in the EEA through EU CRR and EU CRD IV which became effective on 1 January 2014. Since 2014, various updates have been made to EU CRR and EU CRD, including in response to the Basel Committee's revisions to the securitisation framework and the banking reform package of EU CRR 2 and EU CRD V introduced in 2019. A new prudential regulatory regime for EU investment firms was also introduced on 26 June 2021 by EU IFR and EU IFD. As both EU CRD V and EU IFD allow certain national discretions, the final rules and the timetable for their implementation in each jurisdiction may be subject to some level of national variation.

In the UK, the EUWA onshored the directly applicable elements of EU CRD IV on 31 December 2020 and preserved existing UK law implementing EU CRD IV. Elements of EU CRR 2, including revisions to the leverage ratio, counterparty risk capital requirements and the net stable funding ratio, were implemented in the UK on 1 January 2022. Following entry into force of the Financial Services Act 2021, new prudential requirements for FCA-authorised investment firms (other than those prudentially supervised by the PRA) were introduced by the FCA effective as of 1 January 2022, whereas UK credit institutions and UK investment firms prudentially supervised by the PRA remain subject to the CRR, as onshored in the UK, or to such successor regimes as the PRA may subsequently develop. The

PRA also consulted on the introduction of an alternative "strong and simple" prudential regime for firms that are not systemically important or internationally active.

Further reforms under so-called Basel IV or Basel 3.1, including changes to the standards for credit risk and operational risk, the quantification of credit valuation adjustment risk and the internal ratings-based approach, were expected to be implemented from 1 January 2025.

The final texts of EU CRR 3 and EU CRD VI were published on 19 June 2024. CRR3 entered into force on 9 July 2024, with the majority of provisions applying from 1 January 2025. EU CRD VI also entered into force on 9 July 2024 and needs to be implemented by EU Member States by 11 January 2026.

The PRA published near-final policy statements on UK implementation in December 2023 and September 2024. The PRA announced in January 2025 that the implementation of Basel 3.1 in the UK will be delayed until 1 January 2027. The PRA intends to publish final rules after HM Treasury has made the statutory instrument to revoke the relevant parts of the UK CRR that the final PRA rules will replace.

On 12 September 2024 the PRA also published CP7/24 containing the draft capital proposals for firms under the Small Domestic Deposit Takers' ("**SDDT**") regime for firms that are not systemically important or internationally active. SDDT-eligible firms can choose whether to take advantage of the SDDT regime, or move to implement the PRA's Basel 3.1 package. The proposals include the introduction of an Interim Capital Regime ("**ICR**"), which would allow SDDT firms and other firms to continue to calculate their capital requirements under the current CRR capital regime until 1 January 2027, at which point firms opted into the ICR would be required to either implement the full Basel 3.1 standards or the SDDT regime. The impact of the delay to UK implementation of Basel 3.1 on the ICR is subject to further clarity by the PRA in due course.

The EU is implementing Basel IV through proposed EU CRR 3 and EU CRD VI.

The changes under EU CRD and EU CRR and equivalent UK regulatory capital framework, and investment firm regimes as described above may have an impact on the capital requirements in respect of the Notes and/or on incentives to hold the Notes for investors that are subject to requirements that follow the relevant framework and, as a result, may affect the liquidity and/or value of the Notes. Prospective investors should consult their own advisers as to the regulatory capital requirements in respect of the Notes and as to the consequences for and effect on them of any changes to the Basel framework (including the changes described above) and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Personal guarantees to be provided in support of lending to Small and Medium-sized Enterprises

In December 2023, the Federation of Small Businesses ("**FSB**") issued a "super complaint" (a complaint which can be made by certain consumer bodies if there is a feature of a financial services market that is, or has the potential to be, significantly damaging to the interests of consumers) to the FCA in relation to lenders' requirement for personal guarantees to be provided in support of lending to small and medium-sized enterprises. The FSB requested as part of its "super complaint" that the FCA investigates the practice more broadly, with a potential outcome being the expansion of the FCA's regulatory perimeter to protect certain affected businesses by applying specific rules to lenders regarding the use of personal guarantees when lending to limited companies. Whilst there is no immediate impact on the Notes and Certificates of this, it is possible this could lead to personal guarantees supporting unregulated lending being brought within the scope of regulation in future, potentially impacting borrowers to such type of lending.

Risk retention and due diligence requirements

UK Securitisation Framework and the EU Securitisation Regulation

The EU Securitisation Regulation applies in general in respect of securitisations closed on or after 1 January 2019. It establishes certain common rules for all securitisation transaction parties that fall within its scope. The EU Securitisation Regulation has direct effect in member states of the EU. Following the Decision of the EEA Joint Committee No. 145/2024 of 12 June 2024 to, inter alia, incorporate the EU Securitisation Regulation into the EEA Agreement, it is expected to apply more

broadly in the EEA. The application of the Securitisation Regulation in Iceland, Norway and Liechtenstein will, however require implementation in national law.

Following the UK's withdrawal from the EU at the end of 2020, it has introduced the UK Securitisation Framework under FSMA consisting of the relevant parts of FSMA along with SR 2024, the PRA Securitisation Rules and SECN. The UK Securitisation Framework applies in general in respect of securitisations closing on or after 1 November 2024 and it also establishes rules for securitisation transaction parties that fall within the scope of its constitutive elements. The content of the UK Securitisation Framework is broadly similar in substance to the content of the EU Securitisation Regulation, with some exceptions, and the FCA and the PRA have announced their intention to consult on further changes to their respective rules in due course. This consultation is currently expected to be published in H2 2025 and may make significant changes to the UK Securitisation Framework that may significantly increase the level of divergence with the EU Securitisation Regulation.

The UK Securitisation Framework requirements will apply in respect of the Notes. As such, certain European-regulated institutional investors or UK-regulated institutional investors, which include relevant credit institutions, investment firms, authorised alternative investment fund managers, insurance and reinsurance undertakings, certain undertakings for the collective investment of transferable securities and certain regulated pension funds (institutions for occupational retirement provision), are required to comply, as applicable, with SECN 4.2, Article 5 of Chapter 2 of the PRA Securitisation Rules and Article 5 of the EU Securitisation Regulation (as in force on the Closing Date) prior to holding a securitisation position and on an ongoing basis while holding the position under relevant provisions of the UK Securitisation Framework and the EU Securitisation Regulation. Among other things, prior to holding a securitisation position, such institutional investors are required to verify under their respective EU or UK regime certain matters with respect to credit granting standards, risk retention information they will receive in respect of the Transaction and the Loans.

With respect to the commitment of Shawbrook to retain a material net economic interest in the securitisation pursuant to the PRA Risk Retention Rules and with respect to the information to be made available by the Issuer (or by the Seller on the Issuer's behalf) pursuant to the PRA Transparency Rules, the FCA Transparency Rules and Article 7 of the EU Securitisation Regulation, please see the statements set out in "*Impact of regulatory initiatives on certain investors*". Relevant investors are required to assess independently and determine the sufficiency of the information described above for the purposes of complying with any relevant requirements. None of the Issuer, the Arranger, the Lead Manager, the Seller nor any of the other Transaction Parties makes any representation that the information described above is sufficient for such purposes. Various parties to the Transaction are also subject to the requirements of certain parts of the UK Securitisation Framework. However, some uncertainty remains in relation to the interpretation of some of these requirements and what is or will be required to demonstrate compliance to the relevant UK regulators.

Prospective investors are referred to the sections entitled "*General Information*", "*UK Securitisation Framework and EU Securitisation Regulation Requirements*", and " *Summary of the Key Transaction Documents - Servicing Agreement* " for further details and should note that there can be no assurance that the information in this Prospectus or to be made available to investors in accordance with the PRA Transparency Rules and the FCA Transparency Rules by Shawbrook will be adequate for any prospective institutional investors to comply with their due diligence obligations under the UK Securitisation Framework or the EU Securitisation Regulation, as applicable.

Prospective investors are referred to the sections entitled "*General Information*" and "*UK Securitisation Framework and EU Securitisation Regulation Requirements*" for further details and should note that there can be no assurance that undertakings relating to compliance with the EU Securitisation Regulation or any aspect of the UK Securitisation Framework and the information in this Prospectus or information to be made available to investors in accordance with such undertakings

will be adequate for any prospective institutional investors to comply with their due diligence obligations under the EU Securitisation Regulation or the UK Securitisation Framework.

Non-compliance with the relevant aspects of the UK Securitisation Framework and/or the EU Securitisation Regulation could adversely affect the regulatory treatment of the Notes and the market value and/or liquidity of the Notes in the secondary market.

In this regard, investors should further note that the Issuer only intends to comply with the EU Securitisation Regulation as it is in force on the Closing Date. See further "*UK Securitisation Framework and EU Securitisation Regulation Requirements*". Investors should consider the effect of such level of compliance on their investment.

U.S. Credit Risk Retention

The U.S. Risk Retention Rules came into effect on 24 December 2016 and generally require the "sponsor" of a "securitization transaction" to retain at least 5 per cent. of the "credit risk" of the "securitized assets", as such terms are defined for purposes of that statute, and generally prohibit a sponsor from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the sponsor is required to retain with respect to all classes of asset-backed securitizations. The U.S. Risk Retention Rules provide that the securitizer of an asset backed securitization is its sponsor. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

The transaction will not involve risk retention by a "sponsor" for the purposes of the U.S. Risk Retention Rules, but rather intends to rely on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the "**ABS interests**" are issued) of all classes of ABS interests issued in the securitization transaction are sold or transferred to, or for the account or benefit of, Risk Retention U.S. Persons; (3) neither the sponsor nor the issuer of the securitization transaction is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

The Portfolio will be comprised of mortgage loans and their related security, all of which are originated by the Legal Title Holder, which is a company incorporated in England. See the section entitled "*The Servicer and the Legal Title Holder*".

Prior to any Notes and Certificates which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person, the purchaser of such Notes and Certificates must first disclose to the Lead Manager and the Seller that it is a Risk Retention U.S. Person and obtain the written consent of the Seller in the form of a U.S. Risk Retention Consent. Prospective investors should note that the definition of U.S. person in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of U.S. person under Regulation S, and that persons who are not "**U.S. persons**" under Regulation S may be Risk Retention U.S. Persons. The definition of "U.S. person" in the U.S. Risk Retention Rules is excerpted below. Particular attention should be paid to clauses (b) and (h)(i), which are different than comparable provisions from Regulation S.

Under the U.S. Risk Retention Rules, and subject to limited exceptions, "**U.S. person**" (and "**Risk Retention U.S. Person**" as used in this Prospectus) means any of the following:

(a) any natural person resident in the United States;

(b) any partnership, corporation, limited liability company, or other organisation or entity organised or incorporated under the laws of any State or of the United States[1];

[1] The comparable provision from Regulation S is "(ii) any partnership or corporation organised or incorporated under the laws of the United States".

(c) any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);

(d) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);

(e) any agency or branch of a foreign entity located in the United States;

(f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);

(g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and

(h) any partnership, corporation, limited liability company, or other organisation or entity if:

(i) organised or incorporated under the laws of any foreign jurisdiction; and

(ii) formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act[2];

The material difference between such definitions is that (1) a "U.S. person" under Regulation S includes any partnership or corporation that is organized or incorporated under the laws of any foreign jurisdiction formed by one or more "U.S. persons" (as defined in Regulation S) principally for the purpose of investing in securities that are otherwise offered within the United States pursuant to an applicable exemption under the Securities Act unless it is organized or incorporated and owned by accredited investors (as defined in Rule 501(a) of Regulation D under the Securities Act) who are not natural persons, estates or trusts, while (2) any organization or entity described in (1) is treated as a "U.S. person" under the U.S. Risk Retention Rules, regardless of whether it is so organized and owned by accredited investors (as defined in Rule 501(a) of Regulation D under the Securities Act) who are not natural persons, estates or trusts.

Each Note or Certificate or a beneficial interest therein acquired on the Closing Date, by its acquisition of a Note or Certificate or a beneficial interest therein, will be deemed to represent to the Issuer, the Seller and the Lead Manager that it (1) either (i) is not a Risk Retention U.S. Person or (ii) it has obtained a U.S. Risk Retention Consent, (2) is acquiring such Note or Certificate or a beneficial interest therein for its own account and not with a view to distribute such Note or Certificate and (3) is not acquiring such Note or Certificate or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note or Certificate through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules described herein).

There can be no assurance that the requirement to request the Seller to give its prior written consent to any Notes and Certificates which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person will be complied with or will be made by such Risk Retention U.S. Persons.

There can be no assurance that the exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. No assurance can be given as to whether a failure by the Seller to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) may give rise to regulatory action which may adversely affect the Notes and Certificates or the market value of the Notes and Certificates. Furthermore, the impact of the U.S. Risk Retention Rules on the securitisation market generally is uncertain, and a failure by the Seller to comply with the U.S.

[2] The comparable provision from Regulation S "(VII)(B) Formed by a U.S. Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in 17 CFR 230.501(A)) who are not natural persons, estates or trusts".

Risk Retention Rules could therefore negatively affect the market value and secondary market liquidity of the Notes and Certificates.

None of the Lead Manager or any of their affiliates makes any representation to any prospective investor or purchaser of the Notes and Certificates as to whether the transactions described in this Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on the Closing Date or at any time in the future. Investors should consult their own advisors as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Effects of the Volcker Rule on the Issuer

The Volcker Rule generally prohibits "banking entities" (which is broadly defined to include U.S. banks and bank holding companies and many non-U.S. banking entities, together with their respective subsidiaries and other affiliates) from (i) engaging in proprietary trading, (ii) acquiring or retaining an ownership interest in or sponsoring a "covered fund" and (iii) entering into certain relationships with such funds, subject to certain exceptions and exclusions. The Volcker Rule became effective on 1 April 2014, but was subject to a conformance period for certain funds which concluded on 21 July 2015. Under the Volcker Rule, unless otherwise jointly determined otherwise by specified federal regulators, a "covered fund" includes any entity that would be an "investment company" under the Investment Company Act but for the exemptions provided by Section 3(c)(1) and Section 3(c)(7) of the Investment Company Act. Therefore, absent an exemption, the Issuer would be a covered fund.

The Issuer is of the view that it is not now, and immediately after giving effect to the offering and sale of the Notes and Certificates and the application of the proceeds thereof on the Closing Date will not be, a "covered fund" for the purposes of the Investment Company Act and under the Volcker Rule and its related regulations. In reaching this conclusion, the Issuer has relied on the determination that it would satisfy all of the elements of the exemption from the definition of registration as an "investment company" under the Investment Company Act provided by Section 3(c)(5) of the Investment Company Act, although other exemptions or exclusions may be available, and, accordingly does not rely solely on Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act for its exemption from registration as an "investment company" under the Investment Company Act. Therefore the Issuer has been structured so as not to constitute a "covered fund" under the Volcker Rule. The general effects of the Volcker Rule remain uncertain.

In August 2019, the Federal Reserve and other federal regulators approved certain modifications to the Volcker Rule which included modifications to the scope of restrictions on proprietary trading and investments in covered funds which generally operated to simplify and reduce compliance requirements. The effective date of these amendments was 1 January 2020 with compliance required by 1 January 2021. On 25 June 2020, the federal financial regulators issued a final rule revising certain aspects of the Volcker Rule with respect to the identification and treatment of covered funds. The amendments are intended to provide greater clarity and certainty to banking entities as to the scope of the Volcker Rule's prohibitions and facilitate compliance. The final rules simplify the restrictions imposed by the Volcker Rule on proprietary trading and certain covered fund activities and would permit banking entities to adopt more narrowly tailored compliance programs. The final rule leaves in place the Volcker Rule's general prohibition on proprietary trading and limitations on activities and investments with respect to covered funds.

The general effects of the Volcker Rule remain uncertain. Although the Issuer does not currently rely upon the exemptions in Section 3(c)(1) or 3(c)(7) of the Investment Company Act for an exemption from being an investment company under the Investment Company Act, it may rely upon one or both such exemptions if the SEC or a court of competent jurisdiction were to find that other exemptions or exclusions were not available to the Issuer or if the Issuer were otherwise determined to be a "covered fund", the liquidity of the Notes may be adversely affected, since banking entities could be prohibited from investing in the Notes. Any prospective investor in the Notes and Certificates, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule.

CRA Regulation

In general, European regulated investors are restricted under the EU CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in

the EU and registered under the EU CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances while the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended).

Similarly, in general, UK regulated investors are restricted under the UK CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the UK and registered under the UK CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances while the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-UK credit rating agencies, unless the relevant credit ratings are endorsed by a UK-registered credit rating agency or the relevant non-UK rating agency is certified in accordance with the UK CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended).

Credit ratings included or referred to in this Prospectus have been or, as applicable, may be issued by Moody's and Fitch. Moody's is a credit rating agency established in the United Kingdom and is registered under the UK CRA Regulation. Fitch is a credit rating agency established in the United Kingdom and is registered under the UK CRA Regulation.

DIAGRAM OF THE TRANSACTION

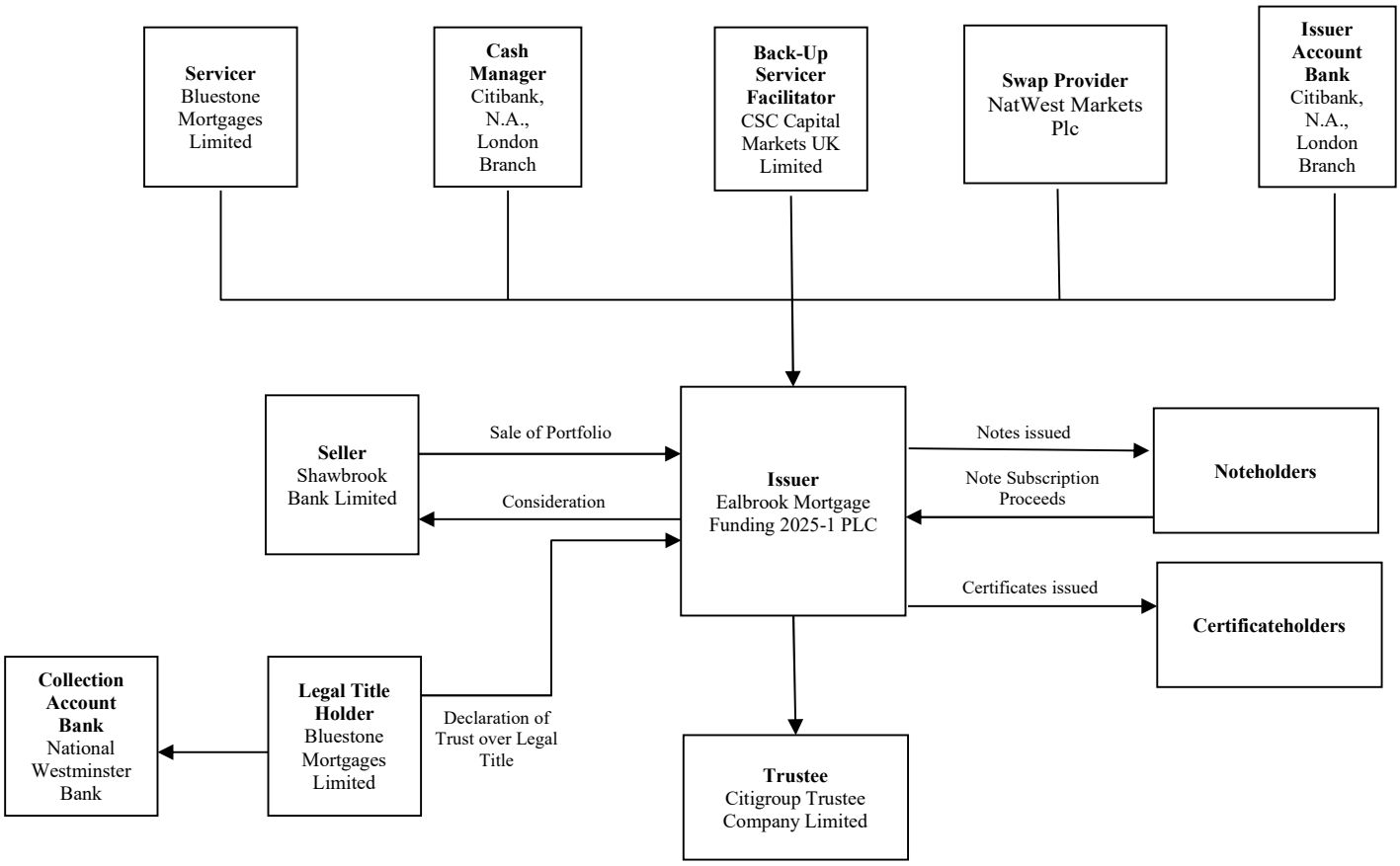
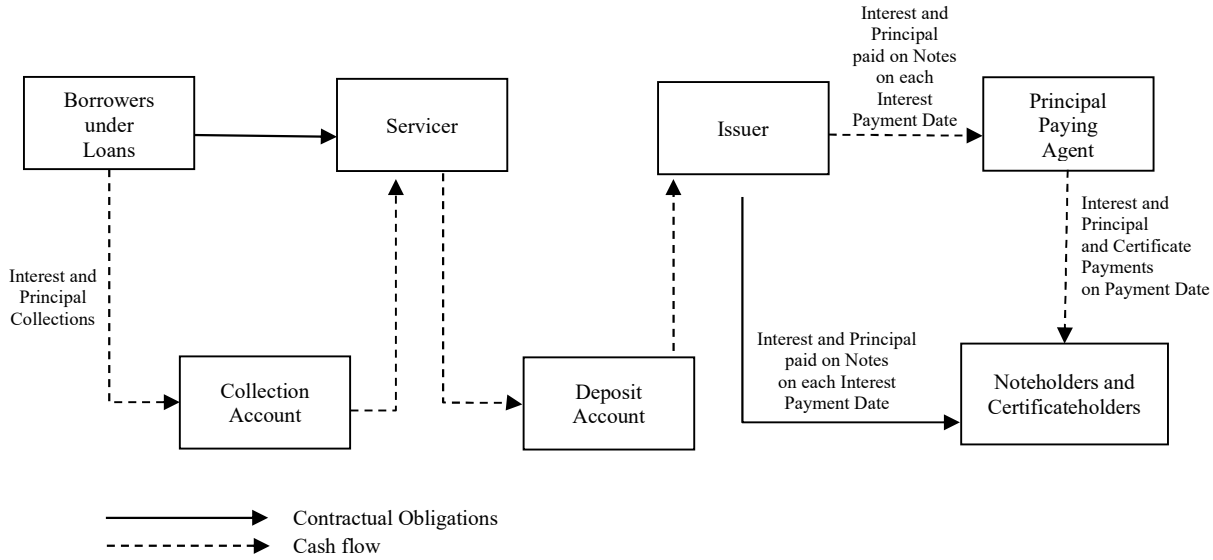
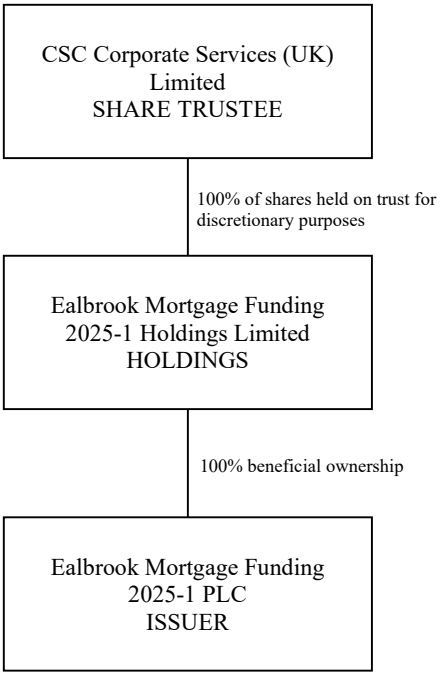


DIAGRAM OF ONGOING CASH FLOWS



OWNERSHIP STRUCTURE DIAGRAM OF THE ISSUER



This illustrates the ownership structure of the special purpose companies that are parties to the Transaction Documents, as follows:

- The Issuer is a wholly owned Subsidiary of Holdings in respect of its beneficial ownership.
- The entire issued share capital of Holdings is held on trust by the Share Trustee under the terms of a trust the benefit of which is expressed to be for discretionary purposes.
- None of the Issuer, Holdings or the Share Trustee is either owned, controlled, managed, directed or instructed, whether directly or indirectly, by the Seller or any member of the group of companies containing the Seller.

DESCRIPTION OF THE TRANSACTION PARTIES

The information set out below is a description of the transaction parties. This section is not purported to be complete and should be read in conjunction with, and is qualified in its entirety by, references to the detailed information presented elsewhere in this Prospectus.

You should read the entire Prospectus carefully, especially the risks of investing in the Notes and Certificates discussed under "*Risk Factors*".

Capitalised terms used, but not defined, in certain sections of this Prospectus, including this section, may be found in other sections of this Prospectus, unless otherwise stated. An index of defined terms is set out at the end of this Prospectus. "**Transaction Party**" means any person who is a party to a Transaction Document and "**Transaction Parties**" means some or all of them.

Party	Name	Address	Document under which appointed/Further Information
"**Issuer**"	Ealbrook Mortgage Funding 2025-1 PLC	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	See the section entitled "*The Issuer*" for further information.
"**Holdings**"	Ealbrook Mortgage Funding 2025-1 Holdings Limited	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	See the section entitled "*Holdings*" for further information.
"**Legal Title Holder**"	Bluestone Mortgages Limited	Floor 10, 40 Leadenhall Street, London, England, EC3A 2BJ	See the section entitled "*The Servicer and the Legal Title Holder*"
"**Servicer**"	Bluestone Mortgages Limited	Floor 10, 40 Leadenhall Street, London, England, EC3A 2BJ	See the sections entitled "*The Servicer and the Legal Title Holder*" and "*Servicing of the Portfolio*"
"**Seller**"	Shawbrook Bank Limited	Lutea House The Drive, Warley Hill Business Park, Great Warley, Brentwood, Essex, CM13 3BE	See the section entitled "*Summary of the Key Transaction Documents — Mortgage Sale Agreement*" for further information.
"**Cash Manager**"	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	Cash Management Agreement by the Issuer. See the sections entitled "*Summary of the Key Transaction Documents -Cash Management Agreement*" and "*The Cash Manager*" for further information.
"**Swap Provider**"	NatWest Markets Plc	250 Bishopsgate, London, England, EC2M 4AA	Swap Agreement by the Issuer. See the sections entitled "*Credit Structure - Interest Rate Risk for the Notes -Swap Agreement*" and "*The Swap Provider*" for further information.

Party	Name	Address	Document under which appointed/Further Information
"**Issuer Account Bank**"	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	The Bank Account Agreement by the Issuer. See the sections entitled "*Summary of the Key Transaction Documents - The Bank Account Agreement*" and "*Issuer Account Bank*" for further information.
"**Collection Account Bank**"	National Westminster Bank	250 Bishopsgate London EC2M 4AA United Kingdom	See the section entitled "Summary of the *Key Transaction Documents — The Collection Account Declaration of Trust*" for further information.
"**Custodian**"	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB	Custody Agreement between the Issuer and the Custodian.
"**Trustee**"	Citicorp Trustee Company Limited	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	Trust Deed and Deed of Charge. See the sections entitled "*Terms and Conditions of the Notes*", *Terms and Conditions of the Certificates*" and "*The Trustee*" for further information.
"**Principal Paying Agent**" and "**Agent Bank**"	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	Agency Agreement by the Issuer. See the section entitled "*Terms and Conditions of the Notes*" and *Terms and Conditions of the Certificates*" for further information.
"**Registrar**"	Citibank, N.A., London Branch	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	In respect of the Notes and Certificates and Certificates, the Agency Agreement, by the Issuer. See the section entitled "*Terms and Conditions of the Notes*" and *Terms and Conditions of the Certificates*" for further information.
"**Corporate Services Provider**"	CSC Capital Markets UK Limited	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Corporate Services Agreement by the Issuer and Holdings. See the section entitled "*The Corporate Services Provider*" for further information.
"**Back-Up Servicer Facilitator**"	CSC Capital Markets UK Limited	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Servicing Agreement by the Issuer. See the section entitled "*Summary of the Key Transaction Documents — Servicing Agreement*" for further information.
"**Share Trustee**"	CSC Corporate Services (UK) Limited	10th Floor, 5 Churchill Place, London, E14 5HU	Share Trust Deed by the Share Trustee.

Party	Name	Address	Document under which appointed/Further Information
"**Arranger**" and "**Lead Manager**"	Lloyds Bank Corporate Markets plc	25 Gresham Street, London, EC2V 7HN	Subscription Agreement. See the section entitled "*Subscription and Sale*" for further information.

DESCRIPTION OF THE PORTFOLIO AND SERVICING

Please refer to the sections entitled "Summary of the Key Transaction Documents — Mortgage Sale Agreement", "Summary of the Key Transaction Documents — Servicing Agreement", "Characteristics of the Provisional Portfolio" and "The Loans" for further detail in respect of the characteristics of the Portfolio and the sale and the servicing arrangements in respect of the Portfolio.

Sale of Portfolio: The Portfolio will consist of the Loans, the Related Security, and all monies derived therefrom from time to time, the beneficial title in which will be sold by Bluestone to the Seller prior to the Closing Date which the Seller will on-sell to the Issuer on the Closing Date. Legal title to the Loans and their Related Security remains with the Legal Title Holder until such time as a Perfection Event occurs.

The Portfolio comprises (i) English Loans, and (ii) Scottish Loans.

The English Loans and their Related Security are governed by English law and the Scottish Loans and their Related Security are governed by Scots law.

The sale by the Seller to the Issuer of each English Loan and its Related Security in the Portfolio will be given effect by an equitable assignment. The sale by the Seller to the Issuer of each Scottish Loan and its Related Security in the Portfolio will be given effect by the assignation of the Seller's interest in a Scottish Declaration of Trust to the Issuer pursuant to a Scottish Trust Transfer on the Closing Date.

The terms "sale", "sell" and "sold" when used in this Prospectus in connection with the Loans and their Related Security shall be construed to mean each equitable assignment and the beneficial interest created under and pursuant to any Scottish Declaration of Trust and assigned by a Scottish Trust Transfer, as applicable. The terms "repurchase" and "repurchased" when used in this Prospectus in connection with a Loan and its Related Security shall be construed to include (A) the repurchase of the beneficial interest of the Issuer in respect of such Loan and its Related Security (to the extent that it is an English Loan) and (B) the repurchase of the beneficial interest in respect of such Loan and its Related Security (to the extent that it is a Scottish Loan) under any Scottish Declaration of Trust and the determination of the trust created by any Scottish Declaration of Trust in relation to such Loan, in each case as assigned pursuant to the Scottish Trust Transfer and granted pursuant to the terms of the Mortgage Sale Agreement.

Prior to the occurrence of a Perfection Event as set out below, notice of the sale of the Loans and their Related Security comprising the Portfolio will not be given to the Borrowers and the Issuer will not apply to the Land Registry or the Registers of Scotland (as applicable) to register or record its equitable or beneficial interest in the English Mortgages or take any steps to complete or perfect its title to the Scottish Mortgages.

Prior to the occurrence of a Perfection Event, the legal title to each Loan and its Related Security in the Portfolio will be held by the Legal Title Holder on bare trust for the Issuer (including in respect of the Scottish Loans and related Scottish Mortgages).

Following a Perfection Event and notice of the transfer of the Loans and their Related Security to the Issuer (or its nominee) being sent to the relevant Borrowers, legal title to the Loans and their Related Security will (subject to appropriate registration or recording at the Land Registry or the Registers of Scotland (as applicable)) pass to the Issuer or its nominee.

Features of the Loans: Except as otherwise indicated, the following is a summary of certain features of the Loans comprising the Provisional Portfolio determined by reference to the features of each loan in the Provisional Portfolio as at the Portfolio Reference Date and investors should refer to, and carefully consider, further details in respect of the Loans set out in the sections of this Prospectus entitled "*The Loans*" and "*Characteristics of the Provisional Portfolio*". The Loans comprise loans to owner-occupied and buy-to-let Borrowers and are secured by first priority charges over freehold and leasehold properties in England or Wales or, in respect of the Properties located in Scotland, a standard security.

Type of Borrower	Owner-Occupied and Buy-to-Let
Type of mortgage	Repayment and Interest Only
Self-certified loan	N/A (or No)
Help to Buy Loans	Yes
Help to Buy Loans (as percentage of Principal Balance)	10.03
Buy-to-Let Loans	Yes
Buy-to-Let Loans (as percentage of Principal Balance)	0.61
Owner-Occupied properties	Yes
Owner-Occupied properties (as percentage of Principal Balance)	99.39
Fast Track	N/A

	Average/ Weighted Average	Minimum	Maximum
Principal Balance*.....	162,378.46	29,672.43	845,109.10
Current LTV*	65.66	7.89	94.00
Seasoning (months)*.....	19.06	2.01	84.16
Remaining Term (years)*	25.97	2.88	39.86

* As at the Portfolio Reference Date

Consideration: The consideration from the Issuer to the Seller in respect of the sale of the Portfolio shall be: (a) the Initial Consideration, which is due and payable on the Closing Date; and (b) deferred consideration consisting of the RC1 Payments and RC2 Payments in respect of the Portfolio payable pursuant to the applicable Priority of Payments, the right to such RC1 Payments and RC2 Payments being represented by the RC1 Certificates and the RC2 Certificates and to be issued by the Issuer and delivered to, or at the direction of, the Seller on the Closing Date.

The Seller shall transfer to the Issuer within two Business Days of the Closing Date an amount equal to all Collections received on the Loans and their Related Security comprised in the Portfolio from the date immediately following the Cut-Off Date to (but excluding) the Closing Date. For the avoidance of doubt, Cut-off Period Interest Amounts are excluded from such transfer of Collections.

The Seller may, from time to time, make payment to the Issuer of Consideration Rebate Amounts in accordance with the Mortgage Sale Agreement.

Representations and Warranties: The Seller gives certain representations and warranties in respect of the legal nature of the Loans and their Related Security as well as certain other features of the Loans. See the section entitled "*Summary of the Key Transaction Documents — Mortgage Sale Agreement — Representations and Warranties*".

Repurchase of the Loans and Related Security:

The Seller is liable for the repurchase of the relevant Loans and their Related Security in the following circumstances:

- upon a material breach of Loan Warranties (which the Seller fails to remedy within the agreed grace period);
- if the Seller determines on a Calculation Date that a Loan in the Portfolio was a Significant Deposit Loan on the immediately preceding Collection Period Start Date; and
- a Product Switch, Port or Further Advance is granted in respect of a Loan.

It is noted that the Legal Title Holder is not presently authorised to accept deposits.

Consideration for repurchase:

The consideration payable by the Seller in respect of the repurchase of a Loan and its Related Security shall be an amount equal to the Repurchase Price, plus the amount equal to the Issuer's or the Trustee's (as the case may be) incurred costs and expenses (if any) associated with the transfer of such Loan and its Related Security to the Seller.

The Seller may elect to set off any Product Switch Collections against the Repurchase Price payable in connection with any related Product Switch Loans in accordance with the terms of the Mortgage Sale Agreement.

See the section entitled "*Summary of the Key Transaction Documents - Repurchase by the Seller - Repurchase price"* for further information.

Perfection Events:

Prior to the completion of the transfer of legal title of the Loans and their Related Security to the Issuer, legal title of the Loans and their Related Security will remain with the Legal Title Holder and the Issuer will hold only the equitable title and will therefore be subject to certain risks as set out in the risk factor entitled "*Legal Title Holder to initially retain legal title to the Loans and risks relating to set-off*" in the section entitled "*Risk Factors*".

Pursuant to the Mortgage Sale Agreement, prior to the completion of the transfer of legal title of the Loans and their Related Security to the Issuer, the Legal Title Holder will hold the legal title to the Loans and their Related Security in the Portfolio (but excluding any Loan and its Related Security which has been repurchased by the Seller) on bare trust for the Issuer.

See *"Perfection Events"* in the section entitled *"Triggers Tables — Non-Rating Triggers Table"*.

Servicing of the Portfolio:

The Servicer agrees to service the Loans to be sold to the Issuer and their Related Security on behalf of the Issuer and, where applicable, the Seller. Following the delivery of an Enforcement Notice, the Servicer shall, until instructed otherwise by the Trustee, act at the direction of the Trustee.

The appointment of the Servicer and the Legal Title Holder may be terminated by the Issuer or the Seller (with the prior written consent of the Trustee) if any Servicer Termination Event occurs and is continuing (see "*Servicer Termination Events*" in the "*Triggers Tables - Non-Rating Triggers Table*").

Either the Issuer or the Servicer and the Legal Title Holder may also terminate the appointment of the Servicer and the Legal Title Holder by

giving not less than three months' notice to the other parties to the Servicing Agreement.

In each case, such termination of the appointment of the Servicer and the Legal Title Holder shall not be effective until *inter alia* the Replacement Servicer and the Replacement Legal Title Holder or a Successor Servicer and a Successor Legal Title Holder has been appointed. See the section entitled "*Summary of the Key Transaction Documents - Servicing Agreement*" below.

SUMMARY OF THE TERMS AND CONDITIONS OF THE NOTES AND THE CERTIFICATES

Please refer to the section entitled "Terms and Conditions of the Notes" for further detail in respect of the terms of the Notes and to the section entitled "Terms and Conditions of the Certificates" for further detail in respect of the terms of the Certificates.

FULL CAPITAL STRUCTURE OF THE NOTES

	Class A Notes	**Class B Notes**	**Class C Notes**	**Class D Notes**	**Class E Notes**	**Class X Notes**	**RC1 Certificates**	**RC2 Certificates**
Principal Amount	£292,909,000	£13,831,000	£7,323,000	£5,696,000	£5,696,000	£6,509,000	N/A	N/A
Credit enhancement features:	Overcollateralisation funded by other Collateralised Notes, Revenue Receipts prior to the delivery of an Enforcement Notice to reduce a debit on the Principal Deficiency Ledger, all amounts credited to the General Reserve Fund Ledger to reduce a debit on the Principal Deficiency Ledger, and following delivery of an Enforcement Notice, all amounts credited to the Class A and Class B Liquidity Reserve Fund Ledger.	Overcollateralisation funded by other Collateralised Notes (other than the Class A Notes), Revenue Receipts prior to the delivery of an Enforcement Notice to reduce a debit on the Principal Deficiency Ledger, all amounts credited to the General Reserve Fund Ledger to reduce a debit on the Principal Deficiency Ledger, and, following delivery of an Enforcement Notice, all amounts credited to the Class A and Class B Liquidity Reserve Fund Ledger.	Overcollateralisation funded by other Collateralised Notes (other than the Class A Notes and the Class B Notes), Revenue Receipts prior to the delivery of an Enforcement Notice to reduce a debit on the Principal Deficiency Ledger, all amounts credited to the General Reserve Fund Ledger to reduce a debit on the Principal Deficiency Ledger, and, following delivery of an Enforcement Notice, all amounts credited to the Class A and Class B Liquidity Reserve Fund Ledger.	Overcollateralisation funded by other Collateralised Notes (other than the Class A Notes, the Class B Notes and the Class C Notes), Revenue Receipts prior to the delivery of an Enforcement Notice to reduce a debit on the Principal Deficiency Ledger, all amounts credited to the General Reserve Fund Ledger to reduce a debit on the Principal Deficiency Ledger, and, following delivery of an Enforcement Notice, all amounts credited to the Class A and Class B Liquidity Reserve Fund Ledger.	Overcollateralisation funded by other Collateralised Notes (other than the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes), Revenue Receipts prior to the delivery of an Enforcement Notice to reduce a debit on the Principal Deficiency Ledger, and, all amounts credited to the General Reserve Fund Ledger to reduce a debit on the Principal Deficiency Ledger, following delivery of an Enforcement Notice, all amounts credited to the Class A and Class B Liquidity Reserve Fund Ledger.	Revenue Receipts prior to the delivery of an Enforcement Notice to reduce a debit on the Principal Deficiency Ledger, and, following delivery of an Enforcement Notice, all amounts credited to the Class A and Class B Liquidity Reserve Fund Ledger and the General Reserve Fund Ledger.	N/A	N/A
Liquidity support features:	Subordination in payment of the Class B Notes, Class C Notes, Class D Notes, Class E, Class X Notes and the RC Certificates Available Redemption Receipts applied as Principal Addition Amounts to provide for any Senior Expenses Deficit and the amounts credited to the Class A	Subordination in payment of the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes and the RC Certificates, Available Redemption Receipts applied as Principal Addition Amounts to provide for any Senior Expenses Deficit and the amounts credited to the Class A	Subordination in payment of the Class D Notes, the Class E Notes, the Class X Notes and the RC Certificates, Available Redemption Receipts applied as Principal Addition Amounts to provide for any Senior Expenses Deficit and the amounts	Subordination in payment of the Class E Notes, the Class X Notes and the RC Certificates, Available Redemption Receipts applied as Principal Addition Amounts to provide for any Senior Expenses Deficit and the amounts credited to the General Reserve Fund.	Subordination in payment of the Class X Notes and the RC Certificates, Available Redemption Receipts applied as Principal Addition Amounts to provide for any Senior Expenses Deficit and the amounts credited to the General Reserve Fund.	Subordination in payment of the RC Certificates	N/A	N/A

	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class X Notes	RC1 Certificates	RC2 Certificates
	and Class B Liquidity Reserve Fund and the General Reserve Fund.	and Class B Liquidity Reserve Fund (if applicable) and the General Reserve Fund.	credited to the General Reserve Fund.					
Issue Price:	100.0000 per cent	99.2698 per cent	98.9136 per cent	98.7403 per cent	96.4391 per cent	93.2700 per cent	N/A	N/A
Reference Rate/ Fixed Rate:	Compounded Daily SONIA	Compounded Daily SONIA	Compounded Daily SONIA	Compounded Daily SONIA	Compounded Daily SONIA	Fixed Rate	N/A	N/A
Margin (payable up to the Optional Redemption Date) / fixed rate of interest:	0.86 per cent. per annum	1.10 per cent. per annum	1.40 per cent. per annum	1.65 per cent. per annum	2.48 per cent. per annum	0.00 per cent. per annum	N/A	N/A
Relevant Step-Up Margin (payable on and after the Optional Redemption Date):	1.29 per cent. per annum	1.65 per cent. per annum	2.10 per cent. per annum	2.48 per cent. per annum	3.48 per cent. per annum	N/A	N/A	N/A
Interest Accrual Method:	Actual/365 (Fixed)							
Interest Payment Dates:	18th day of March, June, September and December in each year or if not a Business Day, the immediately succeeding Business Day							
First Interest Payment Date:	18 March 2026							
Final Maturity Date:	The Interest Payment Date falling in September 2067							
Optional Redemption Date:	The Interest Payment Date falling in December 2029							
Application for Exchange Listing:	Euronext, Dublin							
ISIN:	XS3215522189	XS3215522346	XS3215522429	XS3215522692	XS3215522858	XS3215522932	XS3215523153	XS3215523237
Common Code:	321552218	321552234	321552242	321552269	321552285	321552293	321552315	321552323
Expected Ratings (Moody's/Fitch):	Aaa(sf) /AAA(sf)	Aa3(sf)/AA-(sf)	A3(sf)/A(sf)	Baa3(sf)/BBB+(sf)	Ba2(sf)/BB+(sf)	B1(sf)/BB+(sf)	N/A	N/A

Minimum Denomination:	£100,000 and integrals of £1,000	£100,000 and integrals of £1,000	£100,000 and integrals of £1,000	£100,000 and integrals of £1,000	£100,000 and integrals of £1,000	£100,000 and integrals of £1,000	N/A	N/A
Governing law of the English Notes:					English			

As of the date of this Prospectus, Moody's and Fitch are credit rating agencies established in the United Kingdom. Moody's and Fitch are registered under the UK CRA Regulation.

DESCRIPTION OF THE CHARACTERISTICS OF THE NOTES AND THE CERTIFICATES

Ranking and Form of the Notes

On the Closing Date, the Issuer will issue the following classes of Notes under the Trust Deed:

- Class A mortgage backed floating rate notes due September 2067 (the "**Class A Notes**");
- Class B mortgage backed floating rate notes due September 2067 (the "**Class B Notes**");
- Class C mortgage backed floating rate notes due September 2067 (the "**Class C Notes**");
- Class D mortgage backed floating rate notes due September 2067 (the "**Class D Notes**");
- Class E mortgage backed floating rate notes due September 2067 (the "**Class E Notes**"); and
- Class X fixed rate notes due September 2067 (the "**Class X Notes**"),

the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes together being the "**Collateralised Notes**", and the Collateralised Notes and the Class X Notes together being the "**Notes**" and the holders thereof, the "**Noteholders**".

The Notes will be issued in registered form. Each Class of Notes will be issued pursuant to Regulation S and will be cleared through Euroclear and/or Clearstream, Luxembourg, as set out in "*Description of the Global Notes*" below.

Certificates:

On the Closing Date, the Issuer will also issue to the Seller:

- Class RC1 Certificates; and
- Class RC2 Certificates,

(together, the "**Certificates**" and the holders thereof, the "**Certificateholders**"),

representing the right to receive the RC1 Payments and the RC2 Payments respectively, by way of deferred consideration for the Issuer's purchase of the Portfolio.

The Certificates will be issued in registered form. Each Class of Certificates will be issued pursuant to Regulation S and will not be listed but cleared through Euroclear and/or Clearstream, Luxembourg. On any Interest Payment Date prior to (but excluding) the Optional Redemption Date all Available Revenue Receipts remaining after application thereof to meet items (a) to (w) of the Pre-Enforcement Revenue Priority of Payments to be applied as RC1 Payments to the holders of the RC1 Certificates and thereafter on and from the Optional Redemption Date, all such remaining amounts to be applied as RC2 Payments to the holders of the RC2 Certificates.

Sequential Order:

The Class A Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to the payment of interest and principal at all times.

The Class B Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to the payment of interest and principal at all times, but subordinate to the Class A Notes.

The Class C Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to the payment of interest and principal at all times, but subordinate to the Class A Notes and the Class B Notes.

The Class D Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to the payment of interest and principal at all times, but subordinate to the Class A Notes, the Class B Notes and the Class C Notes.

The Class E Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to the payment of interest and principal at all times, but subordinate to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes.

The Class X Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to the payment of interest and principal at all times, but subordinate to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

The RC1 Certificates rank *pro rata* and *pari passu* without preference or priority among themselves in relation to RC1 Payments at all times and the RC2 Certificates rank *pro rata* and *pari passu* without preference or priority among themselves in relation to RC2 Payments at all times, and both the RC1 Certificates and the RC2 Certificates are subordinate to all payments due in respect of the Notes.

The Notes within each Class will rank *pro rata* and *pari passu* without any preference or priority among themselves as to payments of principal and interest at all times.

Certain amounts due by the Issuer to its other Secured Creditors (and, prior to the delivery of an Enforcement Notice only, certain unsecured creditors) will rank in priority to all Classes of the Notes and Certificates.

Security: Pursuant to the Deed of Charge, the Notes and Certificates will all share the same Security. Certain other amounts, being the amounts owing to the other Secured Creditors, will also be secured by the Security.

Pursuant to the Deed of Charge on the Closing Date, the Notes and Certificates will be secured by, among other things, the following security (the "**Security**"):

(a) an assignment by way of security of (and, to the extent not assigned, a charge by way of first fixed charge over) the Issuer's rights, title, interest and benefit in and to the Transaction Documents (other than the Trust Deed, the Deed of Charge, any Scottish Supplemental Charge, any Scottish Declaration of Trust and any Scottish Trust Transfer) and any sums derived therefrom (**provided that** the assignment by way of security of the Issuer's rights under the Swap Agreement shall be subject to any rights of set-off or netting provided for thereunder);

(b) an assignment by way of security of (and, to the extent not assigned, a charge by way of first fixed charge over) the

Issuer's interest in the Loans and their Related Security and other related rights comprised in the Portfolio (other than in respect of Scottish Loans) and any sums derived therefrom;

(c) the Scottish Supplemental Charge;

(d) a charge by way of first fixed charge over the Issuer's interest in its bank and/or securities accounts (including the Issuer Accounts) maintained with the Issuer Account Bank and any other bank or custodian and any sums or securities standing to the credit thereof;

(e) an assignment by way of first fixed security of (and, to the extent not assigned, a charge by way of first fixed charge over) (but subject to the right of reassignment) the benefit of the Issuer's rights, title, interest and benefit under the Collection Account Sub-Trust (created pursuant to the Collection Account Declaration of Trust);

(f) a charge by way of first fixed charge over the Issuer's interest in all Authorised Investments permitted to be made by the Issuer or the Cash Manager (acting on the instructions of the Issuer) on its behalf; and

(g) a floating charge over all assets of the Issuer not otherwise subject to the charges referred to above or otherwise effectively assigned by way of security including over all of the Issuer's property, assets, rights and revenues as are situated in Scotland or governed by Scots law (whether or not the subject of the charges referred to above as aforesaid).

In addition, if there is a delivery of a Scottish Transfer pursuant to the Mortgage Sale Agreement, the Issuer will deliver to the Trustee a Scottish Sub-Security. See "*Summary of the Key Transaction Documents — Deed of Charge*" below.

Interest Provisions: Please refer to the "*Full Capital Structure of the Notes and Certificates*" table above and as fully set out in Condition 6 (*Interest*).

Deferral: Interest due and payable on the Most Senior Class of Notes (other than where the Most Senior Class is the Class X Notes) may not be deferred. Interest due and payable on the Notes (other than the Most Senior Class of Notes) may be deferred in accordance with Condition 18 (*Subordination by Deferral*).

Gross-up: None of the Issuer or any Paying Agent or any other person will be obliged to gross-up if there is any withholding or deduction in respect of the Notes and Certificates on account of taxes.

Redemption: The Notes are subject to the following redemption events:

- mandatory redemption in whole on the Interest Payment Date falling in September 2067 (the "**Final Maturity Date**"), as fully set out in Condition 8.1 (*Redemption at Maturity*);

- mandatory redemption in part on any Interest Payment Date commencing on the first Interest Payment Date but prior to the delivery of an Enforcement Notice subject:

  (X) to the availability of Available Redemption Receipts (to the extent not applied to cover any Senior Expenses Deficit) which shall be applied:

    (a) *first*, on a *pari passu* and *pro rata* basis to repay the Class A Notes until they are repaid in full;

    (b) *second*, on a *pari passu* and *pro rata* basis to repay the Class B Notes until they are repaid in full;

    (c) *third*, on a *pari passu* and *pro rata* basis to repay the Class C Notes until they are repaid in full;

    (d) *fourth*, on a *pari passu* and *pro rata* basis to repay the Class D Notes until they are repaid in full; and

    (e) *fifth*, on a *pari passu* and *pro rata* basis to repay the Class E Notes until they are repaid in full; and

  (Y) to the availability (in respect of the Class X Notes) of Available Revenue Receipts applied in accordance with the Pre-Enforcement Revenue Priority of Payments to repay the Class X Notes until they are repaid in full.

- mandatory redemption of the Notes in full following the exercise of the Portfolio Purchase Option by the Portfolio Purchase Option Holder, as fully set out in Condition 8.5 (*Mandatory Redemption in full pursuant to the exercise of the Portfolio Purchase Option*);

- mandatory redemption of the Notes in full following exercise by the Portfolio Purchase Option Holder of the Portfolio Purchase Option (or optional redemption by the Issuer), on any Interest Payment Date when the Principal Amount Outstanding of the Notes is less than 10 per cent. of the Principal Amount Outstanding of the Notes on the Closing Date, as fully set out in Condition 8.3 (*Redemption of the Notes in full pursuant to 10 per cent. clean-up call*); and

- mandatory redemption of the Notes in full following exercise by the Portfolio Purchase Option Holder of the Portfolio Purchase Option (or optional redemption by the Issuer), on any Interest Payment Date following a change in tax law or otherwise by reason of a change in law (where the negative effects of such change cannot otherwise be mitigated by substitution of the Issuer or an appointment of alternative Paying Agent), as fully set out in Condition 8.4 (*Redemption of the Notes pursuant to Taxation call*).

Any Note redeemed pursuant to the above redemption provisions will be redeemed at an amount equal to its Principal Amount Outstanding

together with accrued (and unpaid) interest on its Principal Amount Outstanding up to (but excluding) the date of redemption.

Following the redemption in full of all of the Notes, no more RC1 Payments or RC2 Payments will be made by the Issuer and the Certificates shall be cancelled pursuant to Certificate Condition 6.7 (*Termination of Payments and Cancellation of Certificates*).

Expected Average Lives of the Notes: The actual average lives of the Notes cannot be stated, as the actual rate of repayment of the Loans and redemption of the Loans and a number of other relevant factors are unknown. However, calculations of the possible average lives of the Notes can be made based on certain assumptions as described under "*Weighted Average Lives of the Notes*" below.

Event of Default: As more fully set out in Condition 11 (*Events of Default*) and Certificate Condition 10 (*Events of Default*), which includes, among other events, (where relevant, subject to the applicable grace period):

(i) in relation to the Notes, subject to the deferral provisions in Condition 18 (*Subordination by Deferral*), non-payment of interest and/or principal in respect of the Notes and such non-payment continues for a period of three Business Days in the case of interest and five Business Days in the case of principal;

(ii) in relation to the Certificates, if default is made in the payment of any amount due in respect of the Certificates and the default continues for a period of 14 Business Days;

(iii) breach of any contractual obligations by the Issuer under the Transaction Documents if such breach is incapable of remedy or, if it is capable of remedy, has not been remedied within the applicable grace period;

(iv) any representation made by the Issuer is incorrect when given if the matters giving rise to such misrepresentation is incapable of remedy or, if it is capable of remedy, has not been remedied within the applicable grace period; and

(v) the occurrence of certain insolvency related events in relation to the Issuer.

Following the occurrence of an Event of Default, the Trustee may (or, if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes (or if no Notes are outstanding the Most Senior Class of Certificates) then outstanding or directed in writing by the holders of at least 25 per cent. in aggregate of the Principal Amount Outstanding of the Most Senior Class of Notes (or if no Notes are outstanding the Most Senior Class of Certificates), shall) or (but, in the case of the occurrence of any of the events mentioned in paragraphs (iii) and (iv) above, only if the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the holders of the Most Senior Class of Notes or, where there are no Notes outstanding, the Certificateholders) serve an Enforcement Notice on the Issuer that all Classes of Notes or Certificates are immediately due and payable **provided that**, in each case, the Trustee is indemnified and/or prefunded and/or secured to its satisfaction.

Following delivery of an Enforcement Notice to the Issuer, the Trustee may enforce the Security.

Limited Recourse and Non-Petition:	The Notes and Certificates are limited recourse obligations of the Issuer, and, if not repaid in full, amounts outstanding are subject to a final write-off, which is described in more detail in Condition 12.4 (*Limited Recourse*). In accordance with Condition 12.3 (*Limitations on Enforcement*) and Certificate Condition 11.2 (*Limitations on Enforcement*), no Noteholder or Certificateholder may proceed directly against the Issuer unless the Trustee or the Trustee, having become bound to do so, fails to do so within a reasonable period of time and such failure is continuing.
Governing Law:	English law (**provided that** any terms of the Transaction Documents which are particular to Scots law will be governed by and construed in accordance with Scots law and any Scottish Declaration of Trust, any Scottish Trust Transfer and the Scottish Supplemental Charge will be governed by Scots law).

DESCRIPTION OF THE RIGHTS OF NOTEHOLDERS AND CERTIFICATEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS

Please refer to the sections entitled "Terms and Conditions of the Notes", "Terms and Conditions of the Certificates" and "Risk Factors" for further detail in respect of the rights of Noteholders and Certificateholders, Conditions for exercising such rights and relationship with other Secured Creditors.

Convening a Meeting prior to an Event of Default:	The Issuer or the Trustee may convene a Meeting at any time. Noteholders or Certificateholders holding not less than 10 per cent. of the aggregate Principal Amount Outstanding of a Class or Classes of Notes or Certificates then outstanding are entitled to direct the Trustee in writing to convene a Noteholders' or Certificateholders' meeting, as applicable, subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction.
Instructions following an Event of Default:	Following the occurrence of an Event of Default, Noteholders may, if they hold not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class, or if an Extraordinary Resolution of the holders of the Most Senior Class is passed, direct the Trustee to give an Enforcement Notice to the Issuer that all classes of the Notes and Certificates are immediately due and repayable at their respective Principal Amount Outstanding together with accrued (but unpaid) interest or that all RC1 Payments or RC2 Payments accrued (but unpaid) pursuant to the Certificates are immediately due and payable, as applicable. The Trustee shall not be bound to take any such action unless first indemnified and/or prefunded and/or secured to its satisfaction. Certificateholders may only deliver an Enforcement Notice once the Notes have been redeemed in full.
Instructions prior to an Event of Default	However, so long as no Event of Default has occurred and is continuing, neither the Noteholders or the Certificateholders are entitled to instruct or direct the Issuer to take any actions, either directly or through the Trustee, without the consent of the Issuer and, if applicable, certain other transaction parties, unless the Issuer has an obligation to take such actions under the relevant Transaction Documents.

Noteholders' and Certificateholders' Meeting provisions:		*Initial meeting*	*Adjourned meeting*
	Notice period:	At least 21 clear days (and no more than 180 clear days)	At least 10 clear days (and no more than 42 clear days in the case of an initial adjournment of a meeting at which an Extraordinary Resolution is to be proposed)
	Place of meeting:	United Kingdom	United Kingdom
	Quorum:	Subject to more detailed provisions of the Trust Deed, one or more persons present and representing in aggregate not less than 25 per cent. of the Principal Amount Outstanding of the	Subject to more detailed provisions of the Trust Deed, one or more persons present and representing in aggregate not less than 10 per cent. of the Principal Amount Outstanding of the

	relevant Class or Classes of Notes or of Certificates then outstanding or in issue, as applicable, for transaction of business including the consideration of an Ordinary Resolution. The quorum for considering an Extraordinary Resolution (other than a Basic Terms Modification) shall be one or more persons present and representing in aggregate not less than 50 per cent. of the aggregate Principal Amount Outstanding of the relevant Class or Classes of Notes or Certificates then outstanding, or representing not less than 50 per cent. of the relevant Class or Classes of Certificates then in issue, as applicable. The quorum for considering a Basic Terms Modification at a meeting of any affected Class or Classes of Notes or Certificates shall be one or more persons eligible to attend and vote at such meeting holding or representing in aggregate not less than 75 per cent. of the aggregate Principal Amount Outstanding of such Class of Notes or Certificates.	relevant Class or Classes of Notes or Certificates then outstanding or in issue, as applicable, for transaction of business including the considering of an Ordinary Resolution. The quorum for considering an Extraordinary Resolution (other than a Basic Terms Modification) shall be one or more persons present and representing in aggregate not less than 25 per cent. of the aggregate Principal Amount Outstanding of the relevant Class or Classes of Notes or Certificates then outstanding, or representing not less than 25 per cent. of the relevant Class or Classes of Certificates then in issue, as applicable. The quorum for considering Basic Terms Modification at a meeting of any affected Class or Classes of Notes or Certificates shall be one or more persons eligible to attend and vote at such meeting holding or representing in aggregate not less than 50 per cent. of the aggregate Principal Amount Outstanding of such Class of Notes or Certificates.
Required majority for Ordinary Resolution:	A clear majority of persons eligible to attend and vote at such meeting and voting at that meeting upon a show of hands or, if a poll is duly demanded, by a clear majority of the votes cast on such poll (an "**Ordinary Resolution**").	
Required majority for Extraordinary Resolution:	Majority consisting of not less than three-quarters of persons eligible to attend and vote at such meeting and voting at such meeting upon a show of hands or, if a poll is duly demanded, by a	

majority consisting of not less than three-quarters of the votes cast on such poll (an "**Extraordinary Resolution**").

Required majority for a written resolution: Not less than 75 per cent. in aggregate Principal Amount Outstanding of the relevant Class of Notes or Certificates. A written resolution has the same effect as an Extraordinary Resolution.

Matters requiring Extraordinary Resolution: The following matters require an Extraordinary Resolution of the Noteholders (and in the case of a Basic Terms Modification, an Extraordinary Resolution of the Certificateholders), as set out in the Trust Deed:

- to sanction or to approve a Basic Terms Modification;
- to sanction any compromise or arrangement proposed to be made between, amongst others, the Issuer or any other party to any Transaction Document;
- to sanction any abrogation, modification, compromise or arrangement in respect of the rights of, amongst others, the Trustee or any other party to any Transaction Document against any other or others of them or against any of their property whether such rights arise under the Trust Deed, any other Transaction Document or otherwise;
- to approve the substitution of any person for the Issuer as principal debtor under the Notes or the Certificates other than in accordance with Condition 8.4 (*Redemption of the Notes pursuant to Taxation call*), Condition 13.14 (*Issuer Substitution Condition*) or Certificate Condition 12.14 (*Issuer Substitution Condition*)
- to assent to any modification of the Trust Deed or any other Transaction Document which is proposed by the Issuer or any other party to any Transaction Document or any Noteholder or Certificateholder, other than those modifications which are sanctioned by the Trustee without the consent or sanction of the Noteholders and Certificateholders in accordance with the terms of the Trust Deed;
- to direct the Trustee to serve an Enforcement Notice;
- to remove the Trustee;
- to approve the appointment of a new Trustee;
- to approve the appointment of a Successor Servicer or a Successor Legal Title Holder in circumstances where the Servicer has resigned and the appointment of the Successor Servicer or the Successor Legal Title Holder will result in a downgrade, withdrawal or qualification of the current rating of the Notes (as confirmed in a Rating Agency Confirmation addressed to the Trustee);
- to authorise the Trustee and/or any Appointee to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;

- to discharge or exonerate the Trustee and/or any Appointee from any liability in respect of any act or omission for which it may become responsible under the Trust Deed or the Notes or Certificates;
- to appoint any persons as a committee to represent the interests of the Noteholders or the Certificateholders and to confer upon such committee any powers which the Noteholders or Certificateholders could themselves exercise by Extraordinary Resolution;
- to sanction any scheme or proposal for the exchange, sale, conversion or cancellation of the Notes or the Certificates for or partly or wholly in consideration of shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company or partly or wholly in consideration of cash; or
- to give any other authorisation or sanction which under the Trust Deed or any other Transaction Document is required to be given by Extraordinary Resolution.

See Condition 12 (*Enforcement*) and Certificate Condition 11 (*Enforcement*) for more detail.

Deemed Principal Amount Outstanding of the Certificates

The Certificates will not have a Principal Amount Outstanding. However, for the purposes of the voting and quorum provisions set out in the Conditions, the Certificate Conditions and the Trust Deed any reference to the Principal Amount Outstanding of the RC1 Certificates and the RC2 Certificates shall each be deemed to be a reference at all times to £500,000.

Relationship between Classes of Noteholders and Certificateholders:

Subject to the provisions governing a Basic Terms Modification, an Extraordinary Resolution of the holders of a relevant Class of Notes or Certificates shall be binding on all other holders of Classes of Notes or Certificates which are subordinate to such Class of Notes or Certificates in the Post-Enforcement Priority of Payments, irrespective of the effect upon them. No Extraordinary Resolution of any other Class of Noteholders or of the Certificateholders shall take effect for any purpose while any Class of Notes or Certificates ranking senior to such Class of Notes or Certificates in the Post-Enforcement Priority of Payments remains outstanding unless it shall have been sanctioned by an Extraordinary Resolution of the holders of any such senior ranking Class of Notes or Certificates, or the Trustee is of the opinion it would not be materially prejudicial to the interests of the holders of such senior ranking Class of Notes or Certificates.

A Basic Terms Modification requires an Extraordinary Resolution of the holders of the relevant affected Class or Classes of Notes and/or Certificates then in issue, as applicable (unless the Trustee is of the opinion that it would not be materially prejudicial to the respective interests of the holders of those affected Class of Notes and/or Certificates, as applicable).

Relationship between Noteholders, Certificateholders and other Secured Creditors:

So long as any of the Notes are outstanding, the Trustee shall not have regard to the interests of the other Secured Creditors.

So long as the Notes are outstanding, the Trustee will have regard to the interests of each class of the Noteholders, but if in the Trustee's sole opinion there is a conflict between the interests of any Classes of Notes,

it will have regard solely to the interests of the holders of the relevant affected Class of Notes ranking in priority to the other relevant Classes of Notes in the Post-Enforcement Priority of Payments and the holders of such subordinated Classes of Notes shall have no claim against the Trustee for so doing.

So long as any Notes are outstanding and there is a conflict between the interests of the Noteholders, the Certificateholders and the other Secured Creditors, the Trustee will take into account the interests of the Noteholders only in the exercise of its discretion. So long as the Notes have been redeemed in full but any Secured Obligations remain outstanding and there is a conflict of interest between the Certificateholders and the other Secured Creditors the Trustee will take into account the interests of the Certificateholders (and not the other Secured Creditors) only in the exercise of its discretion.

Relevant Person as Noteholder or Certificateholder:

For certain purposes, including the determination as to whether Notes are deemed outstanding or Certificates are deemed in issue, for the purposes of convening a meeting of the Noteholders or Certificateholders, those Notes or Certificates (if any) which are for the time being held by or on behalf of or for the benefit of any Relevant Person, in each case as beneficial owner, shall (unless and until ceasing to be so held) be deemed not to remain outstanding or in issue, **provided that** Notes or Certificates of a Relevant Class shall be deemed to remain outstanding or in issue (as the case may be), except that, if there is any other Class of Notes and/or Certificates ranking (with regard to the definition of Most Senior Class) *pari passu* with, or junior to, the Relevant Class and one or more Relevant Persons are not the beneficial owners of all the Notes and/or Certificates of such Class, then the Relevant Class shall be deemed not to remain outstanding and **provided that** in relation to a matter relating to a Basic Terms Modification any Notes or the Certificates which are for the time being held by or on behalf of or for the benefit of a Relevant Person, in each case as beneficial owner, shall be deemed to remain outstanding or in issue, as applicable.

Provision of Information to the Noteholders and Certificateholders:

For so long as the Notes and Certificates are outstanding, each Investor Report and each Loan Level Report will be published by the Seller on the SR Website. Until the Notes and Certificates are redeemed in full, a cashflow model shall be made available (directly or indirectly) by the Seller to investors, potential investors and firms that generally provide services to investors.

The Cash Manager shall make available the Cash Manager Investor Reports on the Citibank Website. For the avoidance of doubt, the posting of such reports on the Citibank Website is not intended to satisfy the Issuer's obligations (if any) under the UK Securitisation Framework (on an ongoing basis) or the EU Securitisation Regulation (as in force on the Closing Date) and the Citibank Website will not be the website that conforms to the requirements set out in SECN 6.3.1R(1), Article 7(2) of Chapter 2 of the PRA Securitisation Rules or Article 7(2) of the EU Securitisation Regulation (as in force on the Closing Date).

For more details see *"Summary of the Key Transaction Documents — Cash Management Agreement"* and *"General Information — Reporting under the UK Securitisation Framework and the EU Securitisation Regulation*".

Communication with Noteholders and Certificateholders:

Any notice to be given by the Issuer or the Trustee to Noteholders and Certificateholders shall be given in the following manner:

(a) Subject to paragraph (d) below, any notice to Noteholders and Certificateholders shall be validly given if published in the Financial Times, or, if such newspaper shall cease to be published or, if timely publication therein is not practicable, in such other English newspaper or newspapers as the Trustee shall approve in advance having a general circulation in the United Kingdom, **provided that** if, at any time, (i) the Issuer procures that the information concerned in such notice shall appear on a page of the Reuters screen, the Bloomberg screen or any other medium for electronic display of data as may be previously approved in writing by the Trustee and notified to Noteholders and Certificateholders (in each case a "**Relevant Screen**"), or (ii) paragraph (c) below applies and the Issuer has so elected, publication in the newspaper set out above or such other newspaper or newspapers shall not be required with respect to such notice.

(b) In respect of Notes and Certificates in definitive form, notices to Noteholders and Certificateholders will be sent to them by first class post (or its equivalent) or (if posted to an address outside the United Kingdom) by airmail at the respective addresses on the Register. Any such notice will be deemed to have been given on the fourth day after the date of posting.

(c) While the Notes are represented by Global Notes and Certificates are represented by Global Certificates, notices to Noteholders and Certificateholder will be valid if published as described above, or, at the option of the Issuer, if submitted to Euroclear and/or Clearstream, Luxembourg for communication by them to Noteholders and Certificateholders. Any notice delivered to Euroclear and/or Clearstream, Luxembourg, as aforesaid shall be deemed to have been given on the day of such delivery.

(d) So long as the Notes are admitted to trading on, and listed on the Official List of, Euronext Dublin all notices to the Noteholders will be valid if published in a manner which complies with the rules and regulations of Euronext Dublin (which includes delivering a copy of such notice to Euronext Dublin) and any such notice will be deemed to have been given on the date sent to Euronext Dublin.

The Trustee shall be at liberty to sanction some other method where, in its sole opinion, the use of such other method would be reasonable having regard to market practice then prevailing and to the requirements of the stock exchanges, competent listing authorities and/or the quotation systems on or by which the Notes and Certificates are then listed, quoted and/or traded and **provided that** notice of such other method is given to Noteholders and Certificateholders in such manner as the Trustee shall require.

Right of Modification without Noteholder or Certificateholder Consent:

Pursuant to and in accordance with the provisions of Condition 13.6 (*Additional Right of Modification*) and Certificate Condition 12.6 (*Additional Right of Modification*), the Trustee shall be obliged, without any consent or sanction of the Noteholders or Certificateholders or any other Secured Creditor to concur with the Issuer in making any modification (other than in respect of a Basic Terms Modification) to the

Conditions or the Certificate Conditions, the Trust Deed or any other Transaction Document for the purposes of:

- complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time;
- complying with any changes in the requirements of the EU Securitisation Regulation, including as a result of the adoption of regulatory technical standards in relation to the EU Securitisation Regulation or any other risk retention legislation or regulations or official guidance in relation thereto;
- complying with any changes in the requirements of the UK Securitisation Framework, including as a result of the adoption of regulatory technical standards in relation to the UK Securitisation Framework or any other risk retention legislation or regulations or official guidance in relation thereto;
- enabling the Notes to be (or to remain) listed on Euronext Dublin;
- enabling the Issuer or any of the other Transaction Parties to comply with FATCA;
- complying with any changes in the requirements of the UK CRA Regulation after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the UK CRA3 Requirements, including any requirements imposed by the UK Securitisation Framework and/or any new regulations or official guidance in relation thereto;
- a Base Rate Modification; and
- Swap Rate Modification.

EMIR Amendment, servicer transition and amendments to account bank arrangements

The Trustee shall, at any time and from time to time, with the written consent of the Secured Creditors which are a party to the relevant Transaction Document (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document) but without the consent or sanction of the Noteholders or Certificateholders or any other Secured Creditor, agree with the Issuer and any other parties in making or sanctioning any modification:

(a) to the Transaction Documents, the Conditions or the Certificate Conditions that are requested in writing by the Issuer (acting in its own discretion or at the direction of any transaction party) in order to enable the Issuer to comply with any requirements of UK EMIR and EU EMIR, irrespective of whether such modifications are: (i) materially prejudicial to the interests of the holders of any Class of Notes or Certificates or any other Secured Creditor; or (ii) in respect of a Basic Terms Modification and subject to receipt by the Trustee of a certificate of (x) the Issuer signed by two directors, or (y) the Servicer on behalf of the Issuer, certifying to the Trustee that the amendments requested by the Issuer are to be made solely for the purpose of enabling the Issuer to satisfy its requirements

under UK EMIR and EU EMIR and have been drafted solely for that purpose;

(b) to the Transaction Documents, the Conditions or the Certificate Conditions that are requested in writing by the Issuer (acting in its own discretion or at the direction of any transaction party) for the purpose of enabling the Issuer (or the Servicer on its behalf) to (x) transfer the Collection Account from the Collection Account Bank to another bank, or (y) transfer the role of the Servicer and/or the Legal Title Holder to the Replacement Servicer and the Replacement Legal Title Holder or, as the case may be, to the Successor Servicer and the Successor Legal Title Holder (as applicable) in each case in circumstances where the Servicer's and Legal Title Holder's appointment is terminated pursuant to clause 25 (Appointment following Termination) of the Servicing Agreement, irrespective of whether such modifications are (i) materially prejudicial to the interests of the holders of any Class of Notes or Certificates or any other Secured Creditor or (ii) in respect of a Basic Terms Modification **provided that** the Issuer (or the Servicer on its behalf) certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect and that the conditions stipulated in clause 30.2 or 25, respectively, of the Servicing Agreement have been satisfied; or

(c) to the Transaction Documents, the Conditions or the Certificate Conditions that are requested in writing by the Issuer (acting in its own discretion or at the direction of any transaction party) for the purpose of enabling the Issuer to open any custody account for the receipt of any collateral posted by the Swap Provider under the Swap Agreement in the form of securities.

DESCRIPTION OF THE CREDIT STRUCTURE AND CASHFLOW

Please refer to the sections entitled "Credit Structure" and "Cashflows" for further detail in respect of the credit structure and cash flow of the transaction.

Available Funds of the Issuer: Prior to an Enforcement Notice being served on the Issuer, the Cash Manager on behalf of the Issuer will apply Available Revenue Receipts and Available Redemption Receipts on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments and the Pre-Enforcement Redemption Priority of Payments respectively, as set out below.

Summary of Priorities of Payments: Below is a summary of the relevant payment priorities. Full details of the payment priorities are set out in the section entitled "*Cashflows*".

Pre-Enforcement Revenue Priority of Payments:

(a) Amounts due to the Trustee and any Appointee thereof including charges, liabilities, fees, costs and expenses

(b) Amounts due to the Agent Bank, the Custodian, the Registrar, the Paying Agents, the Cash Manager, the Legal Title Holder, the Servicer, the Back-Up Servicer Facilitator, the Corporate Services Provider, the Issuer Account Bank and the Collection Account Bank, the Replacement Servicer and Replacement Legal Title Holder in each case including all indemnity payments, charges, liabilities, fees, costs and expenses

(c) Third party expenses and any Transfer Costs

(d) Amounts due to the Swap Provider in respect of the Swap Agreement (including any termination payment due and payable by the Issuer) to the extent such amounts due cannot be satisfied by amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments other than any Swap Collateral Account Surplus, and excluding, if applicable, any related Swap Subordinated Amounts

(e) Issuer Profit Amount

(f) *Pro rata* and *pari passu* to the interest due on the Class A Notes

(g) Amounts to be credited to the Class A Principal Deficiency Sub-Ledger

(h) *Pro rata* and *pari passu* to the interest due on the Class B Notes

(i) Following the Initial Reserve Funding Date, to credit the Class A and Class B Liquidity Reserve Fund Ledger up to the Class A and B Liquidity Reserve Fund Required Amount

(j) Amounts to be credited to the Class B Principal Deficiency Sub-Ledger

(k) *Pro rata* and *pari passu* to the interest due on the Class C Notes

(l) Amounts to be credited to the Class C Principal Deficiency Sub-Ledger

(m) *Pro rata* and *pari passu* to the interest due on the Class D Notes

(n) Amounts to be credited to the Class D Principal Deficiency Sub-Ledger

(o) *Pro rata* and *pari passu* to the interest due on the Class E Notes

(p) Accounts to be credited to the Class E Principal Deficiency Sub-Ledger

(q) Following the Initial Reserve Funding Date and prior to and excluding the Final Collateralised Notes Redemption Date, amounts to be credited to the General Reserve Fund Ledger up to the General Reserve Fund Required Amount

(r) On or after the Optional Redemption Date an amount equal to the lesser of (i) all remaining amounts (if any) and (ii) the amount required by the Issuer to redeem the Collateralised Notes in full less any other Available Redemption Receipts (other than item (c) of the definition thereof) otherwise available to the Issuer, to be applied as Available Redemption Receipts

(s) *Pro rata* and *pari passu* to the interest due on the Class X Notes

(t) *Pro rata* and *pari passu* to the principal amounts due on the Class X Notes

(u) Any Swap Subordinated Amounts (to the extent such amounts cannot be satisfied by amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments other than any Swap Collateral Account Surplus) due to the Swap Provider

(v) To pay any other amounts of Tax due and payable by the Issuer

(w) On any Interest Payment Date falling within a Determination Period, all remaining amounts to be credited to the Deposit Account to be applied on the next Interest Payment Date as Available Revenue Receipts

(x) On any Interest Payment Date prior to (but excluding) the Optional Redemption Date, all excess amounts to be applied as RC1 Payments to the RC1 Certificateholders and thereafter on and from the Optional Redemption Date, all excess amounts to be applied as RC2 Payments to the RC2 Certificateholders

Pre-Enforcement Redemption Priority of Payments:

(a) Up to and including the Initial Reserve Funding Date, on a *pro rata and pari passu* basis, amounts to be credited to the General Reserve Fund and the Class A and Class B Liquidity Reserve Fund up to the General Reserve Fund Required Amount and the Class A and B Liquidity Reserve Fund Required Amount respectively;

(b) Principal Addition Amounts to be applied to meet any Senior Expenses Deficit

(c) *Pro rata* and *pari passu* to the principal amounts due on the Class A Notes

(d) *Pro rata* and *pari passu* to the principal amounts due on the Class B Notes

(e) *Pro rata* and *pari passu* to the principal amounts due on the Class C Notes

(f) *Pro rata* and *pari passu* to the principal amounts due on the Class D Notes

(g) *Pro rata* and *pari passu* to the principal amounts due on the Class E Notes

(h) All remaining amounts to be applied as Available Revenue Receipts

Post-Enforcement Priority of Payments:

(a) Amounts due in respect of the Receiver, the Trustee and any Appointee thereof including charges, liabilities, fees, costs and expenses

(b) Amounts due to the Agent Bank, the Custodian, the Registrar, the Paying Agents, the Cash Manager, the Legal Title Holder, the Servicer, the Back-Up Servicer Facilitator, the Corporate Services Provider, the Issuer Account Bank, and the Collection Account Bank, in each case including all indemnity payments, charges, liabilities, fees, costs and expenses

(c) Amounts due to the Swap Provider (including any termination payment due and payable by the Issuer) to the extent such amounts due cannot be satisfied by amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments other than any Swap Collateral Account Surplus, and excluding, if applicable, any related Swap Subordinated Amounts

(d) *Pro rata* and *pari passu* to the amounts of interest and principal due on the Class A Notes

(e) *Pro rata* and *pari passu* to the amounts of interest and principal due on the Class B Notes

(f) *Pro rata* and *pari passu* to the amounts of interest and principal due on the Class C Notes

(g) *Pro rata* and *pari passu* to the amounts of interest and principal due on the Class D Notes

(h) *Pro rata* and *pari passu* to the amounts of interest and principal due on the Class E Notes

(i) Issuer Profit Amount and any corporation tax of the Issuer not otherwise able to be paid from amounts standing to the credit of the Issuer Profit Ledger

(j) *Pro rata* and *pari passu* to the amounts of interest and principal due on the Class X Notes

(k) Swap Subordinated Amounts (to the extent such amounts due cannot be satisfied by amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments other than any Swap Collateral Account Surplus) due to the Swap Provider

(l) *Pro rata* and *pari passu* to the amounts due and payable to third parties (if any)

(m) On any Interest Payment Date prior to (but excluding) the Optional Redemption Date all remaining amounts to be applied as RC1 Payments to the RC1 Certificateholders and thereafter on and from the Optional Redemption Date, all remaining amounts as RC2 Payments to the RC2 Certificateholders

The credit structure of the transaction includes the following elements:

General Reserve Fund

- The availability of the General Reserve Fund, which shall be unfunded on the Closing Date but subsequently funded on each Interest Payment Date up to and including the Initial Reserve Funding Date from Available Redemption Receipts in accordance with the Pre-Enforcement Redemption Priority of Payments, and following the Initial Reserve Funding Date from Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments.

- An amount equal to the General Reserve Fund Excess Amount will be debited from the General Reserve Fund and will be applied as Available Redemption Receipts on each Interest Payment Date.

- On each Interest Payment Date, to the extent that there would be a Revenue Deficit on such Interest Payment Date, an amount equal to the General Reserve Fund Release Amounts shall be debited from the General Reserve Fund immediately prior to the application of Available Revenue Receipts pursuant to the Pre-Enforcement Revenue Priority of Payments on such Interest Payment Date and applied to cure such Revenue Deficit. Any General Reserve Fund Release Amounts will be applied to meet any Revenue Deficit (subject to the limitations set out in the definition of Revenue Deficit) against the relevant items in the Pre-Enforcement Revenue Priority of Payments in such order of priority as such items appear in the Pre-Enforcement Revenue Priority of Payments.

- After the Initial Reserve Funding Date, on each Interest Payment Date up to and excluding the Final Collateralised Notes Redemption Date and prior to the delivery of an Enforcement Notice, the General Reserve Fund will be replenished up to the General Reserve Fund Required Amount from Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments.

- On the Final Collateralised Notes Redemption Date only, all amounts standing to the credit of the General Reserve Fund (after first having applied any Class A and Class B Liquidity Reserve Fund Release Amounts in meeting any Class A and Class B Liquidity Deficit and then any General Reserve Fund Release Amount to meet any Revenue Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order they appear in the Pre-Enforcement Revenue Priority of Payments, and debiting such amounts from the Class A and Class B Liquidity Reserve Fund Ledger and/or the General Reserve Fund in accordance with the Pre-Enforcement Revenue Priority of Payments, in each case

on such Final Maturity Date) will be applied as Available Redemption Receipts in accordance with the Pre-Enforcement Redemption Priority of Payments.

- Following the delivery of an Enforcement Notice, all amounts standing to the credit of the General Reserve Fund will be applied in accordance with the Post-Enforcement Priority of Payments.

- See section "*Credit Structure - General Reserve Fund and General Reserve Fund Ledger*".

Class A and Class B Liquidity Reserve Fund

- The availability of the Class A and Class B Liquidity Reserve Fund, which shall be unfunded on the Closing Date but subsequently funded on each Interest Payment Date up to and including the Initial Reserve Funding Date from Available Redemption Receipts in accordance with the Pre-Enforcement Redemption Priority of Payments, and following the Initial Reserve Funding Date from Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments.

- On each Interest Payment Date, to the extent that there would be a Class A and Class B Liquidity Deficit on such Interest Payment Date, an amount equal to the Class A and Class B Liquidity Reserve Fund Release Amounts shall be debited from the Class A and Class B Liquidity Reserve Fund immediately prior to the application of Available Revenue Receipts pursuant to the Pre-Enforcement Revenue Priority of Payments on such Interest Payment Date and applied to meet any Class A and Class B Liquidity Deficit (subject to the limitations set out in the definition of Class A and Class B Liquidity Deficit) against the relevant items in the Pre-Enforcement Revenue Priority of Payments in such order of priority as such items appear in the Pre-Enforcement Revenue Priority of Payments.

- After the Initial Reserve Funding Date, on each Interest Payment Date up to but excluding the Class B Redemption Date and prior to the delivery an Enforcement Notice, the Class A and Class B Liquidity Reserve Fund Excess Amount will be applied as Available Redemption Receipts and the Class A and Class B Liquidity Reserve Fund will be replenished up to the Class A and Class B Liquidity Reserve Fund Required Amount from Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments.

- On the Class B Redemption Date only, all amounts standing to the credit of the Class A and Class B Liquidity Reserve Fund Ledger (after first having applied any Class A and Class B Liquidity Reserve Fund Release Amount in meeting any Class A and Class B Liquidity Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order they appear in the Pre-Enforcement Revenue Priority of Payments and debiting such amount from the Class A and Class B Liquidity Reserve Fund Ledger) will be applied as

Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments.

- Following the delivery of an Enforcement Notice, all amounts standing to the credit of the Class A and Class B Liquidity Reserve Fund will be applied in accordance with the Post-Enforcement Priority of Payments.

- See section "*Credit Structure — Class A and Class B Liquidity Reserve Fund and Class A and Class B Liquidity Reserve Fund Ledger*".

Principal Deficiency Ledger

- A Principal Deficiency Ledger will be established to record *as a debit* (i) any Losses on the Portfolio and (ii) Principal Addition Amounts, and record *as a credit* Available Revenue Receipts applied as Available Redemption Receipts (including any amounts in respect of Enhanced Amortisation Amounts) pursuant to items (g), (j), (l), (n) and (p) of the Pre-Enforcement Revenue Priority of Payments (if any).

- The Principal Deficiency Ledger will comprise the following sub-ledgers: the Class A Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger, the Class C Principal Deficiency Sub-Ledger. the Class D Principal Deficiency Sub-Ledger and the Class E Principal Deficiency Sub-Ledger.

- Any Losses on the Portfolio and/or any Principal Addition Amounts will be recorded as a debit (on the date that the Cash Manager is informed of such Losses by the Servicer or such Principal Addition Amounts are determined by the Cash Manager (as applicable)) on each Principal Deficiency Sub-Ledger in reverse order of priority, starting from the Class E Principal Deficiency Sub-Ledger, up to a maximum amount equal to the Principal Amount Outstanding of the relevant Class of Notes.

- See the section *"Credit Structure - Principal Deficiency Ledger*" below.

Bank Accounts and Cash Management:

On the Closing Date, the Issuer will enter into the Bank Account Agreement with the Issuer Account Bank in respect of the opening and maintenance of the Deposit Account and the Swap Collateral Account.

The Issuer will open the Deposit Account and the Swap Collateral Account pursuant to the Bank Account Agreement with the Issuer Account Bank on or prior to the Closing Date. The Issuer may from time to time open additional or replacement accounts (including, if applicable, any securities accounts (such accounts, together with the Deposit Account and the Swap Collateral Account, the "**Issuer Accounts**")) pursuant to the Bank Account Agreement and the Transaction Documents.

On each Interest Payment Date, the Cash Manager will transfer monies from the Deposit Account to be applied in accordance with the applicable Priority of Payments.

Swap Agreement:

Payments received by the Issuer under certain of the Loans will be subject to fixed rates of interest for an initial period of time. The

interest amounts payable by the Issuer in respect of the Notes will be calculated by reference to SONIA. To hedge against the potential variance between the fixed rates of interest received on certain of the Loans in the Portfolio and the rate of interest payable on the Floating Rate Notes, the Issuer has entered into the Swap Transaction with the Swap Provider under the Swap Agreement (see the section "*Credit Structure - Interest Rate Risk for the Notes*" for further details).

TRIGGERS TABLES

Rating Triggers Table

Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include the following:
Issuer Account Bank	(a) (i) a long-term rating of at least A2 by Moody's; or (ii) if the Issuer Account Bank does not have a long-term rating by Moody's, a short term deposit rating of at least P-1 by Moody's; and (b) in the case of Fitch, a short-term deposit rating (or, if a deposit rating is not assigned, an issuer default rating) of at least "F1" or a long-term deposit rating (or, if a deposit rating is not assigned, an issuer default rating) of at least "A" by Fitch; or such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Notes (the "**Account Bank Minimum Rating**").	If the Issuer Account Bank fails to maintain any of the Account Bank Minimum Ratings, then the Issuer shall, within 60 calendar days of such downgrade: (a) close the Issuer Accounts with such Issuer Account Bank and use all reasonable endeavours to open replacement accounts with a financial institution (i) having the Account Bank Minimum Ratings and (ii) which is a bank as defined in section 991 of the Income Tax Act 2007; (b) use all reasonable endeavours to obtain a guarantee of the obligations of such Issuer Account Bank under the Bank Account Agreement from a financial institution which has the Account Bank Minimum Ratings; or (c) take any other reasonable action as the Rating Agencies confirm will not result in a downgrade of the Notes, in each case as prescribed in the Bank Account Agreement, and transfer amounts standing to the credit of relevant Issuer Accounts and all Ledgers on the relevant Issuer Accounts to the replacement Issuer Accounts.
Swap Provider	**Moody's Rating Requirements** Collateral Trigger: (i) a counterparty risk assessment from Moody's of A3(cr) or above, or (ii) if such entity has no counterparty risk assessment from Moody's, a senior unsecured debt rating from Moody's of A3 or above (the "**Qualifying Collateral Trigger Rating**").	If the Swap Provider (or its successor or any relevant guarantor) does not have the Qualifying Collateral Trigger Rating and either (a) has not had a Qualifying Collateral Trigger Rating since the Closing Date or (b) at least 30 business days have

Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include the following:
		elapsed since the last time the Swap Provider (or its successor or relevant guarantor) had a Qualifying Collateral Trigger Rating, the Swap Provider must, if required, post collateral and may either (i) transfer its rights and obligations under the Swap Agreement to an appropriately rated replacement third party or (ii) procure a guarantee from an appropriately rated third party. A failure by the Swap Provider to take such steps will, in certain circumstances, allow the Issuer to terminate the Swap Agreement.
	Transfer Trigger: (i) a counterparty risk assessment from Moody's of Baa1 or above, or (ii) if such entity has no counterparty risk assessment from Moody's, a senior unsecured debt rating from Moody's of Baa1 or above (the "**Qualifying Transfer Trigger Rating**").	If the Swap Provider (or its successor, assignee or any relevant guarantor) does not have the Qualifying Transfer Trigger Rating, the Swap Provider must, at its own cost, use commercially reasonable efforts to, as soon as reasonably practicable (and in any event within 30 business days), either (i) transfer its rights and obligations under the Swap Agreement to an appropriately rated replacement third party or (ii) procure a guarantee from an appropriately rated third party. A failure by the Swap Provider to take such steps will, in certain circumstances, allow the Issuer to terminate the Swap Agreement.
	Fitch Rating Requirements (a) In respect of Fitch only, (i) a Swap Provider (or its successor or permitted transferee) or any Credit Support Provider must have at least the short-term issuer default rating or the long-term derivative counterparty rating or the long-term issuer default rating (as applicable) shown in the below table by Fitch for so long as the	(a) The consequences of breach of the Swap First Fitch Required Ratings include the requirement to provide collateral within 14 calendar days of breach if such breach is in respect of the rating by Fitch and the option to; (i) within 60 calendar days replace the Swap Provider; (ii) within 60 calendar days, procure a guarantee of such Swap Provider's obligations; or (iii) take such other action (or inaction) that would result in the rating of the Rated Notes being

Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include the following:
	relevant Notes are outstanding:	maintained at, or restored to, the level it would have been at prior to such lower rating being assigned by Fitch, in each case within the time periods specified in the Swap Agreement to which the Swap Provider is a party.
	Category of highest rated notes / **Unsupported Minimum Counterparty Ratings** AAAsf / A or F1 AAsf / A- or F1 Asf / BBB or F2 BBBsf / BBB- or F3 BBsf / At least as high as the relevant highest rated Notes outstanding (the "**Relevant Notes Fitch Rating**") Bsf or below or relevant highest rated Notes outstanding are not rated by Fitch / At least as high as the Relevant Notes Fitch Rating.	
	(the "**Swap First Fitch Required Ratings**"); and	
	In respect of Fitch only, if the Swap Provider breaches the Swap First Fitch Required Ratings, but complies with the relevant contractual requirements that apply on the occurrence of such breach, then	(b) The consequences of breach of the Swap Second Fitch Required Ratings include the requirements to (i) replace the Swap Provider or procure a guarantee of such Swap Provider's obligations (within 60 calendar days of breach) and (ii) pending such replacement or procurement of a guarantee, provide or continue providing collateral or, if such breach is in respect of a rating by Fitch within 60 calendar days of breach, taking such other action (or
	(b) a Swap Provider (or its successor or permitted transferee) or any Credit Support Provider must have at least the short-term issuer default rating or the long-term derivative counterparty rating or the long-term issuer default rating (as applicable) shown in the below	

Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include the following:
	table by Fitch for so long as the relevant Notes are outstanding: **Category of highest rated notes** / **Supported Minimum Counterparty Ratings** AAAsf / BBB- or F3 AAsf / BBB- or F3 Asf / BB+ BBBsf / BB- BBsf / B+ Bsf or below or relevant highest rated Notes outstanding are not rated by Fitch / B-; (the "**Swap Second Fitch Required Ratings**").	inaction) that would result in the rating of the Rated Notes being maintained at, or restored to, the level it would have been at prior to such lower rating being assigned by Fitch. A failure by a Swap Provider to take such steps will, in certain circumstances, allow the Issuer to terminate the relevant Swap Agreement.
Collection Account Bank:	(a) Baa3 by Moody's; or (b) in the case of Fitch, a short-term deposit rating (or, if a deposit rating is not assigned, an issuer default rating) of at least "F2" or a long-term deposit rating (or, if a deposit rating is not assigned, an issuer default rating) of at least "BBB" by Fitch. or (in each case) such other credit rating as would not adversely affect the then current rating of the Rated Notes. ("**Collection Account Bank Rating**")	If the Collection Account Bank fails to maintain any of the Collection Account Bank Ratings, then the Legal Title Holder or the Servicer (on behalf of the Legal Title Holder) shall on behalf of, and at the sole cost and expense of, the Issuer, either: (a) terminate the appointment of the Collection Account Bank in respect of the Portfolio and use commercially reasonable efforts to procure that the funds standing to the credit of the Collection Accounts in respect of the Collection Account Trust Property are promptly transferred from the Collection Accounts and placed on deposit on terms of business the same or substantially the same (*mutatis mutandis*) as those on which the Collection

Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include the following:
		Account is operated with an institution: (i) that maintains ratings at least equal to the Collection Account Bank Ratings; (ii) that is a bank for the purposes of section 991 of the Income Tax Act 2007 and payments of interest (if any) are made in the ordinary course of its business within the meaning of section 878 of the Income Tax Act 2007; and (iii) that is an institution authorised to carry on banking business including accepting deposits under the FSMA; or (b) obtain a guarantee of the Collection Account Bank's obligations to operate the Collection Account in accordance with the applicable terms of business from an institution: (iv) that maintains ratings at least equal to the Collection Account Bank Ratings; (v) that is a bank for the purposes of section 991 of the Income Tax Act 2007 and payments of interest (if any) are made in the ordinary course of its business within the meaning of section 878 of the

Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include the following:
		Income Tax Act 2007; and (vi) that is an institution authorised to carry on banking business including accepting deposits under the FSMA, in each case, within 60 calendar days of the date on which the Collection Account Bank ceases to have the Collection Account Bank Ratings, **provided that** such period can be extended for up to an additional 30 days if the Legal Title Holder or the Servicer (on behalf of the Legal Title Holder) provides the Trustee and the Rating Agencies with a written action plan before expiration of the initial 60 days period including the remedy steps taken and to be taken within such extended period.

Non-Rating Triggers Table

Perfection Events: The occurrence of any of the following will result in a number of consequences including Borrowers being notified of the sale of the Issuer (or a nominee of the Issuer) and legal title to the Portfolio being transferred to the Issuer (or a nominee of the Issuer) by way of resignation or recording in the Land Registry or Registers of Scotland, as applicable:

(a) the Legal Title Holder being required to perfect legal title to the Loans (i) by law, (ii) by an order or decree of a court of competent jurisdiction, (iii) by a regulatory authority which has jurisdiction over the Legal Title Holder or (iv) by any organisation of which the Legal Title Holder is a member, or whose members comprise (but are not necessarily limited to) mortgage lenders and with whose instructions it is customary for the Legal Title Holder to comply, to perfect legal title to the Loans;

(b) the occurrence of an Insolvency Event in relation to the Legal Title Holder;

(c) the occurrence of an Insolvency Event in relation to the Seller;

(d) the security created under or pursuant to the Deed of Charge or any material part of that security being, in the opinion of the Trustee, in jeopardy;

(e) it becoming unlawful in any applicable jurisdiction for the Legal Title Holder to hold legal title in respect of any Loan or its Related Security in the Portfolio;

(f) the occurrence of a Servicer Termination Event or a Voluntary Termination; or

Servicer Termination Events: If any of the following events (each, a "**Servicer Termination Event**") shall occur:

(a) *Non-payment*: the Servicer defaults in the payment on the due date of any payment due and payable by it under the Servicing Agreement and such default continues un-remedied for a period of 10 Business Days from the earlier of:
(i) the date upon which the Servicer becomes aware of such default; and
(ii) receipt by the Servicer of written notice from the Issuer or the Trustee requiring the same to be remedied;

(b) *Default in other obligations*: the Servicer defaults in the performance or observance of any of its other covenants and obligations under the Servicing Agreement, Mortgage Sale Agreement or Cash Management Agreement which failure in the reasonable opinion of the Issuer (prior to the delivery of an Enforcement Notice) or the opinion of the Trustee (after the delivery of an Enforcement Notice) is materially prejudicial to the interests of the Noteholders and which, in the case of a default which is remediable, continues un-remedied for a period of 30 days from the earlier of:
(i) the date upon which the Servicer becomes aware of such default; and
(ii) receipt by the Servicer of written notice from the Issuer requiring the same to be remedied;

(c) *Insolvency*: an Insolvency Event occurs in respect of the Servicer;

(d) *Authorisations and consents*: any licence, approval, Authorisation or consent necessary for the Servicer to conduct its business or perform and comply with its obligations under or in connection with the Servicing Agreement is withdrawn or revoked or the Servicer at any time fails to obtain such a licence, approval, Authorisation or consent;

(e) *Unlawfulness:* (i) it is or becomes unlawful for the Servicer to perform any of its obligations under the Servicing Agreement or any obligation of the Servicer under the Servicing Agreement is not or ceases to be legal, valid and binding or enforceable in accordance with its terms; or (ii) all or any material part of the assets of the Servicer is compulsorily purchased or the applicable local authority makes an order for the compulsory purchase of the same;

(f) *Misrepresentation:* any representation, warranty or statement made by the Servicer in the Servicing Agreement, any other document delivered by or on behalf of the Servicer under or in connection

with the Servicing Agreement or any other Transaction Document to which it is a party is or proves to have been breached, or is incorrect or misleading when made and such default will have a Material Adverse Effect on the Issuer and, if capable of remedy, the Servicer does not remedy such breach or non compliance within 30 days after the earlier of the Servicer becoming aware of such breach or non compliance and receipt by the Servicer of written notice from the Issuer requiring the same to be remedied;

(g) *Cessation of or change of business:* the Servicer ceases or threatens to cease to carry on all or any substantial part of its business (other than a cessation or threatened cessation as a result of a bona fide reconstruction or amalgamation of the Servicer while solvent)*;*

(h) *Regulatory obligations*: the manner in which the Servicer is providing or purporting to provide the Services or its failure to provide the Services pursuant to the Servicing Agreement means that it or the Legal Title Holder is not in compliance with its regulatory obligations or is in breach of Applicable Law;

(i) *Repudiation or rescission*: the Servicer repudiates or rescinds the Servicing Agreement or evidences an intention to repudiate or rescind the Servicing Agreement;

(j) *Material Qualification by auditors:* the auditors of the Servicer make a material qualification in respect of financial statements of the Servicer which are audited by such auditors; or

then, prior to the delivery of an Enforcement Notice, the Seller or, with the prior written consent of the Trustee, the Issuer, or, after delivery of an Enforcement Notice, the Trustee, will be entitled to terminate the Servicer's and Legal Title Holder's appointment under the Servicing Agreement, provided that such termination shall not be effective until either (x) Shawbrook (or its nominee) has been appointed as Replacement Servicer and Replacement Legal Title Holder or (y) a Successor Servicer and Successor Legal Title Holder have been appointed, and the Replacement Legal Title Holder or the Successor Legal Title Holder (as applicable) has been registered as the registered proprietor of the Loans and their Related Security at the Land Registry.

DESCRIPTION OF THE FEES

The following table sets out the ongoing fees to be paid by the Issuer to the transaction parties.

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
Servicing Fee	On any Calculation Date: 1. a fee of an amount equal to 0.20 per cent. per annum of the average of (i) the aggregate of the Principal Balance of all Loans other than those referred to in (2) below as at the first day of the immediately preceding Collection Period (or in respect of the first Interest Payment Date only, the Closing Date) and (ii) the aggregate of the Principal Balance of all Loans other than those referred to in (2) below as at the last day of the immediately preceding Collection Period (the "**Base Fee**"); and 2. a fee of an amount equal to 0.24 per cent. per annum of the average of (i) the aggregate of the Mortgage Account Principal Debt of all Loans in relation to which one or more than one Monthly Payment is in arrears as at the first day of the immediately preceding Collection Period (or in respect of the first Interest Payment Date only, the Closing Date) and (ii) the aggregate of the Mortgage Account Principal Debt of all Loans in relation to which one or more than one Monthly Payment is in arrears as at the last day of the immediately preceding Collection Period (the "**Special Services Fee**", and together with the Base Fee, the "**Servicing Fee**") in each case, calculated in relation to each relevant Collection Period, on the basis of the number of days elapsed in that Collection Period and a three hundred	Ahead of all outstanding Notes and Certificates.	Quarterly in arrear on each Interest Payment Date.

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
	and sixty five day year (inclusive of VAT if any),		
Other fees and expenses of the Issuer (including tax and audit costs).	Estimated at £200,000 each year (exclusive of VAT, where so provided in the relevant Transaction Document).	Ahead of all outstanding Notes and Certificates.	Quarterly in arrear on each Interest Payment Date.
Expenses related to the admission to trading of the Notes.	Estimated at €18,000 (inclusive of VAT).	Ahead of all outstanding Notes and Certificates.	On or about the Closing Date.

As at the date of this Prospectus, the standard rate of VAT is 20 per cent.

UK SECURITISATION FRAMEWORK AND EU SECURITISATION REGULATION REQUIREMENTS

Risk Retention Requirements

Shawbrook, as an originator for the purposes of the UK Securitisation Framework and the EU Securitisation Regulation (as in force on the Closing Date), will retain a material net economic interest of not less than 5 per cent. in the securitisation in accordance with the text of Article 6 of Chapter 2 of the PRA Securitisation Rules, and Article 6 of the EU Securitisation Regulation (as in force on the Closing Date).

As at the Closing Date, such interest will be satisfied by the Seller holding a pool of randomly selected exposures equivalent to not less than 5 per cent. of the nominal value of the securitised exposures, where such non-securitised exposures would otherwise have been securitised in the securitisation as required by the text of paragraph (c) of Article 6 of Chapter 2 of the PRA Securitisation Rules, and Article 6 of the EU Securitisation Regulation (as in force on the Closing Date).

For the purposes of Article 7(2) of Chapter 2 of the PRA Securitisation Rules and Article 7(2) of the EU Securitisation Regulation (as in force on the Closing Date), the Issuer has been designated as the entity responsible to fulfil the requirements of Article 7 and will procure that such requirements are complied with on its behalf.

Shawbrook (as an originator for the purposes of the UK Securitisation Framework and the EU Securitisation Regulation (as in force on the Closing Date)) will undertake to the Issuer in the Mortgage Sale Agreement that, for so long as any Notes and the Certificates remain outstanding, it will retain on an ongoing basis a material net economic interest of not less than 5 per cent. in the nominal value of the securitised exposures as required by Article 6(1) of Chapter 2 of the PRA Securitisation Rules and Article 6(1) of the EU Securitisation Regulation (as in force on the Closing Date) in accordance with Article 6(3)(c) of Chapter 2 of the PRA Securitisation Rules and Article 6(3)(c) of the EU Securitisation Regulation (as in force on the Closing Date).

UK Securitisation Framework and EU Securitisation Regulation Reporting

The Seller will undertake to the Issuer that, for so long as any Notes and the Certificates remain outstanding, it will, on behalf of the Issuer in its capacity as designated entity pursuant to SECN 6.3.1R(1), Article 7(2) of Chapter 2 of the PRA Securitisation Rules and Article 7(2) of the EU Securitisation Regulation (as in force on the Closing Date):

(a) procure that the Cash Manager (with the assistance of the Servicer) will prepare and deliver to the Seller, the Issuer, the Servicer and the Trustee each of the Investor Reports;

(b) procure that the Servicer will promptly provide sufficient data in order for the Seller to meet its obligations to prepare and deliver to the Issuer, the Cash Manager and the Trustee each of the Loan Level Reports in accordance with the timings set out in the Servicing Agreement;

(c) (with the assistance of the Servicer) prepare and deliver to the Issuer, the Trustee and the Cash Manager each of the Loan Level Reports;

(d) on or around each Interest Payment Date, procure that the Cash Manager will publish on the Citibank Website (or such other website as may be available for such purpose and notified by the Cash Manager to the relevant parties) each of the Cash Manager Investor Reports;

(e) publish the Investor Reports and the Loan Level Reports to the SR Website no later than one month following the Interest Payment Date;

(f) publish on the website of EuroABS (https://www.euroabs.com) the BoE Loan Level Report on or around each Interest Payment Date;

(g) procure the publication on the SR Website of any significant event information required to be reported pursuant to SECN 6.2.1R(5), SECN 6.2.1R(6), SECN 6.2.1R(7), Articles 7(1)(e), 7(1)(f) and 7(1)(g) of Chapter 2 of the PRA Securitisation Rules and Articles 7(1)(e), 7(1)(f) and 7(1)(g) of the EU Securitisation Regulation (as in force on the Closing Date) without delay;

(h) make available the documents as required by and in accordance with: (x) SECN 6.2.1R(1), SECN 6.2.1R(2) and SECN 6.2.1R(3), and Articles 7(1)(a), 7(1)(b), and 7(1)(c) of Chapter 2 of the PRA Securitisation Rules prior to the pricing date of the Notes; and (y) Articles 7(1)(a) and 7(1)(b) of the EU Securitisation Regulation prior to the pricing date of the Notes; and

(i) make the information set out in paragraphs (a) to (h) above available to the relevant competent authority and investors in the Notes as required pursuant to the UK Securitisation Framework and, upon request, to potential investors,

provided that the Seller will not be in breach of the undertakings set out in paragraphs (a) to (i) (inclusive) if it fails to so comply due to events, actions or circumstances beyond the Seller's control after having used reasonable efforts to comply with the relevant requirements applicable to it under the UK Securitisation Framework and the EU Securitisation Regulation (as in force on the Closing Date).

For the avoidance of doubt, to the extent that the Cash Manager and/or the Servicer agrees to assist with such reporting services on behalf of the Seller, the Cash Manager and/or the Servicer will not assume any responsibility for the Seller's obligations, or any other person's obligations, as the entity responsible to fulfil the reporting requirements under the UK Securitisation Framework and/or the EU Securitisation Regulation (as in force on the Closing Date) or any other applicable regulation. In providing such assistance, neither the Cash Manager nor the Servicer assumes any responsibility or liability to any person including any third party, and including for their use and/or onward disclosure of such information and shall have the benefit of the powers, protections and indemnities granted to them under the Transaction Documents. Neither the Cash Manager nor the Servicer shall assume liability for any such additional reports.

It is to be agreed and acknowledged that, for so long as the content of the required reporting under the PRA Securitisation Rules and SECN remains identical, the production of information of such information by the Seller under the PRA Securitisation Rules shall satisfy the requirement to produce such information under SECN.

The Seller shall provide, or procure that the Servicer provides, the Cash Manager with all relevant information required in order to prepare the Investor Reports (to the extent that the Cash Manager and the Servicer has agreed to provide such assistance with reporting). Neither the Cash Manager nor the Servicer shall be liable for the accuracy and completeness of the information or data that has been provided to it and the Cash Manager will not be obliged to verify, re-compute, reconcile or recalculate any such information or data.

The Cash Manager and the Servicer shall not have any duty to monitor, enquire or satisfy itself as to the veracity, accuracy or completeness of any documentation provided to it under this clause or whether or not the provision of such information accords with the UK Securitisation Framework and/or the EU Securitisation Regulation (as in force on the Closing Date) and shall be entitled to rely conclusively upon any instructions given by (and any determination by) the Seller. The Cash Manager and the Servicer shall not be responsible for monitoring the Seller's compliance with the UK Securitisation Framework and/or the EU Securitisation Regulation (as in force on the Closing Date).

Subject to receipt of any appropriate certification, neither the Cash Manager nor the Servicer shall assume or have any responsibility or liability for monitoring or ascertaining whether any person to whom it makes the information and/or documentation available on the website falls within the category of persons permitted or required to receive such information under the UK Securitisation Framework and/or the EU Securitisation Regulation (as in force on the Closing Date). The Cash Manager and the Servicer shall be entitled to rely conclusively on all certifications provided pursuant to this clause which it reasonably believes to be genuine and to have been signed or sent by the proper person (which may be made electronically) and shall be entitled to assume that such persons are the persons to whom the documentation should be made available on the website and shall not be liable to anyone whatsoever for so relying, assuming or doing.

Any events which trigger changes in the Priority of Payments and any change in the Priority of Payments which will materially adversely affect the repayment of the Notes or Certificates shall be disclosed without undue delay to the extent required pursuant to SECN 2.2.23.

Investor Due Diligence

Each prospective investor is required to independently assess and determine the sufficiency of the information described above and in the Prospectus generally for the purposes of complying with the UK Securitisation Framework and the EU Securitisation Regulation (as in force on the Closing Date) (as applicable) and any corresponding national measures which may be relevant and none of the Issuer nor any Relevant Party makes any representation that the information described above or in the Prospectus is sufficient in all circumstances for such purposes.

For further information please refer to the Risk Factors entitled "*Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes and Certificates*" and "*Risk retention and due diligence requirements*" and the section entitled "*The Loans*".

Confirmations for the purposes of SECN 4.2.1R(1), Article 5 of Chapter 2 of the PRA Securitisation Rules, Regulation 32B(1) of the SR 2024 and Article 5 of the EU Securitisation Regulation

For the purposes of SECN 4.2.1R(1), Article 5 of Chapter 2 of the PRA Securitisation Rules, Regulation 32B(1) of the SR 2024 and Article 5 of the EU Securitisation Regulation (as in force on the Closing Date), the Issuer had made the following information available (or has procured that such information is made available):

(a) confirmation that the Seller (as originator for the purposes of the UK Securitisation Framework and the EU Securitisation Regulation (as in force on the Closing Date)) will retain on an ongoing basis a material net economic interest in accordance with Article 6 of Chapter 2 of the PRA Securitisation Rules and Article 6 of the EU Securitisation Regulation (as in force on the Closing Date) that the risk retention will be disclosed to investors in accordance with Article 7 of Chapter 2 of the PRA Securitisation Rules and Article 7 of the EU Securitisation Regulation (as in force on the Closing Date), as to which see further the section above entitled "*Risk Retention Requirements*"; and

(b) confirmation that the Seller (as originator for the purposes of the UK Securitisation Framework and the EU Securitisation Regulation (as in force on the Closing Date)) will make available the information required by SECN 5, Article 7 of Chapter 2 of the PRA Securitisation Rules and Article 7 of the EU Securitisation Regulation (as in force on the Closing Date) in accordance with the frequency and modalities provided for in such article, as to which, please see the section above entitled "*UK Securitisation Framework and EU Securitisation Regulation Reporting*".

Shawbrook as originator confirms it is a credit institution as defined in points (1) and (2) of Article 4(1) of Regulation (EU) No 575/2013, as amended by Regulation (EU) 2017/2402 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA.

EU Securitisation Regulation

Neither the Seller as originator nor the Issuer as SSPE under the EU Securitisation Regulation is actively seeking to comply with the EU Securitisation Regulation on an ongoing basis other than as in force on the Closing Date.

WEIGHTED AVERAGE LIVES OF THE NOTES

The term "**weighted average life**" or "**WAL**" refers to the average amount of time that will elapse from the date of issuance of a security to the date of distribution to the relevant investor of amounts sufficient to fully repay principal of such security (assuming no losses on the Loans and weighted by the principal amortisation of the Notes on each Interest Payment Date). The weighted average lives of the Notes will be influenced by, among other things, the actual rate of repayment of the Loans in the Portfolio. In addition, the weighted average lives of the Notes, should they not be called on or after the Optional Redemption Date, will be influenced by, *inter alia*, the amount of Available Revenue Receipts used as Enhanced Amortisation Amounts.

The actual weighted average lives of the Notes cannot be stated, as the ultimate rate of prepayment of the Loans and a number of other relevant factors are unknown. However, calculations of the possible average lives of the Notes can be made based on certain assumptions.

The following tables were prepared based on the characteristics of the loans included in the Provisional Portfolio, the provisions of the Conditions and the following additional assumptions (the "**Modelling Assumptions**").

Modelling Assumptions:

(a) no Loan becomes delinquent or is enforced for so long as the Notes remain outstanding;

(b) no Loan is required to be repurchased by the Seller, whether as a result of a breach of Loan Warranty, or otherwise;

(c) the Notes are issued on 4 December 2025 and all payments on the Notes are received on the 18th day (without regard to whether such day is a Business Day) of March, June, September and December in each year, with the first Interest Payment Date falling in March 2026;

(d) the Portfolio as at the beginning of the first Collection Period is the same as the Provisional Portfolio as at the Portfolio Reference Date;

(e) no interest accrues on the Deposit Account;

(f) Compounded Daily SONIA is equal to 3.9692 per cent. in each interest period;

(g) SVR is equal to 5.25 per cent;

(h) the fixed rate under the Swap Agreement is 4.10 per cent;

(i) the weighted average margin over Compounded Daily SONIA of the Notes is 0.92 per cent. on the Closing Date and from (and including) the Optional Redemption Date, margins on the Notes over Compounded Daily SONIA are multiplied by 1.5 (capped at 1.00 per cent. increase for Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes);

(j) no Enforcement Notice is served on the Issuer, no Event of Default has occurred and the Security is not enforced;

(k) amounts required to pay items (a) to (c) and (e) of the Pre-Enforcement Revenue Priority of Payments on each Interest Payment Date are:

  (i) £200,000 per annum;

  (ii) 0.20 per cent. of the average Current Balance of the Loans during the Collection Period for the IPD, per annum, where each Interest Period consists of the actual number of days in the relevant period and 365 days in the relevant year;

(l) the Swap Agreement is not terminated and the Swap Provider fully complies with its obligations under the Swap Agreement;

(m) with respect to the Loans each month consists of 30 calendar days, and each year 360 days and with respect to the Notes and the Swap Transaction each month consists of the actual number of days in the relevant month and 365 days in the relevant year; and

(n) the Principal Amount Outstanding of the Notes as at the Closing Date is, in respect of the Class A Notes, 90.00 per cent. and, in respect of the Class B Notes, 4.25 per cent. and, in respect of the Class C Notes, 2.25 per cent. and, in respect of the Class D Notes, 1.75 per cent. and, in respect of the Class E Notes, 1.75 per cent. and, in respect of the Class X Notes, 2.00 per cent. of the aggregate current balance of the Loans, assuming the current balance of the Loans is £345,866,114.45.

The actual characteristics and performance of the Loans are likely to differ from the Modelling Assumptions, including the impact of customer overpayments, where subsequent missed monthly instalments lead to increased allocation to principal items in the waterfall. The following tables are hypothetical in nature and are provided only to give a general sense of how the principal cash flows might behave under various prepayment scenarios. For example, the Issuer does not expect that the Loans will prepay at a constant rate until maturity, or that there will be no defaults or delinquencies on the Loans. Any difference between the Modelling Assumptions and, *inter alia*, the actual prepayment or loss experience on the Loans will affect the redemption profile of the Notes and cause the weighted average lives of the Notes to differ (which difference could be material) from the corresponding information in the tables for each indicated CPR.

(Assuming the Portfolio Purchase Option is exercised on the Optional Redemption Date)
Possible WAL (in years) of:

CPR	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes
Pricing*	2.80	4.10	4.10	4.10	4.10
0.0 per cent	3.97	4.10	4.10	4.10	4.10
5.0 per cent	3.55	4.10	4.10	4.10	4.10
10.0 per cent	3.17	4.10	4.10	4.10	4.10
15.0 per cent	2.81	4.10	4.10	4.10	4.10
20.0 per cent	2.49	4.10	4.10	4.10	4.10
25.0 per cent	2.20	4.10	4.10	4.10	4.10

* Pricing CPR 5 per cent. for 7 months, 20 per cent. for 27 months, 6 per cent. for 8 months, 32 per cent. for 16 months and 20 per cent thereafter

(Assuming the Portfolio Purchase Option and the ten per cent. clean-up call are not exercised)
Possible WAL (in years) of:

CPR	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes
Pricing*	3.41	9.59	10.83	11.90	13.24
0.0 per cent	11.21	19.09	19.55	19.70	19.96
5.0 per cent	7.39	16.11	16.76	17.14	17.56
10.0 per cent	5.26	13.58	14.51	15.08	15.75
15.0 per cent	3.95	11.42	12.55	13.38	14.34
20.0 per cent	3.08	9.57	10.83	11.90	13.23
25.0 per cent	2.48	8.03	9.32	10.53	12.35

* Pricing CPR 5 per cent. for 7 months, 20 per cent. for 27 months, 6 per cent. for 8 months, 32 per cent. for 16 months and 20 per cent thereafter

For more information in relation to the risks involved in the use of the average lives estimated above, see *"Risk Factors — Considerations Relating to Yield, Prepayments and Mandatory Redemption"* above.

USE OF PROCEEDS

On the Closing Date, the Issuer will use the gross proceeds of the Notes to:

(a) pay the Initial Consideration payable by the Issuer to the Seller for the Portfolio to be acquired from the Seller on the Closing Date; and

(b) pay certain day one fees, costs and expenses of the Issuer.

RATINGS

The Notes, on issue, are expected to be assigned the following ratings by Moody's and Fitch. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency if, in its judgement, circumstances so warrant.

Class of Notes	Moody's	Fitch
Class A Notes	Aaa(sf)	AAA(sf)
Class B Notes	Aa3(sf)	AA-(sf)
Class C Notes	A3(sf)	A(sf)
Class D Notes	Baa3(sf)	BBB+(sf)
Class E Notes	Ba2(sf)	BB+(sf)
Class X Notes	B1(sf)	BB+(sf)

The ratings assigned to the Rated Notes by Moody's address, inter alia (a) the likelihood of full and timely payment to the holders of all classes of Notes of all payments of interest on each Interest Payment Date, and (b) the ultimate payments to the Noteholders of principal in relation to all classes of Notes on or prior to the Final Maturity Date. The ratings assigned to the Notes by Moody's also address, inter alia, the expected loss to a Noteholder in proportion to the Principal Amount Outstanding on the Closing Date of the Class of Notes held by such Noteholder on the Final Maturity Date.

The ratings assigned by Fitch address, *inter alia* (a) the likelihood of timely payment of interest and full payment of principal to the holders of each of the Notes rated AAA on each Interest Payment Date, (b) the likelihood of timely payment of interest to the Noteholders of the Most Senior Class on each Interest Payment Date and (c) the likelihood of ultimate payment to the Noteholders of principal and interest in relation to the Notes on or prior to the Final Maturity Date.

Ratings are expected to be assigned to each class of Notes on or before the Closing Date. The assignment of a rating to each class of Notes by any Rating Agency is not a recommendation to invest in the Notes or to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning Rating Agency.

The Class X Notes and the Certificates will not be rated.

As at the date of this Prospectus, Moody's and Fitch are each a credit rating agency established in the United Kingdom. Moody's and Fitch are credit rating agencies registered under the UK CRA Regulation.

THE ISSUER

Introduction

Ealbrook Mortgage Funding 2025-1 PLC was incorporated in England and Wales on 26 August 2025 (registered number 16673338, LEI 213800TN3U2YQHC1LN05) as a public limited company under the Companies Act 2006. The registered office of the Issuer is 10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom. The telephone number of the Issuer's registered office is +44 (0)20 7398 6300. The issued share capital of the Issuer comprises 50,000 ordinary shares of £1 each of which one share is fully-paid up and 49,999 shares are quarter-paid and all shares are held by Holdings (see "*Holdings*" below).

The Issuer has no Subsidiaries. The Seller does not own directly or indirectly any of the share capital of Holdings or the Issuer.

The Issuer was established as a special purpose vehicle solely for the purpose of issuing asset backed notes. The Issuer is permitted, pursuant to the terms of its articles of association, *inter alia*, to issue the Notes and the Certificates. The Issuer will covenant to observe certain restrictions on its activities which are set out in Condition 5(b) (*Covenants*) and Certificate Condition 5(b) (*Issuer Covenants*). Under the Companies Act 2006 (as amended), the Issuer's governing documents may be altered by a special resolution of shareholders.

In accordance with the Corporate Services Agreement, the Corporate Services Provider will provide to the Issuer certain directors, a registered and administrative office, the arrangement of meetings of directors and shareholders and procure the service of a company secretary. No remuneration is paid by the Issuer to or in respect of any director or officer of the Issuer for acting as such.

The Issuer has not engaged, since its incorporation, in any material activities nor commenced operations other than those incidental to its registration as a public company under the Companies Act 2006 (as amended) and to the proposed issue of the Notes and the Certificates and the authorisation of the other Transaction Documents referred to in this Prospectus to which it is or will be a party and other matters which are incidental or ancillary to the foregoing. As at the date of this Prospectus, statutory accounts have not yet been prepared or delivered to the Registrar of Companies on behalf of the Issuer. The accounting reference date of the Issuer is 31 December and the first statutory accounts of the Issuer will be drawn up to 31 December 2025.

There is no intention to accumulate surpluses in the Issuer (other than amounts standing to the credit of the General Reserve Fund Ledger, the Class A and Class B Liquidity Reserve Fund Ledger and the Issuer Profit Ledger).

Directors

The directors of the Issuer and their respective business addresses and occupations are:

Name	Business Address	Business Occupation
CSC Directors (No. 1) Limited.....	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Corporate Director
CSC Directors (No. 2) Limited.....	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Corporate Director
Raheel Shehzad Khan	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director

The directors of CSC Directors (No. 1) Limited and CSC Directors (No. 2) Limited and their principal activities are as follows:

Name	Business Address	Business Occupation
Jonathan Peter Hanly	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Raheel Shehzad Khan	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Renda Manyika	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Catherine Mary Elizabeth McGrath	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Debra Amy Parsall	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Aline Sternberg	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Oskari Tammenmaa	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Jordina Roberta Therese Walker	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Alasdair James David Watson	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Paivi Helena Whitaker	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Muhammad Umar Khan	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director

The Issuer has no loan capital, borrowings or material contingent liabilities (including guarantees) as at the date of this Prospectus.

Auditors

The Issuer intends to appoint the Issuer's Auditor following the Closing Date.

HOLDINGS

Introduction

Ealbrook Mortgage Funding 2025-1 Holdings Limited was incorporated in England and Wales on 26 August 2025 (registered number 16673275) as a private limited company under the Companies Act 2006 (as amended). The registered office of Holdings is 10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom. The issued share capital of Holdings comprises one ordinary share of £1. The Share Trustee holds the entire beneficial interest in the issued share under a discretionary trust for discretionary purposes. Holdings holds the beneficial interest in the issued share capital of the Issuer.

Neither the Seller nor any company connected with the Seller can direct the Share Trustee and none of such companies has any control, direct or indirect, over Holdings or the Issuer.

Pursuant to the terms of its articles of association, Holdings is permitted, *inter alia*, to hold shares in the Issuer.

Holdings has not engaged since its incorporation in any material activities other than those activities incidental to the authorisation and implementation of the Transaction Documents referred to in this Prospectus to which it is or will be a party and other matters which are incidental or ancillary to the foregoing.

Directors

The directors of Holdings and their respective business addresses and occupations are:

Name	Business Address	Business Occupation
CSC Directors (No. 1) Limited	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Corporate Director
CSC Directors (No. 2) Limited	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Corporate Director
Raheel Shehzad Khan	10th Floor, 5 Churchill Place, London, England, E14 5HU	Director

The directors of CSC Directors (No. 1) Limited and CSC Directors (No. 2) Limited and their principal activities are as follows:

Name	Business Address	Business Occupation
Jonathan Peter Hanly	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Raheel Shehzad Khan	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Renda Manyika	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director

Name	Business Address	Business Occupation
Catherine Mary Elizabeth McGrath	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Debra Amy Parsall	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Aline Sternberg	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Oskari Tammenmaa	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Jordina Roberta Therese Walker	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Alasdair James David Watson	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Paivi Helena Whitaker	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director
Muhammad Umar Khan	10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom	Director

The accounting reference date of Holdings is 31 December and the statutory accounts of Holdings will be drawn up to 31 December 2026.

Holdings has no employees.

THE SELLER

Shawbrook Bank Limited is a private limited company incorporated in England on 29 June 1944 (registration no 388466) under the name Whiteaway, Laidlaw & Co. Limited. On 1 February 1988 it changed its name to Whiteaway Laidlaw Bank Limited and on 17 October 2011 it then changed its name to Shawbrook Bank Limited.

Shawbrook Bank Limited is a banking institution authorised by the PRA and is regulated by the FCA and by the PRA under FRN 204574. Shawbrook Bank Limited has the relevant FCA permissions to carry out mortgage lending and servicing activities required under the FSMA.

Shawbrook Bank Limited is 100 per cent. owned by Shawbrook Group PLC, a public limited company incorporated in England and Wales under the name Laidlaw Acquisitions Limited on 30 April 2010 (registered number 07240248). On 11 March 2015, it changed its name to Shawbrook Group Limited. On 24 March 2015, it re-registered as a public limited company named Shawbrook Group PLC. On 4 November 2025, its ordinary shares began trading on the London Stock Exchange plc's main market for listed securities.

Shawbrook provides finance to a broad range of customer segments, including the specialist mortgage market and it has deep expertise in originating and servicing residential mortgage loans in the UK, being products of a similar nature to those that are the subject of this transaction.

THE SERVICER AND THE LEGAL TITLE HOLDER

Bluestone Mortgages Limited

Bluestone will act as the Servicer and the Legal Title Holder in relation to the transaction.

Bluestone is a private limited liability company incorporated under the laws of England and Wales, registered at Companies House with company number 02305213, and has its registered office at Floor 10, 40 Leadenhall Street, London, England, EC3A 2BJ.

Bluestone is a specialist mortgage lender focused on originating and servicing mortgage loans in the UK, in both the owner-occupied and buy-to-let sectors.

Bluestone is an "authorised person" approved by the FCA to carry out regulated activities (reference number: 441 255).

As at the date of this Prospectus, Bluestone is a wholly owned subsidiary of Shawbrook Bank Limited (Bluestone being the Servicer and the Legal Title Holder of the Portfolio).

THE CASH MANAGER AND THE ISSUER ACCOUNT BANK

Citibank, N.A. is a company incorporated with limited liability in the United States of America under the laws of the City and State of New York on 14 June 1812 and reorganised as a national banking association formed under the laws of the United States of America on 17 July 1865 with Charter number 1461 and having its principal business office at 388 Greenwich Street, New York, NY 10013, USA and having in Great Britain a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with a foreign company number FC001835 and branch number BR001018.

The London Branch of Citibank, N.A. is authorised and regulated by the Office of the Comptroller of the Currency (USA) and authorised by the PRA. It is subject to regulation by the FCA and limited regulation by the PRA.

THE TRUSTEE

Citicorp Trustee Company Limited was incorporated on 24 December 1928 under the laws of England and Wales and has its registered office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, with company number 235914.

Citicorp Trustee Company Limited is an indirect wholly-owned subsidiary of Citigroup Inc., a diversified global financial services holding company incorporated in Delaware. Citicorp Trustee Company Limited is regulated by the FCA.

THE SWAP PROVIDER

NatWest Markets Plc ("**NWM Plc**") is a wholly-owned subsidiary of NatWest Group plc (the "**holding company**").

The "**NWM Group**" comprises NWM Plc and its subsidiary and associated undertakings. The "**NatWest Group**" comprises the holding company and its subsidiary and associated undertakings, including the NWM Group.

As part of NatWest Group, NWM Plc supports NatWest Group's corporate and institutional customers. NWM Plc works in close collaboration with teams across NatWest Group to provide capital markets and risk management solutions to its customers.

Further information relating to the NWM Group can be found in the NWM Plc 2024 Annual Report and Accounts, the Interim Results 2025 and the Q3 2025 Interim Management Statement and any relevant NWM Group Registration Document, including any updates or supplements thereto and other relevant filings or announcements, which can be found at: https://investors.natwestgroup.com/regulatory-news/company-announcements.

The most recent ratings of NWM Plc and the respective entities can be found on: https://investors.natwestgroup.com/fixed-income-investors/credit-ratings.

The contents of those websites do not form part of this Prospectus and are not incorporated by reference into this Prospectus.

NWM Plc does not have securities admitted to trading on a regulated market or equivalent third country market or SME Growth Market for the purposes of the Prospectus Regulation.

THE CORPORATE SERVICES PROVIDER AND BACK-UP SERVICER FACILITATOR

CSC Capital Markets UK Limited (registered number 10780001), having its principal address at 10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom, will be appointed to provide corporate services to the Issuer and Holdings pursuant to the Corporate Services Agreement and is appointed to the role of Back-Up Servicer Facilitator.

CSC Capital Markets UK Limited has served and is currently serving as corporate service provider for numerous securitisation transactions and programmes involving pools of mortgage loans.

THE LOANS

The following is a description of some of the characteristics of the Loans including details of loan types and selected statistical information.

As at the Portfolio Reference Date, the Portfolio had the characteristics shown below. See "*Characteristics of the Provisional Portfolio*".

In this Prospectus, "**Loan**" means an Owner-Occupied Loan, including Help to Buy Loans and Right-to-Buy Loans, or a Buy-to-Let Loan (including the aggregate of the outstanding balance of any mortgage loan, any Accrued Interest, Arrears and any fees, costs and other amounts owing to the Seller from the Borrower (including all capitalised sums)) which is secured or intended to be secured by the related Mortgage comprised in the Portfolio. and "**Loans**" means all of them.

The Seller procured the selection of the Loans for transfer into the Provisional Portfolio, using the same sound and well-defined criteria for credit granting which they applied to non-securitised exposures. The Loans selected for transfer into the Provisional Portfolio are representative of the Owner-Occupied Loans or Buy-to-Let Loans meeting the selection criteria which the Seller holds immediately prior to the sale of the Portfolio.

Unless otherwise indicated, the description that follows relates to types of loans that could be sold to the Issuer as part of the Portfolio as at the Closing Date.

The Portfolio

The Portfolio as of the Closing Date will comprise loans advanced to the Borrowers by the Legal Title Holder upon the security of residential property situated in England or Wales or Scotland, where 0.61 per cent. of the Loans (by Principal Balance) in the Provisional Portfolio are Buy-to-Let Loans, 99.39 per cent. of the Loans (by Principal Balance) in the Provisional Portfolio are Owner-Occupied Loans and 10.03 per cent. of the Loans (by Principal Balance) are Help-to-Buy Loans. Such loans have been sold by Bluestone to the Seller prior to the Closing Date and will be acquired by the Issuer from the Seller pursuant to the Mortgage Sale Agreement, other than Loans which have been repaid or which have been re-purchased by the Seller from the Issuer pursuant to the Mortgage Sale Agreement.

Origination of the Portfolio

The Portfolio comprises of Loans originated by the Legal Title Holder on the basis of consistently applied underwriting criteria, being no less stringent than those applied at the relevant time of origination to other mortgage loans that do not form part of the Portfolio.

Origination is completed via intermediaries registered with Bluestone, and which are subject to regulatory checks by the Legal Title Holder using the FCA register during the underwriting process. As at 31 October 2025, no individual intermediary has been responsible for more than 9.04 per cent. of Bluestone's total originations in the period from 1 January 2024 to 31 October 2025.

Security

All of the Loans are secured by first ranking mortgages or standard security and the Mortgages secure in priority to all other mortgages all monies owing under the Loans.

Interest Rate Types

The Portfolio consists of Loans which, are subject to a fixed rate of interest for a specified period of time (usually for 2, 3 or 5 years) and upon expiry of the fixed rate period the interest rate shall be subject to the Legal Title Holder's reversionary rate, which is based on Bluestone's standard variable rate ("**SVR**"). The SVR is a variable rate set by the Legal Title Holder. As at 31 October 2025, the SVR equates to 1.28% per cent. over SONIA (one-month Compounded Daily SONIA). The SVR is set in accordance with the Mortgage Conditions applicable to the relevant Loan but in any case, the SVR can never be lower than SONIA (one-month Compounded Daily SONIA) plus 1 per cent. other than on a temporary basis due to (i) a systems time lag between the change in SONIA (typically following a change in Bank Rate) and implementation of such change to the then SVR, and (ii) Bluestone delivering notice of such change to customers.

All changes to interest rates for Fixed Rate Loans where the reversionary rate applies will occur in line with the relevant Mortgage Conditions.

Characteristics of the Loans

Repayment Terms

Loans may combine one or more of the features listed in this section. Overpayments are allowed on all products, within certain limits. See "*Overpayments and Early Repayment Charges*" below.

Loans are typically repayable on one of the following basis:

- **Repayment Loan**: the Borrower makes monthly payments of both interest and principal so that, when the Loan matures, the full amount of the principal of the Loan will have been repaid (a "**Repayment Loan**"); or

- **Interest-only Loan**: the Borrower makes monthly payments of interest but not of principal so that, when the Loan matures, the entire principal amount of the Loan is still outstanding and is payable in one lump sum (an "**Interest-only Loan**").

The required monthly payment in respect of the Loans may alter from month to month for various reasons, including changes in interest rates.

Principal prepayments may be made in whole or in part at any time during the term of a Loan, subject to the payment of any Early Repayment Charges (as described in "*Overpayments and Early Repayment Charges*" below). A prepayment of the entire outstanding balance of a loan discharges the mortgage. Any prepayment in full must be made together with all accrued interest, arrears of interest, any unpaid expenses and any applicable repayment fee(s) subject to a tolerance of up to £50 on redemption shortfalls.

Payments are typically paid by Direct Debit, although the Legal Title Holder does accept other payment methods.

Overpayments and Early Repayment Charges

Overpayments – Overpayments are allowed on all products, although an Early Repayment Charge may be payable. Borrowers may either increase their regular monthly payments above the normal monthly payment then applicable or make lump sum payments at any time.

Early Repayment Charges – Borrowers may be required to pay an Early Repayment Charge if the Borrowers repay the relevant Loan, or part of it, early. In the first year of a Loan, overpayments are limited to no more than 10 per cent. of the amount borrowed. For each subsequent year thereafter, overpayments are limited to 10 per cent. of the balance outstanding at the start of that year.

Title to the Portfolio

In relation to Loans and their associated Mortgages and other Related Security over (i) registered land in England and Wales, or (ii) any land in Scotland, the beneficial title in respect of which will be transferred to the Issuer on the Closing Date, until such time as transfers of such Mortgages have been completed and registered or recorded at the Land Registry or the Registers of Scotland (as applicable), the sale to the Issuer will take effect either, in the case of the English Mortgages, in equity only and will transfer beneficial title only or, in the case of the Scottish Mortgages, the Issuer will hold the beneficial interests therein under each Scottish Declaration of Trust, the interest in which has been assigned by the Seller to the Issuer pursuant to a Scottish Trust Transfer. In the case of Loans and their associated Mortgages and other Related Security over unregistered land in England and Wales, in order for legal title to pass to the Issuer, conveyances of the relevant mortgages would have to be completed in favour of the Issuer. As a result, the legal title to the Loans and their Related Security will remain with the Legal Title Holder until such time as certain additional steps have been taken, including (i) in relation to English Loans and their Related Security the giving of notices of the assignment to the Borrowers; or (ii) in relation to Scottish Loans and their Related Security the execution and registration or recording (as applicable) of assignations (the "**Scottish Transfers**") by the Seller in favour of the Issuer together with notification of the assignation to the Borrowers.

Under the Mortgage Sale Agreement, none of the Legal Title Holder, the Seller nor the Issuer will require the execution and completion of such transfers, assignations and conveyances in favour of the Issuer or the registration or recording of such transfers or service of notice on Borrowers in order to effect the transfer of legal title to the Loans and their Related Security (including, where appropriate, their registration or recording), except in the limited circumstances described in "*Summary of the Key Transaction Documents – Mortgage Sale Agreement – Title to the Mortgages, Registration and Notifications*" below.

Lending Criteria

The Lending Criteria included in this Prospectus is the latest Lending Criteria of the Legal Title Holder as at the Cut-Off Date, which is broadly representative of the Lending Criteria at the time of the origination of the Loans in the Portfolio.

As at the date of this Prospectus, the Legal Title Holder offers a number of different products including first ranking mortgage loans. The loans comprised in the Portfolio will all consist of loans secured by a first charge against residential properties located in England, Wales or Scotland.

All relevant Borrowers are required to have, or are expected to have upon completion of the registration of the relevant legal charge, good, valid and transferable title to the relevant Property.

Properties in England and Wales may be either freehold or leasehold and properties in Scotland must be heritable (being the Scottish equivalent of freehold in England and Wales) or long leasehold. In the case of leasehold properties, there must be an unexpired term of at least 40 years at the end of the mortgage.

Only properties of suitable construction are considered acceptable as security but properties including (but not limited to) the following are not acceptable as security:

(a) *Tenure*: flying freeholds of more than 10 per cent. of the relevant floor area, commonhold property, freehold flats and leasehold property with 40 years or less remaining on the relevant lease;

(b) *Non-Standard Construction*: the following are considered to be types of non-standard construction: property constructed of gypsum plaster, concrete or high alumina cement, steel framed or clad property, timber framed or clad property, concrete block property susceptible to mundic, UNI-SECO prefabricated structures and certain modern methods of construction;

(c) *Property type*: flats with more than 5 floors and no lift, flats directly above commercial premises without one clear floor separating the flat and the commercial premises, Grade 1 listed properties, repossessed properties, properties subject to certain restrictive covenants, annexes not for immediate family use, houseboats, mobile homes, conversions, properties with ongoing structural movement, defective properties, properties affected by local planning issues, properties classifies as a house in multiple occupation, caravans, static homes and properties over 40 acres; and

(d) *Other exclusions:* holiday lets, bed and breakfast properties, properties with more than one kitchen (provided that two kitchens are permitted if one is contained in an annex) and properties affected by asbestos within load bearing walls, properties with leased solar panels that do not meet UK Finance requirements and do not have a break clause for mortgagee in possession and properties affected by Japanese knotweed.

With the exception of properties where an Automated Valuation Model has been used, all properties have been valued by a Valuer approved by the Legal Title Holder to the standards of a Reasonable, Prudent Mortgage Lender. The minimum valuation acceptable on a property is £75,000 and the maximum is £2,000,000. No Loan is secured over more than one Property.

Term of Loan

The maximum term for Owner-Occupied Loans and Buy-to-Let Loans is 40 years.

Details of Applicant

All Borrowers must be natural persons and resident in England, Wales or Scotland aged 18 or over for Owner-Occupied Loans and aged 21 or over for Buy-to-Let Loans.

As at the date of this Prospectus, the current lending criteria provides that Borrowers must be no older than 81 years of age at the maturity date of the Loan if that Loan is an Owner-Occupied Loans, and where there are multiple Borrowers under a Loan, at least one of the Borrowers will be under 81 years of age at the maturity date of the Loan. Prior to (and excluding) February 2021, Bluestone's historically applied criteria provided that Borrowers must be no more than 65 years of age as at the date of application.

The maximum number of applicants on any one Loan application is 4.

All persons who are to be legal owners on completion must be named as Borrowers under the Mortgage.

Re-Mortgages

Bluestone will consider remortgages within 6 months of the date of the original purchase on a case by case basis.

Loan to Value Ratio

According to the most recent Lending Criteria, the maximum original LTV ratio of Loans is 90 per cent. ("Clear" range) for Owner-Occupied Loans and 85 per cent. for Buy-to-Let Loans.

Income Multiple

According to the most recent Lending Criteria, the maximum LTI for owner-occupied mortgages originated by Bluestone is 4.5.

Where one Borrower is older than 81 years of age at the expected maturity date of the Loan the income of such Borrower will not be included in Bluestone's affordability calculations.

Buy-to-Let Loans - ICR, Top-Slicing

Buy-to-Let Loan affordability may be assessed on an Interest Coverage Ratio ("**ICR**"), calculated as monthly rental income divided by the monthly instalment for 5 year fixed rate loans, or otherwise divided by the stressed monthly instalment. The stressed monthly instalment is calculated based on the higher of: (a) the product rate plus 2 per cent, (b) the reversionary rate plus 2 per cent, and (c) 5.5 per cent.

The minimum ICR for basic rate tax payers is 125 per cent. and for higher rate tax payers is 140 per cent.

If the ICR is under these figures, disposable income may be used to top up the ICR to the required levels ("**Topslicing**"). The minimum ICR to qualify for Topslicing is 112.5 per cent. A full income and expenditure affordability calculation will be required in these cases, including a 3 per cent. stress on any residential mortgage payment with a fixed term of less than 5 years.

Borrower Identification and Affordability

The Legal Title Holder undertakes a review to establish borrower identification. The process includes electronic identification tools (supported by physical documents if required).

The Legal Title Holder has robust affordability assessments which consider the credit data of the applicants, their income and expenditure utilising statistics provided by the Office of National Statistics. The Legal Title Holder will apply an interest rate stress to mortgage payments for any Loan that is not a Fixed Rate Loan of at least 5 years. Applications must fully evidence their income and provide payslips (if applicable) and personal bank statements (and business bank statements if applicable).

The Legal Title Holder undertakes a full credit search and a credit risk assessment utilising information from one of the large credit reference agencies.

The Legal Title Holder has implemented various antifraud tools, including utilising software from third party independent fraud prevention and detection databases.

The Legal Title Holder undertakes an internal equality check on all cases.

Credit History

Credit Search

A full credit search is carried out in respect of all new applicants. The Borrower must "Opt In" to enable any individuals with a defined financial association with them to be included in the search and must meet the Legal Title Holder's minimum product criteria applicable at the time of application.

County Court Judgements, Payment Defaults, Prior Bankruptcy and Individual Voluntary Arrangements

The Legal Title Holder's current Lending Criteria permits lending to Borrowers who have previously had a County Court Judgement (a "**CCJ**", which includes the equivalent in Scotland, namely a Scottish court decree for payment), a payment default entered against them, or entered into a bankruptcy order or Individual Voluntary Arrangement ("**IVA**", which includes the equivalent in Scotland, namely a protected trust deed having been entered into) (together, "**Credit Events**"). Borrowers accepted by the Legal Title Holder could have had multiple Credit Events and the permitted number of each depends on the internal credit rating that has been applied by the Legal Title Holder. Under the current Lending Criteria, the limits applied at each internal credit rating are shown in the table below:

Credit Category		Clear	AAA	AA	A	BBB
Defaults	Number	1 (satisfied) in 36 months	1 in 36 months	2 in 36 months	3 in 36 months	4 in 36 months
	Values	<£500 or telecom and utilities ignored (even if in last 6 months)				
	Recency	0 in last 6 months: >36 months ignored				
CCJ's Number	Number	0 in 36 months	1 settled in 36 months	1 in 36 months	2 in 36 months	3 in 36 months
	Values	<£500 or telecom and utilities ignored (even if in last 6 months)				
	Recency	0 in last 6 months: >36 months ignored				
Mortgage/Rent Arrears Full or some of the parts	Number	0 in 13 - 24 months	1 in 13 - 24 months	2 in 13 - 24 months	3 in 13 - 24 months	4 in 13 - 24 months
	Recency	0 in 12 months				
Bankruptcy/DRO or IVA	Discharge	> 6 years	> 3 years	> 3 years	> 3 years	> 3 years
Unsecured Credit Arrears	Recency	If balance above £500, most recent payment must have been made. Ignored if below £500				
	Last 6 months	Maximum of 2 missed payments allowed on each unsecured credit agreement				
Debt Management Plans	Conduct	Must be due to a life event and conduct satisfactorily				
	Recency	OK if still in operation and can remain				
Pay Day Loans	Conduct	Must be due to a life event and conducted satisfactorily				
	Recency	0 in last 12 months of date of DIP	0 in 6 months	Current		

The consequence of a Borrower being categorised with a lower internal credit rating is a higher interest rate and in some cases a lower maximum LTV ratio when compared to Borrowers that have been assigned a higher internal credit rating.

Valuation

The valuation of the mortgaged properties securing the mortgage loans was carried out in accordance with the originator's standard valuation policy. Such policy permits, in certain circumstances, the use of automated valuation models ("**AVM's**") in place of a full physical inspection and valuation. Each AVM valuation was undertaken subject to policy criteria and confidence-level thresholds designed to ensure accuracy and consistency. An AVM was only accepted where (i) the model output achieved a minimum confidence score, and (ii) the resulting loan-to-value ratio ("**LTV**") did not exceed the maximum LTV limits for AVM-based valuations.

Where an AVM was not accepted, Properties offered as security are professionally valued by a nominated panel valuer having one of the following qualifications and whose compensation is not affected by the approval or non-approval of the relevant mortgage: RICS fellow, RICS member, Royal Institution of Chartered Surveyors ("**RICS** ") and RICS associated member (collectively referred to as "**RICS qualified valuers**"). Properties are valued prior to a mortgage offer in accordance with the standards and practices of the RICS' valuation standards (including those relating to competency and required documentation). Each valuation report includes three comparable properties providing evidence for the valuation of the property offered as security. The panel of valuers is maintained (including the appointment of valuer firms to the panel) by Connells Group on behalf of the Legal Title Holder with no involvement of the Legal Title Holder's sales or product staff. Likewise, the Legal Title Holder's sales and product staff are not involved in the selection of the valuer firm from the panel of valuers engaged to carry out the valuation of the properties.

Other than the valuation of properties undertaken as at origination (as more fully described above), no revaluation of any Property has been undertaken by the Arranger, the Lead Manager, Bluestone, the Issuer, the Servicer, the Trustee or any other person in respect of the issue of the Notes and the valuations quoted are at the date of the original Loan origination.

Insurance Policies

Insurance on the Property

Each Property is required to be insured with buildings insurance. The insurance may be purchased by the Borrower or (in the case of leasehold property) by a landlord at the discretion of the Legal Title Holder (or the Servicer on its behalf).

Borrower-arranged Buildings Insurance

The Legal Title Holder requires that a Borrower maintains home insurance for the duration of the Loan and that the Borrower will provide evidence of insurance if requested. The policy must meet the Legal Title Holder's minimum requirements.

Properties in Possession Cover

When a Property is taken into possession by the Legal Title Holder, the Legal Title Holder will take the necessary actions to ensure that the Property is placed on to their block properties in possession insurance policy so that appropriate insurance cover is provided on the Property. The Legal Title Holder may claim under this policy for any damage occurring to the Property while in the Legal Title Holder's possession.

Title and Search Insurance

Local searches are undertaken on Loans in respect of Property purchases.

The Legal Title Holder will allow title defect insurance policy on a fees assisted application and for remortgages.

Arrears Policy

The Servicer identifies a Loan as being in arrears where an amount equal to or greater than a full month's contractual payment remains unpaid at the end of a calendar month. The Borrower will receive an initial arrears letter from the Legal Title Holder (or the Servicer on its behalf) within a week of the payment due being missed.

The Legal Title Holder will attempt to contact the Borrower including by telephone and additional letters if such payments remain unpaid. The Servicer will upon establishing the Borrower's circumstances offer options specifically tailored to return the account to order, where possible. These options may include concessionary payment and repayment plans. A field agent may also be engaged as part of the process. Where a satisfactory arrangement cannot be reached or maintained, possession proceedings may be instigated to enable the Legal Title Holder to enforce the security.

Once a Borrower of a Loan falls three months' or more into arrears (i.e. the equivalent of three missed monthly mortgage payments) or a Borrower of a Buy-to-Let Loan falls two months or more into arrears, the Servicer on behalf of the Issuer, applying the Servicer's policies and procedures from time to time (having regard to the circumstances of the Borrower in each case), will decide whether to instruct a solicitor and commence legal proceedings or to delay litigation in order to give the Borrower time to perform under the arrangement to pay. Delays will only be sanctioned by the Servicer on behalf of the Issuer, applying the Servicer's policies and procedures from time to time (having regard to the circumstances of the Borrower in each case), when there are clear signs that a satisfactory paying agreement will be reached shortly, or when the Department for Work and Pensions is contributing to monthly payments. If no such delay is sanctioned, the Borrower will be issued with a demand letter giving 15 days to clear all Arrears or face Enforcement Procedures.

The Enforcement Procedures that may be taken include one or more of:

(a) Appointing a receiver of rent where the relevant Loan is a Buy-to-Let Loan (other than a Buy-to-Let Loan in respect of a Scottish Property);

(b) Making arrangements whereby a Borrower's payments may be varied;

(c) Taking legal action for possession and the subsequent sale of the relevant Property with vacant possession; or

(d) Taking enforcement action in Scotland by way of the "calling up" procedure under the 1970 Act, as amended, and the Home Owner and Debtor Protection (Scotland) Act 2010, in relation to Scottish Loans.

Whether the Servicer adopts one or more of the actions described above will depend upon a number of considerations including whether the Loan is an Owner-Occupied Loan or Buy-to-Let Loan and, if the latter, the tenants' propensity to pay rent, the ratio of rent received to monthly instalments due under the Loan, the security of tenure enjoyed by any tenants, the location of the Property and the anticipated net receipts from a sale of the relevant Property with vacant possession.

Where litigation is to be commenced, the Servicer will select solicitors from a pre–selected panel. During litigation, the Servicer will maintain constant contact with the Borrower to collect moneys or agree an arrangement to pay.

Where the court makes an order for possession, the Servicer will appoint managing agents with a view to achieving a swift sale at the best price. Factors driving the timeline from possession to sale will include how busy the courts are, the state of the property market and the circumstances of the relevant Borrower. See Enforcement of Scottish Loans (*Owner-Occupied and Buy-to-Let*) for a summary of the enforcement process in Scotland.

Appointment of a receiver of rent in respect of Buy-to-Let Loans in respect of Properties in England and Wales

Where appointed, a receiver of rent is deemed to be the agent of the Borrower and must collect any rents payable in respect of the Borrower's Loan and apply them (after payment of certain statutorily prescribed outgoings) in payment of any interest and Arrears accruing under the Loan and thereafter any surplus shall

either be applied in discharge of principal if required by the Servicer acting on behalf of the Issuer, or paid to the Borrower.

Possession of the related Property needed to realise a Mortgage in respect of Properties in England and Wales

In order to realise the Mortgage in respect of a Loan in arrears, the relevant mortgagee will need to obtain possession.

Obtaining possession of Properties relating to Buy-to-Let Loans in respect of Properties in England and Wales

Any action for possession of a Property securing a Buy-to-Let Loan would include a claim not only against any tenants but also against the relevant Borrower to assist in defeating any subsequent attempt by the relevant Borrower to assert a right of occupation. In broad terms, the mortgagee has the same (but no better) rights against a tenant (for example, to regain possession) as are enjoyed by the Borrower as landlord.

Where the tenant is an individual, he will, as an assured shorthold tenant, have a limited right to security of tenure in that although an order for eviction must be made against the tenant (provided, in certain cases, prescribed notices have been served) it cannot take effect earlier than six months after the beginning of the tenancy in the case of a periodic tenancy, or, in the case of a fixed term tenancy, before the expiry of the fixed term unless the tenant fails to keep to the provisions of the tenancy agreement.

Where the tenant is other than an individual, an order for eviction cannot take effect before the expiry of the fixed term unless the tenant fails to keep to the provisions of the tenancy agreement.

Obtaining possession of Properties relating to Owner-Occupied Loans in respect of Properties in England and Wales

In relation to a Property which is occupied by the Borrower, there are two means of obtaining possession: first, by taking physical possession (seldom done in practice) and, secondly, by obtaining a court order.

If the mortgagee takes physical possession it will, as mortgagee in possession, have an obligation to account to the Borrower for the realisation proceeds obtained from the Property, be liable for any damage to the Property, have a limited liability to repair the Property and, in certain circumstances, may be obliged to make improvements to the Property.

Actions to obtain a court order for possession are regulated by statute and the courts have certain powers to adjourn possession proceedings, to stay any possession order or postpone the date for delivery of possession (sometimes referred to as suspended possession orders). The court will exercise such powers in favour of a Borrower, broadly, where it appears to the court that such Borrower is likely to be able, within a reasonable period, to pay any sums due under the relevant Mortgage or to remedy any default consisting of a breach of any other obligation arising under or by virtue of the relevant Mortgage.

The court has a very wide discretion and may adopt a sympathetic attitude towards a Borrower faced with eviction. If a possession order in favour of the relevant mortgagee is granted, it may be suspended to allow the Borrower more time to pay.

Sale of a Property in England and Wales following possession

Once possession of a Property has been obtained, the mortgagee has a duty to the Borrower to take reasonable care to obtain the best price reasonably obtainable at the time for the Property. Any failure to do so will put the relevant mortgagee at risk of an action for breach of such duty by the Borrower, although it is for the Borrower to prove breach of such duty. There is also a risk that a Borrower may also take court action to force the mortgagee to sell the Property within a reasonable time. The net proceeds of sale of the Property (after payment of the costs and expenses of the sale) would be applied against the sums owing from the Borrower to the extent necessary to discharge the Mortgage.

Enforcement of Scottish Loans (Owner-Occupied and Buy-to-Let)

In Scotland, enforcement remedies are set out in the Conveyancing & Feudal Reform (Scotland) Act 1970 as amended (the "**1970 Act**"). The remedies available to heritable creditors (the Scottish equivalent to a

mortgagee) under the 1970 Act are to sell the secured property, to enter into possession of the secured property and uplift rents, to carry out necessary repairs and to apply for a decree of foreclosure (the last being rarely used). There is no requirement for a heritable creditor to enter into possession of the property in order to sell it. The remedies of entering into possession and selling the property can only be exercised if the calling-up procedure is followed. This involves a notice adhering to the statutory requirements being served upon the person last holding legal title to the secured property (and on any other person against whom the creditor wishes to preserve recourse, such as the borrower (if that is not the person last holding title) or a guarantor), requiring payment of the principal sum with interest within two months of the date of service of the demand. Once the two month notice period has expired without payment, the heritable creditor must raise court proceedings in the Sheriff Court and obtain a decree against the borrower/proprietor before it can exercise, for example, its power of sale, unless the borrower and any other occupiers have surrendered the property voluntarily. In applying for the court order, the heritable creditor also has to demonstrate that it has taken various preliminary steps to attempt to resolve the borrower's position, and comply with further procedural requirements, which may restrict the ability of the heritable creditor in respect of the Scottish Loans and their Mortgage rights to exercise its power of sale.

Once the heritable creditor has obtained the decree, it can exercise its rights to enter into possession and uplift rents, to repair and/or to sell the secured property. The heritable creditor is under a duty to advertise the sale and to take all reasonable steps to ensure that the price at which the secured property is sold is the best that can be reasonably obtained.

As regards Buy-to-Let Loans which are Scottish Loans, under Scots law, a receiver cannot be appointed under a standard security and the only enforcement which may be carried out under a standard security is a full enforcement of the security (as it cannot be enforced selectively by, for instance, attaching to rental income). Accordingly, in Scotland, any attempt to secure the rental flows will depend upon the enforcement of the standard security, using the calling-up procedure described above. In addition, a lender or security-holder may not be able to obtain vacant possession if it wishes to enforce its security unless one of the specific eviction grounds under the Private Housing (Tenancies) (Scotland) Act 2016 (the "**2016 Act**"), which came into force on 1 December 2017, applies. It should be noted that one of the grounds on which an eviction order can be sought is that a lender or security-holder intends to sell the property and requires the tenant to leave the property in order to dispose of it with vacant possession. In terms of the 2016 Act, this is a mandatory ground of eviction but some mandatory grounds, including this one, were temporarily made discretionary to allow the first tier tribunal flexibility in dealing with eviction cases during the COVID-19 pandemic and there is a Bill before the Scottish Parliament which, if passed, would make the change from mandatory to discretionary permanent.

Capitalisation of Arrears

In certain circumstances following the accrual of Arrears representing amounts other than principal repayments on a Loan, the relevant Borrowers may be given the option to capitalise such Arrears. Capitalisation is an arrangement to manage Arrears in respect of a Loan, which involves adding the balance of Arrears (other than Arrears of principal) in respect of such Loan to the principal balance of such Loan and allowing that amount to be cleared over the remaining term of such Loan.

The Servicer shall assess and service any Capitalisation in accordance with the Capitalisation Policy, as such policy applies to all loans serviced by the Servicer from time to time. As at the date of this Prospectus, the Capitalisation Policy contains the following features:

(a) the Servicer will consider the capitalisation of Arrears for qualifying, regulated mortgages only;

(b) for interest-only loans a repayment balance will be created equal to the amount of the Arrears which are to be capitalised;

(c) Arrears in respect of a loan serviced by the Servicer may only be capitalised where:

  (i) the relevant borrower cannot reasonably afford to repay the Arrears more quickly;

  (ii) at the point of capitalisation, the relevant borrower has made a minimum six consecutive payments at or above the monthly payment;

  (iii) the ongoing affordability of the new mortgage payments has been established; and

(iv) the relevant borrower has obtained independent financial advice in connection with the proposed capitalisation;

(d) Capitalisation of Arrears will only be approved once in the lifetime of the mortgage term; and

(e) Arrears in respect of a loan serviced by the Servicer may not be capitalised where:

(i) non-payment of amounts under the loan results from extenuating circumstances (for example, health issues relating to the relevant borrower);

(ii) amounts due but unpaid under such loan have previously been capitalised;

(iii) there have been demands for unpaid ground rent and/or service charges in relation to the property; and/or

(iv) the related property is subject to a possession order.

The Servicer may update the Capitalisation Policy from time to time in accordance with the standards of a Reasonable, Prudent Mortgage Lender. In so doing, the Servicer shall adhere to the then current regulatory requirements imposed by and/or guidance issued by, without limitation, the FCA and the CCA.

Consumer Duty

Following a Q1 2024 internal audit focused on Consumer Duty implementation, the Servicer decided to undertake an exercise to supplement the work already done to implement the Consumer Duty. This supplementary work is being done in order to be sure that its implementation in all respects meets the standards which a Reasonable, Prudent Mortgage Lender would apply in respect of the Consumer Duty.

The supplementary work is governed by an action plan, the focus of which is as follows: ensuring effective management oversight and governance in respect of steps to implement the Consumer Duty, including the provision of adequate management information; further review of compliance with customer support requirements; further review of some customer communications; an update of the credit policy to ensure alignment with the Consumer Duty; further work on the assessment of fair value (in particular, as to the scope of costs to be included in the assessment) and the development of plans to monitor lending and servicing operations to ensure compliance.

All critical elements of the supplementary work having been completed, including all elements relating to customer outcomes. Following such process and completion of such work (and having considered all its obligations under the Consumer Duty, and taking into account any external advice received in connection therewith) the Servicer has not identified any issues that have had an adverse effect on customer outcomes and/or that may result in an adverse impact on amounts payable under the Loans.

Governing Law

Each of the Loans and any non-contractual obligations arising out of or in connection with them are governed by English law (where applicable) or Scots law.

CHARACTERISTICS OF THE PROVISIONAL PORTFOLIO

The statistical and other information contained in this Prospectus (including the tables below) has been compiled by reference to loans originated by the Legal Title Holder in the Provisional Portfolio and extracted from the systems of the Legal Title Holder on the Portfolio Reference Date. The Provisional Portfolio was selected by the Seller based on several factors, including but not limited to, expected gain on sale and ECL/EIR release, whilst remaining representative of the wider Bluestone book.

As at the Portfolio Reference Date, the Provisional Portfolio comprised of 2,130 loans originated by the Legal Title Holder between 27 September 2018 and 31 July 2025 and secured over properties located in England and Wales and Scotland. The aggregate Principal Balance of the loans in the Provisional Portfolio as at the Portfolio Reference Date was £345,866,114. Having removed any loans which were no longer eligible or had been redeemed in full as at the Portfolio Reference Date, the Seller randomly selected the Portfolio and the retained loans for the purposes of its risk retention undertaking pursuant to (i) the UK Securitisation Framework and (ii) the EU Securitisation Regulation (as in force on the Closing Date), in each case from the Provisional Portfolio. Columns may not add up to 100 per cent. due to rounding. The Properties over which the loans in the Provisional Portfolio are secured have not been revalued for the purposes of the issue of the Notes and Certificates. The characteristics of the Portfolio will differ from those set out below as a result of, among other things, repayments and redemptions of loans in the Provisional Portfolio from the Portfolio Reference Date to the Closing Date and removal of any loans that do not comply with the Loan Warranties as at the Closing Date. If loans selected for the Portfolio are repaid in full between the Cut-Off Date and the Closing Date, the principal recoveries from that loan will form part of the Available Redemption Receipts. Except as otherwise indicated, these tables have been prepared using the Principal Balance of each loan in the Provisional Portfolio as at the Portfolio Reference Date, which includes all principal and accrued interest for the loans in the Provisional Portfolio. The Properties over which the Loans in the Provisional Portfolio are secured have not been revalued for the purposes of the issue of the Notes and Certificates and any valuations obtained in respect of the Properties have not been updated for the purposes of the Transaction.

Summary table of the Provisional Portfolio as at the Portfolio Reference Date

Portfolio Reference Date:	30 September 2025
Principal Balance (£):	345,866,114
No. of accounts:	2,130
Average Principal Balance (£):	162,378
First ranking mortgage (per cent. of Principal Balance):	100
Weighted average Original Loan to Value Ratio:	70.31
Weighted average Current Loan to Value Ratio:	65.66
Weighted average interest rate:	6.94
Weighted average margin over SVR (post-reversion):	2.87
Repayment Loans (per cent. of Principal Balance):	99.41
Interest-only Loans (per cent. of Principal Balance):	0.59
Interest-only, Buy-to-Let Loans (per cent. of Principal Balance):	0.53
Interest-only Loans, Owner-Occupied Loans (per cent. of Principal Balance):	0.06
Weighted average seasoning (months):	19.06
Weighted average remaining term (years):	25.97
Arrears 1M+ (per cent. of Principal Balance):	9.20
Bankruptcy/IVA[1] (per cent. of Principal Balance):	10.20
CCJs[1] (per cent. of Principal Balance):	30.88
Full property valuation (per cent. of Principal Balance):	89.49
Self-certified loans (per cent. of Principal Balance):	0.00
Self-employed borrowers (per cent. of Principal Balance):	24.12
Owner-occupied Loans (per cent. of Principal Balance):	99.39
Buy-to-Let Loans (per cent. of Principal Balance):	0.61
Help-to-Buy Loans (per cent. of Principal Balance):	10.03
Right-to-Buy Loans (per cent. of Principal Balance):	6.98
First time buyer[1] (per cent. of Principal Balance):	45.67
Purchase Loans (per cent. of Principal Balance):	75.36
Refinance Loans[2] (per cent. of Principal Balance):	24.64

(1) First and Second borrower
(2) Includes Debt Consolidation

Principal Balances

The following table shows the distribution of Loans by their Principal Balance as determined in respect of each Loan on the Portfolio Reference Date.

Principal Balances of the Loans

Principal Balance (£)	Principal Balance (£)	Principal Balance (per cent)	Number of Loans	Number of Loans (per cent)
<= 100,000.00	44,225,902	12.79	582	27.32
100,000 < x <= 200,000	142,833,740	41.30	980	46.01
200,000 < x <= 300,000	101,014,490	29.21	419	19.67
300,000 < x <= 400,000	34,012,471	9.83	101	4.74
400,000 < x <= 500,000	14,179,930	4.10	32	1.50
500,000 < x <= 600,000	5,414,587	1.57	10	0.47
600,000 < x <= 700,000	1,890,759	0.55	3	0.14
700,000 < x <= 800,000	1,449,125	0.42	2	0.09
800,000 < x <= 900,000	845,109	0.24	1	0.05
Total	345,866,114	**100.00**	2,130	**100.00**
Minimum	29,672.43			
Maximum	845,109.10			
Average	162,378.46			

The minimum, maximum and average Principal Balance of the Loans as of the Portfolio Reference Date is £29,672.43, £845,109.10 and £162,378.46, respectively.

Original Loan to Value Ratios

The following table shows the range of "**Original Loan to Value Ratios**" or "**OLTV Ratios**", which express the original balance of each Loan as at the Portfolio Reference Date divided by the original valuation of the Property securing that Loan.

OLTV Ratios (per cent)	Original Principal Balance (£)	Original Principal Balance (per cent)	Number of Loans	Number of Loans (per cent)
<= 50.00	36,626,780	10.31	361	16.95
50.00 < x <= 55.00	17,835,893	5.02	129	6.06
55.00 < x <= 60.00	22,100,028	6.22	146	6.85
60.00 < x <= 65.00	21,602,137	6.08	137	6.43
65.00 < x <= 70.00	34,896,623	9.82	195	9.15
70.00 < x <= 75.00	50,271,856	14.15	265	12.44
75.00 < x <= 80.00	75,077,781	21.14	396	18.59
80.00 < x <= 85.00	78,029,240	21.97	406	19.06
85.00 < x <= 90.00	18,762,088	5.28	95	4.46
Total	355,202,426	**100.00**	2,130	**100.00**
Minimum	10.29 per cent			
Maximum	90.00 per cent			
Weighted Average	70.31 per cent			

The minimum, maximum and weighted average Original Loan to Value Ratio at origination of the Loans as of the Portfolio Reference Date is 10.29 per cent, 90.00 per cent. and 70.31 per cent, respectively.

Current Loan to Value Ratios[3]

The following table shows the range of "**Current Loan to Value Ratios**" or "**CLTV Ratios**", which are calculated by dividing the Principal Balance of a Loan as at the Portfolio Reference Date by the indexed valuation of the Property securing that Loan.

CLTV Ratios (per cent)	Principal Balance (£)	Principal Balance (per cent)	Number of Loans	Number of Loans (per cent)
<= 50.00	51,603,198	14.92	495	23.24
50.00 < x <= 55.00	22,514,798	6.51	163	7.65
55.00 < x <= 60.00	29,481,016	8.52	189	8.87
60.00 < x <= 65.00	36,562,562	10.57	217	10.19
65.00 < x <= 70.00	50,957,453	14.73	275	12.91
70.00 < x <= 75.00	53,135,045	15.36	286	13.43
75.00 < x <= 80.00	45,747,815	13.23	247	11.60
80.00 < x <= 85.00	38,479,244	11.13	171	8.03
85.00 < x <= 90.00	14,643,718	4.23	74	3.47
90.00 < x <= 95.00	2,741,265	0.79	13	0.61
Total	345,866,114	**100.00**	2,130	**100.00**
Minimum	7.89 per cent			
Maximum	94.00 per cent			
Weighted Average	65.66 per cent			

The minimum, maximum and weighted average Current Loan to Value Ratio of the Loans as of the Portfolio Reference Date is 7.89 per cent, 94.00 per cent. and 65.66 per cent, respectively.

Geographical distribution

The following table shows the regional distribution of Properties securing the Loans throughout England and Wales and Scotland (the region of a Property in respect of a Loan determined as at the Portfolio Reference Date of such Loan).

Region	Principal Balance (£)	Principal Balance (per cent)	Number of Loans	Number of Loans (per cent)
East Midlands	26,332,719	7.61	176	8.26
East Of England	13,419,323	3.88	73	3.43
London	29,603,195	8.56	129	6.06
North East	13,961,647	4.04	124	5.82
North West	47,243,500	13.66	318	14.93
Scotland	37,908,702	10.96	259	12.16
South East	65,712,354	19.00	306	14.37
South West	28,864,304	8.35	151	7.09
Wales	16,859,095	4.87	115	5.40
West Midlands	33,188,281	9.60	216	10.14
Yorkshire And The Humber	32,772,994	9.48	263	12.35
Total	345,866,114	**100.00**	2,130	**100.00**

Year of origination

The following table shows the distribution of Loans by year of origination.

Year of origination	Principal Balance (£)	Principal Balance (per cent)	Number of Loans	Number of Loans (per cent)
2018	651,518	0.19	4	0.19
2019	10,748,675	3.11	69	3.24
2020	6,197,792	1.79	40	1.88
2021	13,049,165	3.77	77	3.62
2022	52,243,281	15.11	321	15.07
2023	20,715,978	5.99	135	6.34
2024	121,187,150	35.04	708	33.24

[3] Valuation was indexed using a quarterly Nationwide House Price Index as of Q2 2021.

Year of origination	Principal Balance (£)	Principal Balance (per cent)	Number of Loans	Number of Loans (per cent)
2025	121,072,555	35.01	776	36.43
Total	345,866,114	**100.00**	2,130	**100.00**

Years to maturity of Loans

The following table shows the distribution of Loans according to the number of years remaining until their maturity as at the Portfolio Reference Date.

	Remaining Term			
Years to maturity	**Principal Balance (£)**	**Principal Balance (per cent)**	**Number of Loans**	**Number of Loans (per cent)**
<= 5	624,838	0.18	12	0.56
5 < x <= 10	7,474,141	2.16	73	3.43
10 < x <= 15	24,919,482	7.20	197	9.25
15 < x <= 20	45,557,583	13.17	296	13.90
20 < x <= 25	71,242,261	20.60	425	19.95
25 < x <= 30	80,672,784	23.32	467	21.92
30 >=	115,375,026	33.36	660	30.99
Total	345,866,114	**100.00**	2,130	**100.00**
Minimum	2.88			
Maximum	39.86			
Weighted Average	25.97			

The minimum, maximum and weighted average remaining term of the Loans as of the Portfolio Reference Date is 2.88, 39.86 and 25.97 years, respectively.

Interest rate types

The following table shows the distribution of the interest rate types of the Loans (the interest type of each Loan determined as at the Portfolio Reference Date).

Interest Rate Type	Principal Balance (£)	Principal Balance (per cent)	Number of Loans	Number of Loans (per cent)
Fixed Rate loan with compulsory switch	345,866,114	100.00	2,130	100.00
Total	345,866,114	**100.00**	2,130	**100.00**

Current interest rate

The following table shows the distribution of Loans by applicable interest rate as at the Portfolio Reference Date.

Interest rate	Principal Balance (£)	Principal Balance (per cent)	Number of Loans	Number of Loans (per cent)
4.00 < x <= 4.50	1,911,431	0.55	14	0.66
4.50 < x <= 5.00	8,642,936	2.50	51	2.39
5.00 < x <= 5.50	15,224,702	4.40	96	4.51
5.50 < x <= 6.00	8,944,606	2.59	52	2.44
6.00 < x <= 6.50	52,309,778	15.12	351	16.48
6.50 < x <= 7.00	109,249,702	31.59	615	28.87
7.00 < x <= 7.50	77,471,417	22.40	481	22.58
7.50 < x <= 8.00	32,635,924	9.44	197	9.25
8.00 < x <= 8.50	23,775,987	6.87	156	7.32
8.50 < x <= 9.00	11,901,416	3.44	84	3.94
9.00 < x <= 9.50	2,483,036	0.72	22	1.03
9.50 < x <= 10.00	961,277	0.28	8	0.38
10.00 < x <= 10.50	298,779	0.09	2	0.09
10.50 < x <= 11.00	55,123	0.02	1	0.05
Total	345,866,114	**100.00**	2,130	**100.00**
Minimum	4.34 per cent			
Maximum	10.59 per cent			
Weighted Average	6.94 per cent			

The minimum, maximum and weighted average current interest rate as of the Portfolio Reference Date is 4.34 per cent, 10.59 per cent. and 6.94 per cent, respectively.

Seasoning

The following table shows the seasoning in months in respect of a Loan in the Mortgage Portfolio as at the Portfolio Reference Date.

Months from origination	Principal Balance (£)	Principal Balance (per cent)	Number of Loans	Number of Loans (per cent)
≤ 6	72,123,676	20.85	474	22.25
6.00 < x ≤12.00	109,094,888	31.54	659	30.94
12.00 < x ≤ 18.00	60,472,392	17.48	347	16.29
18.00 < x ≤ 24.00	1,448,919	0.42	8	0.38
24.00 < x ≤ 30.00	7,914,406	2.29	54	2.54
30.00 < x ≤ 36.00	25,403,588	7.34	158	7.42
36.00 < x ≤ 48.00	43,163,908	12.48	267	12.54
48.00 < x ≤ 60.00	8,842,976	2.56	52	2.44
> 60.00	17,401,363	5.03	111	5.21
Total	345,866,114	**100.00**	2,130	**100.00**

Minimum	2.01 months
Maximum	84.16 months
Weighted Average	19.06 months

In relation to the Loans in the Mortgage Portfolio as at the Portfolio Reference Date, the minimum seasoning was 2.01 months, the maximum seasoning was 84.16 months and the weighted average seasoning was 19.06 months.

Interest Rate Reversion Year

Reversion Year	Principal Balance (£)	Principal Balance (per cent)	Number of Loans	Number of Loans (per cent)
2026	46,963,789	13.58	279	13.10
2027	88,294,079	25.53	538	25.26
2028	30,879,048	8.93	202	9.48
2029	98,247,059	28.41	570	26.76
2030	81,482,139	23.56	541	25.40
Total	345,866,114	**100.00**	2,130	**100.00**

Borrower CCJ History

The following table shows the distribution of loans by Borrower CCJ History.

Months Since Last CCJ[(1)]	Principal Balance (£)	Principal Balance (per cent)	Number of Loans	Number of Loans (%)
No CCJs	239,069,729	69.12	1,440	67.61
≤ 36	52,574,813	15.20	341	16.01
36 < x ≤ 48	18,529,296	5.36	117	5.49
48 < x ≤ 60	14,302,074	4.14	95	4.46
60 < x ≤ 72	15,983,677	4.62	101	4.74
> 72	5,406,525	1.56	36	1.69
Total	345,866,114	**100.00**	2,130	**100.00**

(1) First and Second borrower

CHARACTERISTICS OF THE UNITED KINGDOM RESIDENTIAL MORTGAGE MARKET

The UK housing market is primarily one of owner-occupied housing, with the remainder in some form of public, private landlord or social ownership. The mortgage market, whereby loans are provided for the purchase of a property and secured on that property, is the primary source of household borrowings in the United Kingdom.

Set out in the following tables are certain characteristics of the United Kingdom mortgage market. No assurance can be given that the Loans in the Portfolio are or will be representative of the information set out in the tables or generally to the performance of the UK housing market. For information relating to the loans contained in the Provisional Portfolio (from which the Portfolio will be selected), see further the section entitled "*Characteristics of the Provisional Portfolio*".

Industry CPR rates

In the following tables, quarterly industry constant repayment rate ("**industry CPR**") data was calculated by dividing the amount of scheduled and unscheduled repayments of mortgages made by banks, building societies and other speciality lenders in a quarter by the quarterly balance of mortgages outstanding for banks and building societies in the United Kingdom. These quarterly repayment rates were then annualised using standard methodology.

Quarter	Industry CPR Rate for the Quarter (per cent)	12-month rolling average (per cent)
March 2005	17.12%	20.57%
June 2005	19.58%	19.90%
September 2005	22.63%	19.77%
December 2005	22.78%	20.53%
March 2006	20.54%	21.38%
June 2006	22.20%	22.04%
September 2006	23.13%	22.16%
December 2006	22.84%	22.18%
March 2007	21.36%	22.38%
June 2007	22.51%	22.46%
September 2007	22.72%	22.36%
December 2007	20.63%	21.81%
March 2008	18.73%	21.15%
June 2008	19.21%	20.32%
September 2008	17.31%	18.97%
December 2008	13.82%	17.27%
March 2009	11.08%	15.36%
June 2009	10.34%	13.14%
September 2009	11.29%	11.63%
December 2009	11.20%	10.98%
March 2010	9.70%	10.63%
June 2010	10.70%	10.72%
September 2010	11.17%	10.69%
December 2010	10.85%	10.60%
March 2011	9.88%	10.65%
June 2011	10.49%	10.60%
September 2011	11.80%	10.75%
December 2011	11.26%	10.86%
March 2012	10.41%	10.99%
June 2012	10.66%	11.03%
September 2012	11.00%	10.83%
December 2012	11.25%	10.83%
March 2013	10.90%	10.95%
June 2013	12.50%	11.41%
September 2013	14.11%	12.19%
December 2013	14.50%	13.00%
March 2014	13.20%	13.58%
June 2014	13.92%	13.93%
September 2014	14.85%	14.12%
December 2014	14.52%	14.12%
March 2015	13.20%	14.12%

June 2015	14.27%	14.21%
September 2015	15.48%	14.37%
December 2015	15.71%	14.67%
March 2016	15.44%	15.23%
June 2016	15.13%	15.44%
September 2016	15.95%	15.56%
December 2016	15.47%	15.50%
March 2017	14.99%	15.39%
June 2017	14.89%	15.33%
September 2017	16.15%	15.38%
December 2017	16.42%	15.61%
March 2018	15.25%	15.68%
June 2018	15.39%	15.80%
Sept 2018	16.85%	15.98%
Dec 2018	16.39%	15.97%
March 2019	14.80%	15.86%
June 2019	14.64%	15.67%
Sept 2019	15.36%	15.30%
Dec 2019	15.59%	15.09%
March 2020	14.46%	15.01%
June 2020	11.19%	14.15%
Sept 2020	12.95%	13.55%
Dec 2020	14.62%	13.31%
March 2021	15.54%	13.58%
June 2021	15.57%	14.67%
Sept 2021	14.38%	15.03%
Dec 2021	14.68%	15.05%
March 2022	14.49%	14.78%
June 2022	15.07%	14.65%
Sept 2022	15.93%	15.04%
Dec 2022	16.93%	15.60%
March 2023	14.18%	15.53%
June 2023	12.95%	15.00%
Sept 2023	14.39%	14.61%
Dec 2023	13.11%	13.66%
March 2024	12.79%	13.31%
June 2024	13.10%	13.35%
Sept 2024	13.29%	13.07%
Dec 2024	13.79%	13.24%
March 2025	13.66%	13.46%
June 2025	12.03%	13.19%
Sept 2025	14.65%	13.53%

Source of repayment and outstanding mortgage information: UK Finance

Repossession Rate

The table below sets out the repossession rate of residential properties in the United Kingdom since 1985.

Year	**Repossessions (per cent)**
1985	25.01 %
1986	29.61 %
1987	31.87 %
1988	21.60 %
1989	17.32 %
1990	46.62 %
1991	76.96 %
1992	69.08 %
1993	57.75 %
1994	47.27 %
1995	46.96 %
1996	40.01 %
1997	39.67 %
1998	30.31 %

Year	Repossessions (per cent)
1999	27.21 %
2000	20.49 %
2001	16.18 %
2002	10.56 %
2003	7.42 %
2004	7.12 %
2005	12.49 %
2006	17.88 %
2007	21.85 %
2008	34.28 %
2009	42.51 %
2010	33.54 %
2011	32.77 %
2012	30.04 %
2013	25.84 %
2014	18.71 %
2015	9.20 %
2016	6.97 %
2017	6.75 %
2018	6.32 %
2019	7.29 %
2020	2.39 %
2021	2.06 %
2022	4.22 %
2023	4.46 %
2024	6.07 %

Source: UK Finance

House Price to Earnings Ratio

The following table shows the ratio for each year of the average annual value of houses compared to the average annual salary in the United Kingdom. The average annual earnings figures are constructed using the annual survey of hours and earnings figures published by the Office for National Statistics referring to weekly earnings in April of each year for those male employees whose earnings were not affected by their absence from work. While this is indicative of housing affordability, it does not take into account the fact that the majority of households have more than one income to support a mortgage loan.

Year	House price to Earnings Ratio
2000	5.07
2001	5.22
2002	5.87
2003	6.58
2004	7.05
2005	7.24
2006	7.45
2007	7.80
2008	7.19
2009	6.57
2010	6.79
2011	6.53
2012	6.47
2013	6.57
2014	7.01
2015	7.27
2016	7.59
2017	7.75
2018	7.77
2019	7.59
2020	7.67
2021	7.83
2022	8.05
2023	7.55
2024	7.26

Source: UK Finance

House Price Index

UK residential property prices can be measured by, among other indexes, the non-seasonally adjusted Nationwide House Price Index (a national house price index that is derived from Nationwide lending data for properties at the post survey approval stage). Nationwide is a UK building society.

The UK housing market has been through various economic cycles in the recent past, with year-to-year increases in the Nationwide House Price Index occurring in the late 1990s to the late 2000s and decreases occurring in the early 1990s and from 2008 to 2012.

	Retail Price Index		Nationwide House Price Index	
Quarter	**Index**	**per cent. annual change**	**Index**	**per cent. annual change**
March 1988	103.70	3.39	89.95	10.30
June 1988	106.20	4.22	97.61	13.83
September 1988	107.70	5.48	108.43	22.32
December 1988	109.90	6.49	114.20	29.06
March 1989	111.70	7.71	118.76	32.03
June 1989	114.90	8.19	124.17	27.20
September 1989	116.00	7.71	125.24	15.51
December 1989	118.30	7.64	122.68	7.42
March 1990	120.40	7.79	118.87	0.09
June 1990	126.00	9.66	117.66	-5.24
September 1990	128.10	10.43	114.20	-8.82
December 1990	130.10	9.97	109.56	-10.69
March 1991	130.80	8.64	108.82	-8.46
June 1991	133.60	6.03	110.55	-6.04
September 1991	134.20	4.76	109.53	-4.09
December 1991	135.50	4.15	107.00	-2.34
March 1992	136.20	4.13	104.11	-4.33
June 1992	139.10	4.12	105.06	-4.97
September 1992	139.00	3.58	104.22	-4.85
December 1992	139.60	3.03	100.08	-6.46
March 1993	138.70	1.84	100.00	-3.94
June 1993	140.90	1.29	103.57	-1.41
September 1993	141.30	1.65	103.23	-0.95
December 1993	141.80	1.58	101.84	1.76
March 1994	142.00	2.38	102.39	2.39
June 1994	144.50	2.56	102.46	-1.07
September 1994	144.60	2.34	103.20	-0.03
December 1994	145.50	2.61	103.96	2.08
March 1995	146.80	3.38	101.91	-0.47
June 1995	149.50	3.46	103.00	0.53
September 1995	149.90	3.67	102.41	-0.77
December 1995	150.10	3.16	101.60	-2.27
March 1996	150.90	2.79	102.47	0.55
June 1996	152.80	2.21	105.79	2.71
September 1996	153.10	2.13	107.74	5.21
December 1996	154.00	2.60	110.06	8.32
March 1997	154.90	2.65	111.33	8.65
June 1997	156.90	2.68	116.51	10.13
September 1997	158.40	3.46	121.20	12.49
December 1997	159.70	3.70	123.34	12.07
March 1998	160.20	3.42	125.48	12.71
June 1998	163.20	4.02	130.11	11.68
September 1998	163.70	3.35	132.39	9.24
December 1998	164.40	2.94	132.29	7.25
March 1999	163.70	2.18	134.61	7.27
June 1999	165.50	1.41	139.66	7.34
September 1999	165.60	1.16	144.35	9.03
December 1999	166.80	1.46	148.89	12.55
March 2000	167.50	2.32	155.00	15.15
June 2000	170.60	3.08	161.99	15.99
September 2000	170.90	3.20	161.46	11.85
December 2000	172.00	3.12	162.84	9.37
March 2001	171.80	2.57	167.52	8.08
June 2001	173.90	1.93	174.83	7.93
September 2001	174.00	1.81	181.63	12.50
December 2001	173.80	1.05	184.59	13.36
March 2002	173.90	1.22	190.22	13.55
June 2002	176.00	1.21	206.47	18.10
September 2002	176.60	1.49	221.09	21.73
December 2002	178.20	2.53	231.29	25.30

	Retail Price Index		Nationwide House Price Index	
Quarter	Index	per cent. annual change	Index	per cent. annual change
March 2003	179.20	3.05	239.26	25.78
June 2003	181.30	3.01	250.12	21.14
September 2003	181.80	2.94	258.86	17.08
December 2003	182.90	2.64	267.12	15.49
March 2004	183.80	2.57	277.34	15.92
June 2004	186.30	2.76	296.16	18.41
September 2004	187.40	3.08	306.18	18.28
December 2004	189.20	3.44	304.15	13.86
March 2005	189.70	3.21	304.80	9.90
June 2005	191.90	3.01	314.18	6.08
September 2005	192.60	2.77	314.45	2.70
December 2005	193.70	2.38	313.97	3.23
March 2006	194.20	2.37	319.82	4.93
June 2006	197.60	2.97	329.22	4.79
September 2006	199.30	3.48	336.06	6.87
December 2006	201.40	3.98	343.25	9.33
March 2007	203.00	4.53	350.21	9.50
June 2007	206.30	4.40	362.69	10.16
September 2007	207.10	3.91	367.32	9.30
December 2007	209.80	4.17	366.98	6.91
March 2008	211.10	3.99	357.81	2.17
June 2008	215.30	4.36	348.14	-4.01
September 2008	217.40	4.97	329.53	-10.29
December 2008	215.50	2.72	312.85	-14.75
March 2009	210.90	-0.09	298.65	-16.53
June 2009	212.60	-1.25	307.34	-11.72
September 2009	214.40	-1.38	319.50	-3.04
December 2009	216.90	0.65	323.40	3.37
March 2010	219.30	3.98	324.94	8.80
June 2010	223.50	5.13	336.57	9.51
September 2010	224.50	4.71	333.85	4.49
December 2010	227.00	4.66	325.11	0.53
March 2011	230.90	5.29	323.93	-0.31
June 2011	234.90	5.10	332.67	-1.16
September 2011	236.20	5.21	332.34	-0.45
December 2011	238.60	5.11	328.73	1.11
March 2012	239.60	3.77	324.61	0.21
June 2012	242.20	3.11	329.06	-1.08
September 2012	243.10	2.92	326.98	-1.61
December 2012	246.00	3.10	325.01	-1.13
March 2013	247.40	3.26	325.28	0.21
June 2013	249.70	3.10	333.73	1.42
September 2013	250.90	3.21	340.96	4.28
December 2013	252.50	2.64	348.00	7.07
March 2014	253.90	2.63	355.34	9.24
June 2014	256.00	2.52	372.13	11.51
September 2014	256.90	2.39	376.65	10.47
December 2014	257.40	1.94	377.03	8.34
March 2015	256.40	0.98	376.17	5.86
June 2015	258.50	0.98	387.52	4.14
September 2015	259.30	0.93	390.46	3.67
December 2015	260.00	1.01	393.08	4.26
March 2016	260.00	1.40	396.11	5.30
June 2016	262.20	1.43	407.43	5.14
September 2016	264.20	1.89	411.63	5.42
December 2016	265.80	2.23	410.82	4.51
March 2017	267.70	2.96	412.27	4.08
June 2017	271.50	3.55	418.87	2.81
September 2017	274.20	3.79	422.26	2.58
December 2017	276.40	3.99	421.78	2.67
March 2018	277.50	3.66	422.50	2.48
June 2018	280.60	3.35	428.06	2.19
September 2018	283.30	3.32	431.10	2.09
December 2018	284.90	3.08	427.26	1.30
March 2019	284.40	2.49	424.30	0.43
June 2019	289.00	2.99	430.71	0.62
September 2019	290.70	2.61	432.50	0.33
December 2019	291.10	2.18	430.74	0.82
March 2020	291.70	2.57	434.71	2.45
June 2020	292.50	1.21	439.14	1.96
September 2020	293.90	1.10	447.52	3.47
December 2020	294.40	1.13	458.46	6.43

	Retail Price Index		Nationwide House Price Index	
Quarter	**Index**	**per cent. annual change**	**Index**	**per cent. annual change**
March 2021	295.80	1.41	462.10	6.30
June 2021	302.30	3.35	484.17	10.26
September 2021	307.20	4.53	493.80	10.34
December 2021	314.70	6.90	504.93	10.14
March 2022	320.50	8.35	520.21	12.57
June 2022	337.20	11.54	539.52	11.43
September 2022	345.30	12.40	544.87	10.34
December 2022	358.30	13.85	529.03	4.77
March 2023	364.00	13.57	514.91	-1.02
June 2023	374.80	11.15	522.65	-3.13
September 2023	376.40	9.01	519.03	-4.74
December 2023	378.00	5.50	516.99	-2.28
March 2024	380.70	4.59	520.25	1.04
June 2024	386.20	3.04	528.67	1.15
September 2024	388.70	3.27	531.91	2.48
December 2024	391.20	3.49	535.66	3.61
March 2025	393.70	3.41	540.35	3.86
June 2025	403.20	4.40	544.10	2.92
September 2025	406.70	4.63	544.24	2.32

Source: Office for National Statistics and Nationwide Building Society respectively

---

All information contained in this Prospectus in respect of the Nationwide House Price Index has been reproduced from information published by Nationwide Building Society, which is available on their website, http://www.nationwide.co.uk/hpi/, but which is not incorporated by reference into this Prospectus. The Issuer confirms that all information in this Prospectus in respect of the Nationwide House Price Index has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by Nationwide Building Society, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Note, however, that the Issuer has not participated in the preparation of that information or made any enquiry with respect to that information. Neither the Issuer nor Nationwide Building Society makes any representation as to the accuracy of the information or has any liability whatsoever to you in connection with that information. Anyone relying on the information does so at their own risk.

SUMMARY OF THE KEY TRANSACTION DOCUMENTS

Mortgage Sale Agreement

Portfolio

Under the Mortgage Sale Agreement, on the Closing Date, the Seller will contract to sell and assign to the Issuer with full title guarantee, or in the case of Scottish Loans, with absolute warrandice, the Portfolio and Related Security. In respect of the English Loans, the assignment will be an assignment which takes effect in equity only.

In respect of the Scottish Loans, the Scottish Property and the Scottish Related Security, the Mortgage Sale Agreement provides for the transfer and assignment of the beneficial interest in such Loans and their Related Security to be effected by the assignment of the Seller's interest in any Scottish Declaration of Trust to the Issuer pursuant to a Scottish Trust Transfer (and in relation to Scottish Loans, references in this Prospectus to the "**equitable assignment**" of Loans are to be read as references to the transfer of the beneficial interest therein by the making of such declaration of trust and the assignment of the Seller's interest therein, and the terms "**assign**" and "**assigned**" shall in that context be construed accordingly and references in this Prospectus to "**beneficial title**" are to be read as references to the beneficial interest of a beneficiary under a declaration of trust, as assigned by a trust transfer).

In each case, the transfer of legal title to the Loans and their Related Security may not occur or, if it does occur, will not occur until a later date, as described further in the section entitled "*Title to the Mortgages, Registration and Notifications*" below.

The consideration due to the Seller in respect of the sale of the Portfolio shall be:

(a) the Initial Consideration, which is due and payable on the Closing Date; and

(b) the deferred consideration consisting of the RC1 Payments and the RC2 Payments payable pursuant to the applicable Priority of Payments, the right to such RC1 Payments and RC2 Payments being represented by the Certificates to be issued by the Issuer and delivered to, or at the direction of, the Seller on the Closing Date.

Any RC1 Payments or RC2 Payments payable pursuant to the Certificates will be paid in accordance with the priority of payments set out in the section headed "*Cashflows – Application of Available Revenue Receipts prior to the delivery of an Enforcement Notice on the Issuer*", "*Cashflows – Application of Available Redemption Receipts prior to the delivery of an Enforcement Notice on the Issuer*" and "*Cashflows – Distributions following the delivery of an Enforcement Notice on the Issuer*" below.

The Seller shall transfer to the Issuer within two Business Days of the Closing Date an amount equal to all Collections received on the Loans from the date immediately following the Cut-Off Date to (but excluding) the Closing Date. For the avoidance of doubt, Cut-off Period Interest Amounts are excluded from such transfer of Collections.

Title to the Mortgages, Registration and Notifications

The completion of the transfer, or, in the case of the Scottish Loans and their Related Security, assignation, of the Loans and their Related Security (and, where appropriate, their registration or recording) to the Issuer is deferred and legal title to the Loans and their Related Security shall remain with the Legal Title Holder until the occurrence of a Perfection Event. Notice of the sale of the Loans and their Related Security to the Issuer will not be given to any Borrower until the occurrence of a Perfection Event.

The completion of the assignment (or, in respect of Scottish Loans, the assignation) to the Issuer of legal title to the Loans and their Related Security comprised in the Portfolio will be completed by or on behalf of the Legal Title Holder on or before the 20th Business Day after any of the following Perfection Events occurs:

(a) the Legal Title Holder being required to perfect legal title to the Loan and their Related Security by (i) law; (ii) by an order or decree of court of competent jurisdiction; (iii) by a regulatory authority which has jurisdiction over the Legal Title Holder; or (iv) by any organisation of which the Legal Title Holder is a member or whose members comprise, by are not necessarily limited to mortgage lenders with whose instructions it is customary for the Legal Title Holder to comply;

(b) the occurrence of an Insolvency Event in relation to the Legal Title Holder;

(c) the occurrence of an Insolvency Event in relation to the Seller;

(d) the security created under or pursuant to the Deed of Charge or any material part of that security being, in the opinion of the Trustee, in jeopardy;

(e) it becoming unlawful in any applicable jurisdiction for the Legal Title Holder to hold legal title in respect of any Loan or its Related Security in the Portfolio; or

(f) the occurrence of a Servicer Termination Event or a Voluntary Termination,

(each of the events set out in paragraphs (a) to (f) inclusive being a "**Perfection Event**").

An "**Insolvency Event**" will occur in respect of an entity in the following circumstances:

(a) an order is made or an effective resolution passed for the winding-up of the relevant entity (or it proposes or makes any composition or arrangement with its creditors (whether including, without limitation, by way of voluntary arrangement, scheme of arrangement, restructuring plan under Part 26A of the Companies Act 2006 or otherwise)); or

(b) the relevant entity stops or threatens to stop payment to its creditors generally or the relevant entity ceases or threatens to cease to carry on its business or substantially the whole of its business; or

(c) an encumbrancer takes possession or a Receiver is appointed to the whole or any material part of the undertaking, property and assets of the relevant entity or a distress, diligence or execution is levied or enforced upon or sued out against the whole or any material part of the chattels or property of the relevant entity and, in the case of any of the foregoing events, is not discharged within 30 days; or

(d) the relevant entity is unable to pay its debts as they fall due or it is deemed under section 123 of the Insolvency Act 1986 to be unable to pay its debts or announces an intention to suspend making payments with respect to any class of undisputed debts; or

(e) if proceedings are initiated against the relevant entity under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the relevant entity or, as the case may be, in relation to the whole or any part of the undertaking or assets of the relevant entity, and in any such case (other than the appointment of an administrator or an administrative receiver appointed following presentation of a petition for an administration order), unless initiated by the relevant entity, is not discharged within 30 days.

Following a Perfection Event, notice of the legal assignments and assignations will be given to the Borrowers and the Issuer, the Legal Title Holder and (in the case of a Perfection Event arising under limbs (b) or (g) above) the Replacement Legal Title Holder will take steps to register and record such legal assignments and assignations at the Land Registry or Registers of Scotland (as applicable).

Save for Title Deeds held at the relevant Land Registry or Registers of Scotland (as the case may be), all the Title Deeds and the mortgage files and computer tapes relating to each of the Loans and their Related Security are held by the Servicer (on behalf of the Legal Title Holder) or its solicitors or agents and the Title Deeds are held in dematerialised form or are returned to the Borrower's solicitors. In relation to the Title Deeds held at the Registers of Scotland in respect of Properties title to which is

recorded in the General Register of Sasines, such Title Deeds are held on the basis that they (other than the dematerialised copies of the Title Deeds) shall be returned to the Servicer or its solicitors or agents. Neither the Trustee nor the Issuer has made or has caused to be made on its behalf any enquiries, searches or investigations, but each is relying entirely on the representations and warranties made by the Seller contained in the Mortgage Sale Agreement.

Conditions to Sale

The sale of Loans and their Related Security to the Issuer will be subject to various conditions being satisfied on the Closing Date.

Further Advance and Ports

The Legal Title Holder will undertake with the Seller, the Issuer and the Trustee that it (or the Servicer on its behalf) will not offer to any Borrower nor will it agree to any request from any Borrower for a Port or Further Advance in relation to a Loan and its Related Security unless required to do so in accordance with Applicable Laws.

If a Further Advance or Port is required to be granted in accordance with Applicable Laws, the Servicer shall notify each of the Seller, the Issuer and the Trustee as soon as reasonably practicable and following delivery of a Loan Repurchase Notice by the Issuer to the Seller, the Seller shall subsequently repurchase the relevant Loan within the timeframes and in the manner set out in the Mortgage Sale Agreement.

Product Switches

The Servicer shall, if applicable, consider and administer each application from a Borrower for a Product Switch in respect of a Loan in the Portfolio in accordance with the Mortgage Conditions and subject to certain conditions set out in the Servicing Agreement, including *inter alia* the consent of the Seller. Following the acceptance of any Product Switch by the Servicer, the Servicer shall notify the Issuer and the Seller of all Product Switch Loans that occurred during the immediately preceding full calendar month (or in respect of the first Product Switch Notification, since the Closing Date) prior to each Monthly Product Switch Repurchase Date (each a "**Product Switch Notification**"), and following receipt of a Product Switch Notification the Issuer shall deliver a Loan Repurchase Notice, pursuant to which the Seller will subsequently repurchase the relevant Product Switch Loan on the Monthly Product Switch Repurchase Date as set out in the Mortgage Sale Agreement and the Servicing Agreement.

Encouraging or supporting customers who wish to transfer owner-occupied mortgage contracts is, following recent regulatory updates, required by the FCA. Although encouraging or supporting customers who wish to transfer unregulated buy-to-let mortgage contracts is not strictly required by the FCA, as Bluestone originate and also service customers who have owner-occupied mortgage products and given Bluestone have historically originated buy-to-let mortgage contracts and continue to service such contracts, Bluestone have developed an ordinary business practice of doing so and offer Product Switches across all types of mortgage products they offer. This broad-brush approach to all products is in line with the broader soft expectations of the FCA expressed in a "Dear CEO Letter" dated June 2022 on lenders to support all borrowers (regardless of whether the product is owner-occupied or Buy-to-Let) in light of the rising cost of living, and may result in Product Switches on all types of Loans in the Portfolio throughout the life of the Transaction.

Representations and Warranties

On the Closing Date, the following loan warranties described below (the "**Loan Warranties**") will be given to the Issuer by the Seller, in relation to the Loans and their Related Security, in each case as of the Closing Date:

1. **The Loans**

1.1 Subject to completion of any registration which may be pending at the Land Registry or the Registers of Scotland, the Seller is the absolute beneficial owner (or, if the relevant Loan is a Scottish Mortgage, absolute holder of the beneficial interest in), and the Legal Title Holder is the absolute legal owner of (or, if the relevant Loan is a Scottish Mortgage, the absolute holder of the

legal title to), the relevant Loans and its Related Security, free from all security interests (but subject to the relevant Borrower's equity or right of redemption) other than the security existing which is to be released on the Closing Date.

1.2 Subject to completion of any registration which may be pending at the Land Registry, the Legal Title Holder has made, or caused to be made to the Land Registry an application for the registration against the relevant registered title of each English Property, a restriction to the effect that (except under order of the Land Registry) no subsequent disposition or charge by the registered proprietor of such English Property shall be registered without the written consent of the Legal Title Holder.

1.3 Each Loan is denominated in, and all amounts in respect of such Loans are payable in, pounds sterling and may not be changed by the relevant Borrower to any other currency.

1.4 Each Loan is governed by English law or Scots law.

1.5 The Legal Title Holder originated the Loans and Related Security for the account of the Seller and as at the Closing Date, has not sold, transferred or otherwise disposed of the legal title to or beneficial interest in the Loan or Related Security (other than the disposal of the beneficial interests in the Loan and Related Security to the Seller). The terms and conditions upon which the Loan and Related Security has been granted and which apply to the Loan and Related Security as at the Closing Date with respect to that Loan are all in the same form as the Standard Documentation. Nothing has been done to materially add to, lessen, modify or otherwise vary the express terms of those documents other than in accordance with Applicable Laws, the applicable policies of the Legal Title Holder and the Mortgage Conditions.

1.6 Subject to completion of any registration or recording of a Mortgage which may be pending (which the Legal Title Holder shall use all reasonable endeavours to complete) such Mortgage constitutes a valid and subsisting first ranking legal mortgage or standard security and secures in priority to all other mortgages all monies owing under the relevant Loan.

1.7 The Legal Title Holder has calculated and applied interest, fees and charges on the Loans in accordance with the Mortgage Conditions and all Applicable Laws and regulations.

1.8 The Legal Title Holder has not entered into any arrangement with any Borrower to the effect of which would restrict the ability of the Issuer to determine the rates of interest in relation to the Loans in accordance with the Mortgage Conditions or restrict the ability of the Issuer to enforce the terms of the Loans and Related Security. No payment of interest or principal due at any time after the Closing Date with respect to that Loan has been waived by the Legal Title Holder.

1.9 Payments of interest on the Loans is based on a variable rate of interest, except during the fixed rate period as applicable, such rate to be set by the Servicer and subject to the relevant Mortgage Conditions and Applicable Laws.

1.10 A Loan if it is a Help to Buy Loan as at the Closing Date, is an equity loan product and has a fixed rate period of 5 years.

1.11 No payment protection insurance policy or other bundled or packaged insurance policy in respect of a Loan has been sold by the Legal Title Holder and the Legal Title Holder has not made any Loan for the purposes of funding any payment protection insurance.

1.12 The maximum Original Loan to Value Ratio is 90 per cent. for Owner-Occupied Loans and 80 per cent. for Buy-to-Let Loans.

1.13 The maximum loan amount of a Loan secured on an owner occupied property does not exceed £850,000 at the date of origination.

1.14 The maximum loan amount of a Loan (excluding fees) which is a Help to Buy Loan does not exceed £414,000 at the date of origination.

1.15 The maximum loan amount of the Loan if it is a Buy-to-Let Loan does not exceed £321,000 at the date of origination.

1.16 Each Loan is originated using the Standard Documentation.

1.17 Each Loan has been underwritten using the standard procedures of the Legal Title Holder and processed and settled in all respects in accordance with the Lending Criteria.

1.18 The origination, underwriting and settlement of each Loan was not the subject of fraud known to the Seller at the time of the origination of the Loan.

1.19 At least one monthly instalment due in respect of a Loan has been paid by the relevant Borrower.

1.20 Except as disclosed via the Data Tape, none of the Loans are in Arrears as of the Portfolio Reference Date.

1.21 Each Loan and related securities are transferable, and any consent required has been obtained.

1.22 Each Loan has a final maturity date which is no later than 40 years plus one month from the date of origination.

1.23 Each Loan has been executed and entered into in good faith, and in accordance with the standards of a Reasonable, Prudent Mortgage Lender.

1.24 No Loan is a Flexible Loan.

1.25 At the time of origination, the relevant Property securing the Loan is insured against all risks usually covered, to an amount not less than the full reinstatement value determined by the relevant approved valuation agent or approved surveyor.

1.26 No Loan is subject to any material dispute, litigation or claim, other than business as usual recovery activities relating to Loans in Arrears.

1.27 Enquiries deemed suitable to a Reasonable, Prudent Mortgage Lender were made in respect to any third-party occupiers at the Property securing each Loan and appropriate consents were obtained.

1.28 Enquiries and checks deemed suitable to a Reasonable, Prudent Mortgage Lender were made with respect to anti-money laundering and title insurance where required (effected by the Borrower) with respect to each Loan (including on people gifting deposits).

2. **Title Deeds**

2.1 The Title Deeds and the Loan Files with respect to each Loan are currently under the control of the Legal Title Holder, save for those Title Deeds held or being dealt with by the solicitors in accordance with the Legal Title Holder's instructions.

2.2 Each Mortgage is secured on a freehold, leasehold or long lease residential property which is situated in England and Wales or a heritable property or property held under a long lease which is situated in Scotland, or England and Wales only if the relevant Loan is a Help to Buy Loan.

2.3 Any leasehold Property or Property held under a long lease has a minimum lease term of 40 years remaining at the expiry of the Loan.

3. **Borrowers**

3.1 Each Borrower was resident in the United Kingdom on the origination date and had legal entitlement and capacity to enter into a Loan. No Borrower is an incorporated entity (in any jurisdiction).

3.2 No Borrower is an employee of Bluestone, an immediate family member of an employee of Bluestone or an employee of an affiliate of Bluestone.

3.3 Each Borrower was at least 18 years of age on the origination date and will not be older than 81 years of age at the maturity date of the Loan if that Loan is an Owner-Occupied Loan, where there are multiple Borrowers under a Loan, one of the Borrowers will be under 81 years of age at the maturity date of the Loan.

3.4 Where there are multiple Borrowers, the primary applicant was at least 21 of age on the origination date and will be no older than 85 years of age at the end of the term of the Loan if that Loan was a Buy-to-Let Loan. The additional applicants (not including the primary applicant) was at least 18 years of age on the origination date and will be no older than 85 years of age at the end of the term of the Loan if that Loan is a Buy-to-Let Loan.

3.5 Each Borrower has good, valid and transferable title in the Property securing the Loan.

3.6 There has been no waiver of any breach of the Mortgage Conditions by any of the Borrowers to the Loans.

4. **General**

4.1 Each Loan constitutes a legal, valid and binding obligation of the relevant Borrower, enforceable according to its terms and no lien or right of set-off, compensation or counterclaim has been created or arisen or now exists between the Legal Title Holder and any Borrower which would entitle such Borrower to reduce the amount of any payment otherwise due under the relevant Loan.

4.2 Each Loan has been originated and administered in all material respects in accordance with all Applicable Laws and regulations including, without limitation the MCOB and Mortgage Market Review provisions, in each case other than the Consumer Duty Matters.

4.3 In relation to each Loan, there are no amounts due and payable under the Loans that are subject to set-off by a Borrower due to a breach of Consumer Duty.

4.4 The Legal Title Holder or its agent (including, without limitation, its solicitors or licensed conveyancers) has in connection with the Loans carried out the identification and other procedures required under the Money Laundering Regulations 2007 and the Guidance for the UK financial sector issued by the Joint Money Laundering Steering Group.

4.5 The Legal Title Holder has and has held at all relevant times all necessary authorisations, consents, licences and permissions in order to originate the Loan and carry on its business and as far as the Legal Title Holder is aware there are no facts or circumstances which will give rise to any revocation, cancellation, withdrawal or failure to renew any such authorisations, consents, licences or permissions.

4.6 Each Loan (if not an Owner-Occupied Loan) is not in whole or in part a consumer credit agreement (as defined in section 8 of the CCA).

4.7 There are no employees employed by any affiliate of the Legal Title Holder whose contract of employment will be transferred to the Issuer pursuant to the Transfer of Undertakings (Protection of Employment) Regulations 2006.

Neither the Trustee nor the Lead Manager have undertaken any additional due diligence in respect of the application of the Lending Criteria and have relied entirely upon the representations and warranties referred to above which will be made by the Legal Title Holder to the Seller, the Issuer and the Trustee pursuant to the Mortgage Sale Agreement.

Repurchase by the Seller

The Seller will agree to be liable for the repurchase of any Loan and its Related Security sold pursuant to the Mortgage Sale Agreement if:

(a) any Loan Warranty made by the Seller in relation to that Loan and/or its Related Security proves to be materially untrue as at the Closing Date and that default has not been remedied in accordance with the Mortgage Sale Agreement;

(b) a Product Switch, Further Advance or Port is granted in respect of a Loan; or

(c) the Seller has determined on any Calculation Date that a Loan is a Significant Deposit Loan as at the immediately preceding Collection Period Start Date.

Any Loans and their Related Security will be required to be repurchased following receipt by the Seller of a loan repurchase notice substantially in the form set out in and delivered in accordance with the Mortgage Sale Agreement (a "**Loan Repurchase Notice**") requiring the Seller to repurchase and the Issuer to sell the relevant Loan and its Related Security in accordance with the terms of the Mortgage Sale Agreement (such Loans being the "**Repurchase Loans**").

Repurchase price

The consideration payable by the Seller in respect of the repurchase of any Repurchase Loan(s) and its Related Security shall be equal to the Current Balance of such Repurchase Loan(s) as at the date of such repurchase (disregarding for the purposes of any such calculation, to the extent to which the Current Balance of such Repurchase Loan(s) has been reduced as a result of the exercise of any set-off right which the relevant Borrower has against the Seller, the amount of any such reduction in the Current Balance) as at the relevant date of any such repurchase, plus the Issuer's, or as the case may be, the Trustee's costs and expenses (if any) associated with the transfer of such Repurchase Loan(s) and its Related Security to the Seller.

The Seller may elect to set off any Product Switch Collections against the Repurchase Price payable in connection with any related Product Switch Loans in accordance with the terms of the Mortgage Sale Agreement. The Seller shall notify the Issuer, the Servicer and the Legal Title Holder of any intention to do so no later than 3 Business Days prior to each Monthly Product Switch Repurchase Date.

Remedies for breach of Seller Warranties

In connection with any liabilities suffered by the Issuer in connection with or as a result of breach of certain warranties given by the Seller in connection with the transaction, the Seller will agree to indemnify on an after-Tax basis and hold the Issuer and the Trustee (acting on its own behalf and on behalf of the Secured Creditors) harmless against such liabilities up to a maximum amount equal to the Initial Consideration plus the servicing costs. For the avoidance of doubt this excludes the Loan Warranties where no such cap applies.

Governing Law

The Mortgage Sale Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by English law (other than those terms of the Mortgage Sale Agreement specific to the laws of Scotland relating to the Scottish Loans and their Related Security, which are construed in accordance with Scots law).

Servicing Agreement

Introduction

The Issuer, the Trustee, the Seller, the Servicer and the Back-Up Servicer Facilitator will enter into, on or around the Closing Date, an agreement pursuant to which the Servicer agrees to service the Loans and their Related Security (the "**Servicing Agreement**"). The services to be provided by the Servicer are set out in the Servicing Agreement, and may include any services incidental thereto as may be agreed to in writing by the Issuer, the Seller, the Trustee and the Servicer (the "**Services**").

On or about the Closing Date, the Servicer will be appointed by the Issuer and the Legal Title Holder (including in its capacity as a trustee of the trust declared and created by any Scottish Declaration of Trust, the rights of the Seller in relation to which are to be assigned by the Seller to the Issuer (the "**Scottish Trust**")) to be its agent to service the Loans and their Related Security. The Servicer must comply with any proper directions and instructions that the Issuer or, following the Trustee notifying the Servicer that an Enforcement Notice has been served, the Trustee may from time to time give to it in accordance with the provisions of the Servicing Agreement.

The Servicer's actions in servicing the Loans and their Related Security in accordance with the terms of the Servicing Agreement (including the procedures of the Servicer set out therein) are binding on the Issuer.

Services

The Servicer is required to administer the Portfolio as the agent of the Issuer (and following the delivery of an Enforcement Notice, the Trustee) under and in accordance with the terms of the Servicing Agreement.

The services and undertakings of the Servicer include *inter alia* the following;

(a) To provide the services set out in the Servicing Agreement in relation to the Loans and their Related Security purchased by the Issuer or, in respect of the Scottish Loans and their Related Security, held on trust pursuant to each Scottish Declaration of Trust (the "**Services**") in accordance with the terms and conditions of the Servicing Agreement, the Servicer's standards and policies, the standards employed by a Reasonable, Prudent Mortgage Servicer and subject always to any requirement of law or regulation, and the Servicer shall not do any act or thing that may prejudice the interests of the Issuer in respect of any Loan or Related Security or permit any person other than the Issuer or the Legal Title Holder to have any interest in the Loans and their Related Security. The Servicer has and shall maintain all authorisations, applicable licences and approvals to perform the Services set out in the Servicing Agreement.

(b) If and when the Servicer is requested to confirm or state the capacity in which it is servicing the Loans, their Related Security and related matters pursuant to the Servicing Agreement by any Borrower or any third party (not being a party to the Servicing Agreement) and to whom the Servicer is obliged by law, regulation or any code of practice by which the Servicer is bound or by which it is customary for the Servicer to act in accordance with, to disclose such information, the Servicer shall confirm or state that it is acting in its capacity as servicer of the relevant Loans, their Related Security and related matters as agent for and on behalf of:

  (i) subject to (b)(ii) below, the Issuer on the terms and conditions of the Servicing Agreement and not on its own behalf; and

  (ii) where the Loans and their Related Security are held on trust by the Legal Title Holder under a Scottish Trust, for the Legal Title Holder in its capacity as trustee under a Scottish Trust for the benefit of the Issuer thereunder.

(c) The Servicer agrees that, in respect of any matter which would require the Issuer or the Legal Title Holder to liaise or in any other manner deal with the Borrowers (including, without limitation, notifying Borrowers of interest rates and payments due under the relevant Loans from any Borrower, taking any necessary steps for the purposes of collecting or recovering payments due from any Borrower in respect of any Loan and its Related Security and dealing with enquiries and requests from any Borrower or otherwise corresponding with any Borrower), such activities and services will be undertaken by the Servicer only, on behalf of the Issuer or the Seller (as the case may be).

(d) Notwithstanding anything to the contrary in the Servicing Agreement, the Servicer (acting on behalf of the Seller or the Issuer) shall not take or omit to take any action, if such action or omission would result in the Issuer arranging or advising in respect of, administering or entering into a Regulated Mortgage Contract or agreeing to carry on any of these activities, if the Issuer would be required to be authorised under the FSMA to do so.

(e) The documentation and implementation of any agreed changes to the Services shall be in accordance with the Variation Procedure or such other procedure as may be used by the parties from time to time.

(f) Other than with respect to any changes required to enable the Servicer to comply with Applicable Law, if the Issuer and the Servicer agree that the Servicer will change its services or modify the Services, the Issuer agrees subject to and in accordance with the Variation Procedure to pay the reasonable costs incurred by the Servicer in implementing the change following receipt of invoices providing reasonable detail of such costs to give effect to the new fee structure and service provision.

(g) The Servicer shall perform all other obligations and duties expressed to be undertaken by the Servicer (as Servicer) in each of the other Transaction Documents to which it is a party at the times

and in the manner expressly indicated in those Transaction Documents, consistent with the standards of a Reasonable, Prudent Mortgage Servicer and in accordance with Applicable Law.

(h) The Servicer will deal, in the Legal Title Holder's name, on behalf of the Issuer with all communications, administrative matters, collections and recovery of payments concerning Loans in the Portfolio from whatever source including, among others, applicants for Loans, Borrowers, solicitors, surveyors, Valuers, insurance companies and brokers, including, without limitation:

(i) notifying the relevant Borrowers of any change in their Monthly Payments; and

(ii) providing a redemption statement upon the request of a Borrower's solicitor or licensed conveyancer.

(i) The Servicer shall use its reasonable endeavours to procure that the following receipts are promptly paid into the Collection Account:

(i) all Monthly Payments, Early Repayment Charges, fees, charges and any other amounts received under or in connection with the Loans;

(ii) all amounts received on redemption of any of the Loans (including Early Repayment Charges) and all repayments of principal under the Loans;

(iii) any amount received by or on behalf of the Issuer pursuant to any Third Party Buildings Policy or any Legal Title Holder Insurance Policies (in each case to the extent they relate to the Loans and their Related Security in the Portfolio);

(iv) all other amounts payable to the Servicer relating to the Portfolio; and

(v) all interest earned on the Collection Account.

(j) Each party shall in performing its obligations under the Servicing Agreement and providing and receiving the Services comply with Applicable Law.

The Servicer has also undertaken to assist the Cash Manager, the Issuer and the Seller in preparing any form, report and/or template required to be provided by the Issuer in its capacity as the designated entity pursuant to SECN 6.3.1R(1), Article 7(2) of Chapter 2 of the PRA Securitisation Rules and Article 7(2) of the EU Securitisation Regulation (as in force on the Closing Date), in each case in a manner and form in compliance with all Applicable Laws and regulation, including but not limited to, SECN 6.3.1R(1), Article 7(2) of Chapter 2 of the PRA Securitisation Rules and Article 7(2) of the EU Securitisation Regulation (as in force on the Closing Date); and to provide all the relevant raw data and information and relating to the Portfolio required by the Seller to produce the Servicer Report and each Loan Level Report as well as such information as it may have in its possession as may be necessary for the Seller to produce such reports.

Appropriation of funds

The Servicer will undertake in the Servicing Agreement as follows:

(i) prior to enforcement of a Mortgage, apply any amounts received from a Borrower in respect of a Loan (including but not limited to any Monthly Payments) as follows:

(i) *first*, in accordance with the relevant Loan Files applicable to the Mortgage under which the relevant amounts were paid;

(ii) *second*, where not specified by the Loan Files, as directed by the relevant Borrower; and

(iii) *third*, where not directed by the Borrower, in accordance with the Legal Title Holder's Policies,

(ii) subject to paragraph (iii) below, following enforcement of a Mortgage, not to exercise any Cross-collateral Rights in respect of any Loan and their Related Security and to apply all proceeds of enforcement in or towards payment of the Loan to which the Mortgage related; and

(iii) following enforcement of a Mortgage, in respect of any Loans and Related Security which have a common beneficial owner, to apply any surplus or shortfall in accordance with the Legal Title Holder's Policies, the standards of a Reasonable, Prudent Mortgage Servicer and all Applicable Laws.

Back-Up Servicer Facilitator

The Issuer will appoint the Back-Up Servicer Facilitator in accordance with the Servicing Agreement. If the Servicer's appointment is terminated, the Back-Up Servicer Facilitator shall use best efforts to identify, on behalf of the Issuer, and assist the Issuer in the appointment of a suitable Successor Servicer in accordance with the Servicing Agreement.

Setting of Interest Rates on the Loans

Subject to the terms of the Mortgage Sale Agreement, each of the Issuer and the Legal Title Holder grants the Servicer full right, liberty and authority from time to time, in accordance with the relevant Mortgage Conditions and Legal Title Holder's Policies, to determine and set the SVR in relation to the Loans in accordance with the relevant Mortgage Conditions and the Legal Title Holder's Policies.

The Legal Title Holder may make changes to the SVR of a Loan without the Issuer's consent but only where required pursuant to the relevant loan document or Applicable Laws.

Taking into account the relevant factors in accordance with the applicable Mortgage Conditions, the Servicer and Legal Title Holder confirm that the SVR will be reviewed at least quarterly and will not be set at a level lower than Compounded Daily SONIA over the previous calendar month plus 1 per cent. subject to compliance at all times with Applicable Law and the applicable Mortgage Conditions.

The Servicer shall not without the prior written consent of the Issuer, vary, waive or amend or agree to vary, waive or amend any of the terms relating to that Loan (other than as a result of any change to any external rate which the Loan references and other than in the ordinary course of servicing Loans in arrears applying the Servicer's applicable general arrears policy) or make or agree to any further advances to a Borrower or create any encumbrance or security interest over that Loan or its Related Security.

Operation of Collection Account

The Servicer will operate the Collection Account opened in the Servicer's name with the Collection Account Bank in accordance with the terms of the Servicing Agreement and the Collection Account Declaration of Trust (see "*The Collection Account Declaration of Trust*" below).

In respect of all payments made or received in respect of the Loans where such payments or receipts are made by direct debit the Servicer will use its reasonable endeavours to ensure that these will be paid directly into the Collection Account and cheques or other receipts received by it in respect of any Loan are transferred to the Collection Account in accordance with the terms of the Servicing Agreement.

Reporting by the Servicer and the Seller

The Servicer undertakes to the Seller and the Issuer that it shall:

(a) supply to the Seller (with a copy to the Issuer) by no later than 3 Business Days prior to the Quarterly Servicer Report Date, all the relevant raw data and information relating to the Portfolio required by the Seller to produce each Servicer Report and each Loan Level Report in each case in accordance with the Servicing Agreement;

(b) provide such information as it has in its possession to the Seller as may be necessary for the Seller (or the Cash Manager) to prepare the relevant reports, as soon as reasonably practicable following a request from the Seller, but no later than 2 Business Days following a writing request from the Seller; and

(c) provide any information in its possession as may be requested by the Cash Manager for the purposes of preparing the relevant Investor Report provided that such request has been received in writing at least two Business Days prior to the Calculation Date.

The Seller shall prepare and deliver to the Issuer, the Trustee and the Cash Manager, the Loan Payment Report, the Servicer Report and each Loan Level Report by no later than the Quarterly Servicer Report Date.

The Seller shall also undertake to, among other things:

(a) provide or procure that the Servicer provides the loan level information to the Cash Manager for insertion in each Investor Report and otherwise reasonable assistance to the Cash Manager in the preparation of each Investor Report.

(b) prepare and deliver, subject to its reasonably and properly incurred costs being paid by the Issuer in accordance with the Servicing Agreement and subject to agreement in accordance with the Variation Procedure, to the Issuer, the Cash Manager and the Trustee or to such other person as directed by the Issuer from time to time, such other templates, data tapes or reports as requested by the Issuer from time to time for the purposes of complying with its regulatory obligations, including but not limited to (x) any Bank of England eligibility templates and (y) any rating agency templates or formats for the provision of data.

(c) prepare the BoE Loan Level Reports using the templates published by the Bank of England and publish each BoE Loan Level Report on or around each Interest Payment Date.

Replacement of Collection Account Bank

Should the Collection Account Bank fail to maintain any of the Collection Account Bank Ratings, the Servicer shall, as directed by the Issuer and as agreed in writing by the Legal Title Holder, assist the Legal Title Holder in opening one or more replacement Collection Account in the name of the Legal Title Holder with a financial institution which: (i) is approved in writing by the Issuer and the Trustee; (ii) which is a bank as defined in Section 991 of the Income Tax Act 2007; and (iii) which is of a reputable standing, as soon as reasonably practicable.

In the event a replacement collection account is opened, the Servicer shall procure that (i) all Direct Debit mandates are transferred to such replacement collection account, (ii) all Monthly Payments made by a Borrower under a payment arrangement other than the Direct Debiting Scheme are made to such replacement collection account from the date on which the replacement collection account is opened (iii) all amounts standing to the credit of the Collection Account be transferred to the replacement collection account promptly after the replacement collection account is opened and (iv) the Legal Title Holder executes a new declaration of trust in the same terms, *mutatis mutandis*, as the Collection Account Declaration of Trust in respect of such new Collection Account.

In addition, the Legal Title Holder may at any time transfer the Collection Account to any other financial institution without the consent of the Trustee **provided that** at such time such financial institution (i) is a bank as defined in Section 991 of the Income Tax Act 2007; and (ii) which is of a reputable standing, as soon as reasonably practicable and **provided that** the requirements set out in the paragraph immediately above have been fulfilled.

In the event that the existing ratings of the Collection Account Bank fall below the Collection Account Bank Ratings, the Legal Title Holder or the Servicer (on behalf of the Legal Title Holder) shall on behalf of, and at the sole cost and expense of, the Issuer, either:

(a) terminate the appointment of the Collection Account Bank in respect of the Portfolio and use commercially reasonable efforts to procure that the funds standing to the credit of the Collection Accounts in respect of the Collection Account Trust Property are promptly transferred from the Collection Accounts and placed on deposit on terms of business the same or substantially the same (*mutatis mutandis*) as those on which the Collection Account is operated with an institution:

(i) that maintains ratings at least equal to the Collection Account Bank Ratings;

(ii) that is a bank for the purposes of section 991 of the Income Tax Act 2007 and payments of interest (if any) are made in the ordinary course of its business within the meaning of section 878 of the Income Tax Act 2007; and

(iii) that is an institution authorised to carry on banking business including accepting deposits under the FSMA; or

(b) obtain a guarantee of the Collection Account Bank's obligations to operate the Collection Account in accordance with the applicable terms of business from an institution:

(i) that maintains ratings at least equal to the Collection Account Bank Ratings;

(ii) that is a bank for the purposes of section 991 of the Income Tax Act 2007 and payments of interest (if any) are made in the ordinary course of its business within the meaning of section 878 of the Income Tax Act 2007; and

(iii) that is an institution authorised to carry on banking business including accepting deposits under the FSMA,

in each case, within 60 calendar days of the date on which the Collection Account Bank ceases to have the Collection Account Bank Ratings, provided that such period can be extended for up to an additional 30 days if the Legal Title Holder or the Servicer (on behalf of the Legal Title Holder) provides the Trustee and the Rating Agencies with a written action plan before expiration of the initial 60 days period including the remedy steps taken and to be taken within such extended period.

Compensation of the Servicer

The Servicer receives fees under the terms of the Servicing Agreement. In consideration for providing Services other than carrying out certain duties and obligations set out in the Servicing Agreement, the Issuer shall pay to the Servicer:

(a) a fee of an amount equal to 0.20 per cent. per annum of the average of (i) the aggregate of the Principal Balance of all Loans other than those referred to in (b) below as at the first day of the immediately preceding Collection Period (or in respect of the first Interest Payment Date only, the Closing Date) and (ii) the aggregate of the Principal Balance of all Loans other than those referred to in (b) below as at the last day of the immediately preceding Collection Period (the "**Base Fee**"); and

(b) a fee of an amount equal to 0.24 per cent. per annum of the average of (i) the aggregate of the Mortgage Account Principal Debt of all Loans in relation to which one or more than one Monthly Payment is in arrears as at the first day of the immediately preceding Collection Period (or in respect of the first Interest Payment Date only, the Closing Date) and (ii) the aggregate of the Mortgage Account Principal Debt of all Loans in relation to which one or more than one Monthly Payment is in arrears as at the last day of the immediately preceding Collection Period (the "**Special Services Fee**", and together with the Base Fee, the "**Servicing Fee**"),

in each case, calculated, in relation to each relevant Collection Period, on the basis of the number of days elapsed in that Collection Period and a three hundred and sixty-five (365) day year (inclusive of VAT, if any).

The Servicing Fee is payable quarterly in arrear on each Interest Payment Date in the manner contemplated by and in accordance with the Pre-Enforcement Revenue Priority of Payments or, as the case may be, the Post-Enforcement Priority of Payments.

Removal of the Servicer and the Legal Title Holder

A "**Servicer Termination Event**" shall occur if:

(a) *Non-payment*: default is made by the Servicer in the payment on the due date of any payment due and payable by it under the Servicing Agreement and such default continues un-remedied for a period of 10 Business Days from the earlier of:

(i) the date upon which the Servicer becomes aware of such default; and

(ii) receipt by the Servicer of written notice from the Issuer or the Trustee requiring the same to be remedied;

(b) *Default in other obligations*: default by the Servicer in the performance or observance of any of its other covenants and obligations under the Servicing Agreement, the Mortgage Sale Agreement or the Cash Management Agreement which failure in the reasonable opinion of the Issuer (prior to the delivery of an Enforcement Notice) or the opinion of the Trustee (after the delivery of an Enforcement Notice) is materially prejudicial to the interests of the Noteholders and Certificateholders and which, in the case of a default which is remediable, continues un-remedied for a period of 30 days from the earlier of:

(i) the date upon which the Servicer becomes aware of such default; and

(ii) receipt by the Servicer of written notice from the Issuer requiring the same to be remedied;

(c) *Insolvency*: an Insolvency Event occurs in respect of the Servicer;

(d) *Authorisations and consents*: any licence, approval, Authorisation or consent necessary for the Servicer to conduct its business or perform and comply with its obligations under or in connection with the Servicing Agreement is withdrawn or revoked or the Servicer at any time fails to obtain such a licence, approval, Authorisation or consent;

(e) *Unlawfulness*: it is or becomes unlawful for the Servicer to perform any of its obligations under the Servicing Agreement or any obligation of the Servicer under the Servicing Agreement is not or ceases to be legal, valid and binding or enforceable in accordance with its terms;

(f) *Cessation of or change of business*: the Servicer ceases or threatens to cease to carry on all or any substantial part of its business (other than a cessation or threatened cessation as a result of a bona fide reconstruction or amalgamation of the Servicer while solvent);

(g) *Misrepresentation*: any representation, warranty or statement made by the Servicer in the Servicing Agreement, any other document delivered by or on behalf of the Servicer under or in connection with the Servicing Agreement or any other Transaction Document to which it is a party is or proves to have been breached, or is incorrect or misleading when made and such default will have a Material Adverse Effect on the Issuer and, if capable of remedy, the Servicer does not remedy such breach or non compliance within 30 days after the earlier of the Servicer becoming aware of such breach or non compliance and receipt by the Servicer of written notice from the Issuer requiring the same to be remedied;

(h) *Regulatory obligations*: the manner in which the Servicer is providing or purporting to provide the Services or its failure to provide the Services pursuant to the Servicing Agreement means that it or the Legal Title Holder is not in compliance with its regulatory obligations or is in breach of Applicable Law;

(i) *Repudiation or rescission*: the Servicer repudiates or rescinds the Servicing Agreement or evidences an intention to repudiate or rescind the Servicing Agreement; or

(j) *Material Qualification by auditors:* the auditors of the Servicer make a material qualification in respect of financial statements of the Servicer which are audited by such auditors,

then prior to the delivery of an Enforcement Notice, the Seller or, with the prior written consent of the Trustee, the Issuer or, after delivery of an Enforcement Notice, the Trustee, will be entitled to terminate the Servicer's and Legal Title Holder's appointment under the Servicing Agreement, provided that such termination shall not be effective until a Successor Servicer and a Successor Legal Title Holder have been appointed, and the Successor Legal Title Holder (as applicable) has been registered as the registered proprietor of the Loans and their Related Security at the Land Registry.

Voluntary Termination

The Issuer or the Servicer and/or the Legal Title Holder may terminate the appointment of the Servicer and/or the Legal Title Holder by giving not less than 12 months' (or such shorter time as may be agreed between the Servicer, the Legal Title Holder and the Issuer) written notice given by the party seeking to terminate the appointment to the other parties to the Servicing Agreement (a "**Voluntary Termination**").

No termination and no release of the obligations of the current servicer shall take effect until a substitute servicer satisfactory to the Issuer has been appointed by the Issuer and who holds all licences, approvals, authorisations, and consents required in connection with the provision of the Services, including without limitation any necessary notifications under the Data Protection Legislation and authorisations and permissions under the FSMA and legal title has been transferred to a third party authorised to hold such legal title for the Loans being serviced pursuant to the Servicing Agreement.

Appointment of the Replacement Servicer and the Replacement Legal Title Holder

Following the termination of the Servicer following occurrence of a Servicer Termination Event or a Voluntary Termination, the Issuer shall appoint the Replacement Servicer and the Replacement Legal Title Holder as replacement servicer and replacement legal title holder respectively and the Replacement Servicer and the Replacement Legal Title Holder shall, other than where an Insolvency Event has occurred in respect of the Replacement Legal Title Holder and/or Replacement Servicer, accept such appointment. The Replacement Servicer, the Replacement Legal Title Holder, the Issuer, the Seller, the Back-Up Servicer Facilitator and Trustee shall enter into a replacement Servicing Agreement on such terms and in such form as is consistent with the prevailing market standard at the relevant time, which may include, for the avoidance of doubt, any relevant delegation provisions.

Appointment of the Successor Servicer and the Successor Legal Title Holder

Where an Insolvency Event has occurred in relation to the Replacement Legal Title Holder and/or Replacement Servicer, the Issuer and the Back-Up Servicer Facilitator shall use reasonable endeavours to identify a suitable Successor Servicer and Successor Legal Title Holder.

The Successor Servicer shall:

(a) have experience of administering and managing mortgage loans secured on residential properties in England and Wales and Scotland;

(b) enter into an agreement with the Issuer, the Seller, the Successor Legal Title Holder, the Back-Up Servicer Facilitator and the Trustee on such terms and in such form as is consistent with the prevailing market standard at the relevant time, and at fees which are consistent with those payable generally at the relevant time for the provision of mortgage loan administration and management services;

(c) hold all licences, approvals, authorisations, and consents required in connection with the provision of the Services, including without limitation any necessary notifications under the Data Protection Legislation and authorisations and permissions under the FSMA; and

(d) if any Notes are outstanding, is an entity the appointment of which shall not result in a downgrade, withdrawal or qualification of the then current rating of the Notes (as confirmed in a Rating Agency Confirmation addressed to the Trustee), unless the holders of the relevant classes of Notes otherwise agreement by an Extraordinary Resolution.

The Successor Legal Title Holder shall:

(a) have experience of holding the legal title to and acting as legal title holder of residential properties in England and Wales and Scotland;

(b) enter into an agreement with the Issuer, the Seller, the Successor Servicer, the Back-Up Servicer Facilitator and Trustee on such terms and in such form as is consistent with the prevailing market standard at the relevant time, and at fees which are consistent with those payable generally at the relevant time for the provision of legal title holder services;

(c) hold all licences, approvals, authorisations, and consents required in connection with the provision of the Services, including without limitation any necessary notifications under the Data Protection Legislation and authorisations and permissions under the FSMA; and

(d) if any Notes are outstanding, is an entity the appointment of which shall not result in a downgrade, withdrawal or qualification of the then current rating of the Notes (as confirmed in a Rating Agency Confirmation addressed to the Trustee), unless the holders of the relevant classes of Notes otherwise agreement by an Extraordinary Resolution.

Scheduled termination of the appointment of the Servicer

The Servicing Agreement shall automatically terminate on upon the legal title of all Loans currently being serviced under the Servicing Agreement being transferred to the Issuer on the Legal Title Transfer Date upon the occurrence of a Perfection Event or if all Loans are redeemed.

Enforcement of Mortgages

The Servicer shall, in relation to any default by a relevant Borrower under or in connection with a relevant Loan or its Related Security, comply with the Enforcement Procedures or, to the extent that the Enforcement Procedures are not applicable having regard to the nature of the default in question, with the usual procedures undertaken by a Reasonable, Prudent Mortgage Servicer.

Back-Up Servicer Facilitator

CSC Capital Markets UK Limited will agree to act as the Back-up Servicer Facilitator under the Servicing Agreement.

Liability Cap

The aggregate liability of the Servicer in respect of all claims arising out of or in connection with the Servicing Agreement shall be limited to the Bluestone Cap Amount but this cap shall not apply in relation to: (a) any failure by the Servicer to account to the Issuer for sums held by the Servicer on trust for the Issuer under the Servicing Agreement where such failure constitutes a breach of the Servicing Agreement; (b) any liability for Loss which cannot be excluded or disclaimed by Applicable Laws; (c) breach of clause 17 (*Confidentiality*) of Part 1, Schedule 2 (*Common Terms*) of the Incorporated Terms Memorandum; (d) any failure by the Servicer to provide the Seller with the relevant data required under clause 11 (*Reporting*) of the Servicing Agreement that causes the Seller to fail to comply with its reporting obligations, or (e) fraud, negligence or wilful default in the performance of its obligations under the Servicing Agreement.

Governing Law

The Servicing Agreement, and any non-contractual obligations arising out of or in connection with the Servicing Agreement will be governed by English law.

Deed of Charge

On the Closing Date, the Issuer will enter into the Deed of Charge and Scottish Supplemental Charge with, *inter alios*, the Trustee.

Security

Under the terms of the Deed of Charge, the Issuer will provide the Trustee with the benefit of, *inter alia*, the following security (the "**Security**") as trustee for itself and for the benefit of the Secured Creditors (including the Noteholders):

(a) an assignment by way of security of (and, to the extent not assigned, a charge by way of first fixed charge over) the Issuer's rights, title, interest and benefit in, to and under the Transaction Documents (other than the Trust Deed and the Deed of Charge, any Scottish Supplemental Charge, any Scottish Declaration of Trust and any Scottish Trust Transfer) and any sums derived therefrom (**provided that** the assignment by way of security of the Issuer's rights under the Swap Agreement shall be subject to any rights of set-off or netting provided for thereunder);

(b) an assignment by way of security of (and, to the extent not assigned, a charge by way of first fixed charge over) the Issuer's interest in the English Loans and their Related Security and other related rights comprised in the Portfolio (other than in respect of the Scottish Loans) and any sums derived therefrom;

(c) a charge by way of first fixed charge over the Issuer's interest in its bank and/or securities accounts (including the Issuer Accounts) maintained with the Issuer Account Bank and any other bank or custodian and any sums or securities standing to the credit thereof;

(d) a charge by way of first fixed charge over the Issuer's interest in all Authorised Investments permitted to be made by the Issuer or the Cash Manager (acting on the instructions of the Issuer) on its behalf;

(e) an assignment by way of first fixed security (and, to the extent not assigned, a charge by way of first fixed charge over) (but subject to the right of reassignment) the benefit of the Issuer's rights, title, interest and benefit under the Collection Account Sub-Trust (created pursuant to the Collection Account Declaration of Trust); and

(f) a floating charge over all assets of the Issuer not otherwise subject to the charges referred to above or otherwise effectively assigned by way of security including over all of the Issuer's property, assets, rights and revenues as are situated in Scotland or governed by Scots law (whether or not such assets are the subject of the charges referred to above).

In addition, if there is a delivery of a Scottish Transfer pursuant to the Mortgage Sale Agreement, the Issuer will deliver to the Trustee a Scottish Sub-Security.

The floating charge created by the Deed of Charge may "crystallise" and become a fixed charge over the relevant class of assets owned by the Issuer at the time of crystallisation. Crystallisation will occur automatically (subject to applicable law) following the occurrence of specific events set out in the Deed of Charge, including, among other events, delivery of an Enforcement Notice. A crystallised floating charge will rank ahead of the claims of unsecured creditors which are in excess of the prescribed part but will rank behind the expenses of any administration or liquidator, the claims of preferential creditors and the beneficiaries of the prescribed part on enforcement of the Security.

Pre-Enforcement Revenue Priority of Payments and Pre-Enforcement Redemption Priority of Payments

Prior to the Trustee serving an Enforcement Notice on the Issuer pursuant to Condition 11 (*Events of Default*) or Certificate Condition 10 (*Events of Default*) declaring the Notes and Certificates to be immediately due and payable, the Cash Manager (on behalf of the Issuer) shall apply monies standing to the credit of the Deposit Account as described in "*Cashflows – Application of Available Revenue Receipts prior to the delivery of an Enforcement Notice on the Issuer*", "*Application of Available Redemption Receipts prior to the delivery of an Enforcement Notice on the Issuer*" below, "*Application of Monies released from the General Reserve Fund*", " *Application of Monies released from the Class A and Class b Liquidity Reserve Fund*" and apply monies standing to the credit of the Swap Collateral Account in accordance with the Swap Collateral Account Priority of Payments defined in "*Cashflows – Swap Collateral*".

Post-Enforcement Priority of Payments

After the Trustee has served an Enforcement Notice on the Issuer pursuant to Condition 11 (*Events of Default*) or Certificate Condition 10 (*Events of Default*), declaring the Notes and the Certificates to be immediately due and payable the Trustee (or the Cash Manager on its behalf) or any Receiver appointed by it shall apply the monies standing to the credit of the Deposit Account in accordance with the Post-Enforcement Priority of Payments defined in "*Cashflows – Distributions following the delivery of an Enforcement Notice on the Issuer*" below and apply the monies standing to the credit of the Swap Collateral Account in accordance with the Swap Collateral Account Priority of Payments defined in "*Cashflows – Swap Collateral*" below.

The Security will become enforceable after an Enforcement Notice has been served on the Issuer pursuant to Condition 11 (*Events of Default*) or Certificate Condition 10 (*Events of Default*) or if no Notes or Certificates remain, **provided that** if the Security has become enforceable otherwise than by reason of a default in payment of any amount due on the Notes and Certificates, the Trustee will not

be entitled to dispose of the assets comprised in the Security or any part thereof unless either a sufficient amount would be realised to allow discharge in full on a *pro rata* and *pari passu* basis of all amounts owing to the Noteholders and Certificateholder (and all persons ranking in priority to the Noteholders and Certificateholders as set out in the Post-Enforcement Priority of Payments) or the Trustee is of the opinion that the cash flow expected to be received by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts owing: (i) to the Noteholders and Certificateholders (and all persons ranking in priority to the Noteholders and Certificateholders in the order of priority set out in the Post-Enforcement Priority of Payments); and (ii) once all the Noteholders and Certificateholders (and all such prior ranking persons) have been repaid, to the remaining Secured Creditors in the order of priority set out in the Post-Enforcement Priority of Payments which opinion shall be binding on the Secured Creditors and reached after considering at any time and from time to time the advice of any financial adviser (or such other professional adviser selected by the Trustee for the purpose of giving such advice).

The fees and expenses of the aforementioned financial adviser or other professional adviser selected by the Trustee shall be paid by the Issuer in accordance with the applicable Priority of Payments. The Trustee shall be entitled to rely upon any financial or other professional advice referred to above without further enquiry and shall incur no liability to any person for so doing.

Governing Law

The Deed of Charge and any non-contractual obligations arising out of or in connection with it will be governed by English law (save that aspects relating to Scottish Loans and their Related Security will be construed in accordance with Scots law, and the Scottish Declaration of Trust and Scottish Supplemental Charge will be governed by Scots law).

Trust Deed

On or about the Closing Date, the Issuer and the Trustee will enter into the Trust Deed pursuant to which the Issuer and the Trustee will agree that the Notes and Certificateholders are subject to the provisions in the Trust Deed. The Conditions, Certificate Conditions and the forms of each class of Notes and Certificates are each constituted by, and set out in, the Trust Deed.

The Trustee will agree to hold the benefit of the Issuer's covenant to pay amounts due in respect of the Notes and Certificates on trust for the Noteholders and Certificateholders.

In accordance with the terms of the Trust Deed, the Issuer will pay a fee to the Trustee for its services under the Trust Deed at the rate and times agreed between the Issuer and the Trustee (exclusive of VAT) together with payment of any liabilities incurred by the Trustee in relation to the Trustee's performance of its obligations under or in connection with the Trust Deed and the other Transaction Documents.

Retirement of Trustee

The Trustee may retire at any time upon giving not less than 60 days' notice in writing to the Issuer without giving any reason therefor and without being responsible for any liabilities occasioned by such retirement. The holders of the Most Senior Class or in issue may, by Extraordinary Resolution, remove all trustees (but not some only) for the time being who are acting pursuant to the Trust Deed and the Deed of Charge. The retirement of the Trustee shall not become effective unless there remains a Trust Corporation entitled by rules made under the Public Trustee Act 1906 to carry out the functions of a Trust Corporation in office after such retirement or removal by Extraordinary Resolution. The Issuer will agree in the Trust Deed that, in the event of the sole trustee or the only trustee under the Trust Deed giving notice of its retirement, it shall use its best endeavours to procure a new trustee to be appointed as soon as practicable thereafter and if, after 60 days from the date the Trustee gives its notice of retirement or the applicable Extraordinary Resolution of the holders of the Most Senior Class, the Issuer is not able to find such replacement, the Trustee will be entitled to procure that a new trustee be appointed but no such appointment shall take effect unless previously approved by Extraordinary Resolution of the holders of the Most Senior Class.

Governing Law

The Trust Deed and any non-contractual obligations arising out of or in connection with it will be governed by English law.

Agency Agreement

Pursuant to the Agency Agreement, provision is made for, *inter alia*, the payment of principal and interest in respect of the Notes and payments under the Certificates.

Governing Law

The Agency Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

Cash Management Agreement

On the Closing Date, the Cash Manager, the Issuer, the Seller, the Servicer and the Trustee will enter into the Cash Management Agreement.

Cash Management Services to be provided to the Issuer

Pursuant to the Cash Management Agreement, the Cash Manager will agree to provide certain cash management and other services to the Issuer or, upon the Trustee notifying the Cash Manager that an Enforcement Notice has been served on the Issuer, the Trustee. The Cash Manager's principal function will be effecting payments to and from the Deposit Account. In addition, the Cash Manager will, among other things:

(a) on each Interest Payment Date prior to the delivery of an Enforcement Notice, apply, or cause to be applied, Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments, Available Redemption Receipts in accordance with the Pre-Enforcement Redemption Priority of Payments, any Class A and Class B Liquidity Reserve Fund Release Amount to meet any Class A and Class B Liquidity Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order that they appear in the Pre-Enforcement Revenue Priority of Payments and any General Reserve Fund Release Amount to meet any Revenue Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order that they appear in the Pre-Enforcement Revenue Priority of Payments;

(b) on each Calculation Date determine if there would be a Class A and Class B Liquidity Deficit following the application of Available Revenue Receipts on the immediately following Interest Payment Date;

(c) on each Calculation Date determine if there would be a Senior Expenses Deficit following the application of Available Revenue Receipts and any Class A and Class B Liquidity Reserve Fund Release Amounts on the immediately following Interest Payment Date;

(d) on each Calculation Date, determine whether the immediately following Interest Payment Date is the Final Collateralised Notes Redemption Date and/or the Class B Redemption Date;

(e) record credits to, and debits from, the Ledgers, as and when required; and

(f) if required (i) during the Determination Period, calculate the Interest Determination Ratio, the Calculated Revenue Receipts and the Calculated Redemption Receipts; and (ii) following any Determination Period, upon receipt by the Cash Manager of the Servicer Reports in respect of such Determination Period, reconcile the calculations to the actual collections set out in the Servicer Reports by allocating the Reconciliation Amounts in accordance with Condition 6.9(c) (*Determinations and Reconciliation*) and the Cash Management Agreement.

In addition, the Cash Manager will also:

(a) maintain the following ledgers (the "**Ledgers**") on behalf of the Issuer:

(i) the "**Redemption Ledger**", which will record all Redemption Receipts received by the Issuer and the distribution of the Redemption Receipts in accordance with the Pre-Enforcement Redemption Priority of Payments or the Post-Enforcement Priority of Payments (as applicable);

(ii) the "**Revenue Ledger**", which will record all Revenue Receipts and any Swap Collateral Account Surplus, and the distribution of the Revenue Receipts and the distribution of any other relevant amounts recorded on the Revenue Ledger in accordance with the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments (as applicable) or by way of Third Party Amounts;

(iii) the "**General Reserve Fund Ledger**", which will record amounts credited to, and debited from, the General Reserve Fund. On each Interest Payment Date up to and including the Initial Reserve Funding Date, the General Reserve Fund will be funded, on *pro rata and pari passu* basis, from the Available Redemption Receipts in an amount equal to the General Reserve Fund Required Amount pursuant to item (a) of the Pre-Enforcement Redemption Priority of Payments. On each Interest Payment Date following the Initial Reserve Funding Date up to and excluding the Final Collateralised Notes Redemption Date the General Reserve Fund will be funded from Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments. On each Interest Payment Date up to and excluding the Final Collateralised Notes Redemption Date (prior to delivery of an Enforcement Notice), the Cash Manager will, *first*, apply the General Reserve Fund Excess Amount as Available Redemption Receipts in accordance with the Pre-Enforcement Redemption Priority of Payments and apply an amount equal to the General Reserve Fund Release Amount to meet any Revenue Deficit existing on such Interest Payment Date against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order that they appear in the Pre-Enforcement Revenue Priority of Payments, *second* apply (on behalf of the Issuer) the Available Revenue Receipts pursuant to the Pre-Enforcement Revenue Priority of Payments and credit to the General Reserve Fund Ledger the amount of Available Revenue Receipts applied on such Interest Payment Date to replenish the General Reserve Fund up to the General Reserve Fund Required Amount pursuant to item (q) of the Pre-Enforcement Revenue Priority of Payments. For the avoidance of doubt, the General Reserve Fund Excess Amount to be applied on any Interest Payment Date will be determined taking into account any General Reserve Fund Release Amount to be applied on that same Interest Payment Date.

(iv) the "**Principal Deficiency Ledger**", which will record on the appropriate sub-ledger as a debit deficiencies arising from Losses on the Portfolio (on the date the Cash Manager receives notice of such Losses from the Servicer) and Principal Addition Amounts (on the Calculation Date on which such Principal Addition Amounts are determined by the Cash Manager) and record as a credit Available Revenue Receipts applied as Available Redemption Receipts (including any amounts in respect of Enhanced Amortisation Amounts) pursuant to the Pre-Enforcement Revenue Priority of Payments (if any) on each Interest Payment Date (see "*Credit Structure – Principal Deficiency Ledger*" below);

(v) the "**Class A and Class B Liquidity Reserve Fund Ledger**", which will record amounts credited to, and debited from, the Class A and Class B Liquidity Reserve Fund. On each Interest Payment Date up to and including the Initial Reserve Funding Date, the Class A and Class B Liquidity Reserve Fund will be funded, on *pro rata and pari passu* basis, from the Available Redemption Receipts in an amount equal to the Class A and Class B Liquidity Reserve Fund Required Amount pursuant to item (a) of the Pre-Enforcement Redemption Priority of Payments. On each Interest Payment Date following the Initial Reserve Funding Date up to and excluding the Final Collateralised Notes Redemption Date, the Class A and Class B Liquidity Reserve Fund will be funded from Available Revenue Receipts in accordance with the Pre-

Enforcement Revenue Priority of Payments. On each Interest Payment Date up to and including the Class B Redemption Date (prior to delivery of an Enforcement Notice), the Cash Manager will, first, debit (i) an amount equal to the Class A and Class B Liquidity Reserve Fund Excess Amount from the Class A and Class B Liquidity Reserve Fund Ledger to be applied as Available Redemption Receipts; and (ii) an amount equal to the Class A and Class B Liquidity Reserve Fund Release Amount (if any) from the Class A and Class B Liquidity Reserve Fund Ledger to be applied in meeting any Class A and Class B Liquidity Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order in which they appear in the Pre-Enforcement Revenue Priority of Payments and, second, following any such adjustments to the Class A and Class B Liquidity Reserve Fund Ledger, apply (on behalf of the Issuer) the Available Revenue Receipts pursuant to the Pre-Enforcement Revenue Priority of Payments and credit to the Class A and Class B Liquidity Reserve Fund Ledger the amount of Available Revenue Receipts applied on such Interest Payment Date to replenish the Class A and Class B Liquidity Reserve Fund up to the Class A and Class B Liquidity Reserve Fund Required Amount pursuant to item (i) of the Pre-Enforcement Revenue Priority of Payments.

(vi) the "**Issuer Profit Ledger**", which shall record as a credit any amounts retained by the Issuer as profit in accordance with the Pre-Enforcement Revenue Priority of Payments and the Post-Enforcement Priority of Payments and as a debit any amount used to discharge any tax liability of the Issuer; and

(vii) the "**Swap Collateral Ledger**", which shall record as a credit (A) any Swap Collateral received from the Swap Provider, (B) any Replacement Swap Premium received by the Issuer from a replacement swap provider, (C) any termination payment received by the Issuer from an outgoing Swap Provider, and (D) Swap Tax Credits and record as a debit any sums paid in accordance with the Swap Collateral Account Priority of Payments. Amounts and securities standing to the credit of each Swap Collateral Account (including interest, distributions and redemption or sale proceeds thereon or thereof) and recorded on the Swap Collateral Ledger will be applied by the Cash Manager in accordance with the Swap Collateral Account Priority of Payments;

(b) calculate on each Calculation Date (prior to delivery of an Enforcement Notice) the amount of Available Revenue Receipts and Available Redemption Receipts to be applied on the immediately following Interest Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments or the Pre-Enforcement Redemption Priority of Payments (as applicable);

(c) calculate on each Calculation Date up to and including the Calculation Date immediately preceding the Class B Redemption Date (prior to the delivery of an Enforcement Notice) the amount of any Class A and Class B Liquidity Reserve Fund Release Amount to be applied on the immediately following Interest Payment Date (such amount to be determined after calculation of the Available Revenue Receipts to be applied on such Interest Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments on such Interest Payment Date);

(d) calculate on each Calculation Date up to and including the Calculation Date immediately preceding the Final Collateralised Notes Redemption Date (prior to the delivery of an Enforcement Notice) the amount of any Principal Addition Amounts to be applied on the immediately following Interest Payment Date (such amount to be determined after calculation of any Class A and Class B Liquidity Reserve Fund Release Amounts to be applied to meet any Class A and Class B Liquidity Deficit and the Available Revenue Receipts to be applied on such Interest Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments on such Interest Payment Date) and drawn from Available Redemption Receipts on such Interest Payment Date; and

(e) provide the Issuer, the Seller, the Servicer, the Trustee, the Noteholders, Certificateholders the Rating Agencies, Bloomberg and (subject to the written consent of the Servicer) any other person requesting such report with the Investor Report.

The Cash Manager, on behalf of and in the name of the Issuer (and in accordance with the instructions of the Issuer), may instruct the Issuer Account Bank to invest monies standing from time to time to the credit of the Deposit Account in Authorised Investments as determined by the Servicer, subject to the following provisions:

(a) any investment in any Authorised Investments shall be made in the name of the Issuer;

(b) any costs properly incurred in making, changing or otherwise disposing of any investment in any Authorised Investments will be reimbursed to the Cash Manager by the Issuer; and

(c) all income and other distributions arising on, or proceeds following the disposal or maturity of, Authorised Investments shall be credited to the Deposit Account.

The Cash Manager shall not be responsible (save where any loss results from the Cash Manager's own fraud, wilful default or gross negligence or that of its directors, officers or employees) for any loss occasioned by reason of any such investment in any Authorised Investments or any purported investment in any Authorised Investments whether by depreciation in value or otherwise, **provided that** any such investment in any Authorised Investments was made in accordance with the terms of the Cash Management Agreement.

Reporting by the Cash Manager

The Cash Manager shall prepare and deliver to the Issuer, the Servicer, the Seller and the Trustee, the Investor Report and the Cash Manager Investor Report by no later than the Interest Payment Date, in each case **provided that** the Seller has delivered the Loan Level Report and the Servicer Report by no later than the Quarterly Servicer Report Date.

The Cash Manager shall:

(i) publish each Cash Manager Investor Report relating to the immediately preceding Collection Period on the Citibank Website (or such other website as may be available for such purpose and notified by the Cash Manager to the Issuer, the Trustee, the Seller and the Servicer) on or around the Interest Payment Date; and

(ii) email each Investor Report to the Seller for publication on the SR Website no later than one month following the related Interest Payment Date.

For the avoidance of doubt, the posting of such reports on the Citibank Website is not intended to satisfy the Issuer's obligations under the UK Securitisation Framework and the EU Securitisation Regulation (as in force on the Closing Date) and the Citibank Website will not be the website that conforms to the requirements set out in SECN 6.3, Article 7(2) of the PRA Securitisation Rules and Article 7(2) of the EU Securitisation Regulation (as in force on the Closing Date).

Cash Manager and Directions from the Trustee

The Cash Manager will act upon the direction of the Trustee (given in accordance with the terms and provisions of the Deed of Charge), until instructed otherwise by the Trustee, upon the Trustee notifying the Cash Manager that an Enforcement Notice has been served on the Issuer.

Remuneration of Cash Manager

The Cash Manager will be paid a cash management fee (exclusive of VAT, if any) for its cash management services under the Cash Management Agreement. Such fees will be determined under a separate fee letter between the Issuer and the Cash Manager. The cash management fee is payable quarterly in arrear on each Interest Payment Date in the manner contemplated by and in accordance with the provisions of the Pre-Enforcement Revenue Priority of Payments or, as the case may be, the Post-Enforcement Priority of Payments.

Termination of Appointment and Replacement of Cash Manager

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

(a) default is made by the Cash Manager in the payment on the due date of any payment required to be made under the Cash Management Agreement and such default continues unremedied for a period of five Business Days after the earlier of the Cash Manager becoming aware of the default and receipt by the Cash Manager of written notice from the Issuer or (following the delivery of an Enforcement Notice) the Trustee, as the case may be, requiring the default to be remedied;

(b) without prejudice to (a) above:

(i) default is made by the Cash Manager in the performance or observance of any of its other covenants and obligations under the Cash Management Agreement; or

(ii) any of the warranties given by the Cash Manager proves to be untrue, incomplete or inaccurate; or

(iii) any certification or statement made by the Cash Manager in any certificate or other document delivered pursuant to the Cash Management Agreement proves to be untrue, incomplete or inaccurate,

and, if it is capable of being remedied, such default continues unremedied for a period of thirty 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 Issuer or (following the delivery of an Enforcement Notice) the Trustee, as the case may be, requiring the same to be remedied;

(c) any Insolvency Event occurs in relation to the Cash Manager; or

(d) it is or will become unlawful for the Cash Manager to perform or comply with any of its obligations under the Cash Management Agreement or any other relevant Transaction Document,

then prior to the delivery of an Enforcement Notice, the Issuer (with the written consent of the Trustee), or following the delivery of an Enforcement Notice, the Trustee, may, at once or at any time thereafter while such default continues, by notice in writing to the Cash Manager (with a copy to the Trustee if such notice is delivered by the Issuer), terminate its appointment as Cash Manager under the Cash Management Agreement with effect from a date (not earlier than the date of the notice) specified in such notice or (if later) the date that a replacement Cash Manager has been appointed. In determining whether to give or withhold consent to the termination of the Cash Manager by the Issuer, the Trustee will have regard to factors including*, inter alia*, the availability of a substitute cash manager. Upon termination of the appointment of the Cash Manager, the Issuer shall use reasonable endeavours to appoint a substitute cash manager that satisfies the Conditions set out below.

Any substitute cash manager:

(a) must have the requisite cash management experience to perform the functions to be given to it in the Cash Management Agreement;

(b) must agree to enter into an agreement with the Issuer on terms substantially similar to those set out in the Cash Management Agreement, pursuant to which the substitute cash manager agrees to assume and perform all material duties and obligations of the Cash Manager under the Cash Management Agreement;

(c) should be resident for tax purposes solely in the United Kingdom; and

(d) if any Notes are outstanding, be an entity, the appointment of which shall not result in a downgrade, withdrawal or qualification of the then current rating of the Collateralised Notes (as confirmed in a Rating Agency Confirmation addressed to the Trustee), unless the holders of the relevant classes of Notes otherwise agree by an Extraordinary Resolution.

For the avoidance of doubt, upon termination of the appointment of the Cash Manager, if the Issuer is unable to find a suitable third party willing to act as a substitute cash manager, this shall not constitute any breach of the provisions of the Cash Management Agreement.

Resignation of the Cash Manager

The Cash Manager may resign on giving not less than 90 days written notice (or such shorter time as may be agreed between the Cash Manager, the Issuer, the Seller, the Servicer and the Trustee) of its resignation to the Issuer, the Servicer, the Seller and the Trustee, **provided that** a substitute cash manager shall be appointed, such appointment to be effective not later than the date of such termination and the Conditions specified above are fulfilled in respect of any substitute cash manager.

Payments under the Swap Agreement

The Seller shall make any determinations required to be made by the Issuer under the Swap Agreement and notify the Servicer, the Cash Manager and the Swap Provider upon making such determinations.

Governing Law

The Cash Management Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

The Bank Account Agreement

Pursuant to the Bank Account Agreement, the Issuer will maintain with the Issuer Account Bank the Deposit Account and the Swap Collateral Account which will be operated in accordance with the Bank Account Agreement, Cash Management Agreement, the Deed of Charge and, in relation to the Swap Collateral Account, the Issuer will enter into the Custody Agreement with the Custodian. The Issuer Account Bank is required to have the Account Bank Minimum Rating.

Interest

If any amount is standing to the credit of an Issuer Account (other than the Deposit Account), such amount will bear interest at a rate and as agreed from time to time in writing between the Issuer and the Issuer Account Bank.

Governing Law

The Bank Account Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

The Corporate Services Agreement

Pursuant to the Corporate Services Agreement, the Corporate Services Provider will provide the Issuer and Holdings with certain corporate and administrative functions against the payment of a fee. Such services include, *inter alia*, the performance of all general book-keeping, secretarial, registrar and company administration services for the Issuer and Holdings (including the provision of directors), providing the directors with information in connection with the Issuer and Holdings, and the arrangement for the convening of shareholders' and directors' meetings.

Governing Law

The Corporate Services Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

The Collection Account Declaration of Trust

The Collection Account is held by the Legal Title Holder at the Collection Account Bank, to which all Collections are received from the Borrower. The Legal Title Holder has declared a trust over amounts credited to the Collection Account in favour of, among others, the Seller pursuant to the Existing Collection Account Declarations of Trust. The Seller will declare a sub-trust over its beneficial interest in the Collection Account in favour of itself and the Issuer pursuant to the Collection Account Declaration of Trust.

Governing Law

The Collection Account Declaration of Trust and any non-contractual obligations arising out of or in connection with it will be governed by English law.

Deed Poll

Portfolio Purchase Option

Pursuant to the Deed Poll the Portfolio Purchase Option Holder has an option (the "**Portfolio Purchase Option**") on and from the earlier of (x) the Interest Payment Date falling immediately prior to the Optional Redemption Date and any Interest Payment Date thereafter; and (y) any Interest Payment Date on and following: (i) any date on which the Principal Amount Outstanding of all of the outstanding Notes is less than 10 per cent. of the Principal Amount Outstanding of all of the Notes as at the Closing Date; or (ii) the occurrence of any of the circumstances set out in limbs (a) or (b) of Condition 8.4 (*Redemption of the Notes pursuant to Taxation call*), to require the Issuer to:

(a) sell and transfer to the Portfolio Purchase Option Holder (or its nominee) the beneficial title to the Portfolio Purchase Option Loans;

(b) transfer to the Portfolio Purchase Option Holder (or its nominee) the right to legal title to the Portfolio Purchase Option Loans and their Related Security;

(c) direct that the Legal Title Holder transfer legal title to the Portfolio Purchase Option Holder or its nominee specified as such in the Exercise Notice; and

(d) serve all relevant notices and take all steps (including carrying out requisite registrations and recordings) in order to vest or transfer legal title in and to the Portfolio Purchase Option Loans in or to its legal title transferee or its nominee, in each case subject to the terms of the Deed Poll.

The Portfolio Purchase Option Purchase Price

The purchase price for the Portfolio under the Portfolio Purchase Option shall be the Portfolio Purchase Option Purchase Price. The Issuer shall request the Cash Manager to calculate and provide the Issuer with the Portfolio Purchase Option Purchase Price (or, where such calculation is made prior to the Calculation Date immediately preceding the Portfolio Purchase Option Completion Date, an estimate of the Portfolio Purchase Option Purchase Price shall be calculated, and the final Portfolio Purchase Option Purchase Price shall be calculated by the Cash Manager on the Calculation Date immediately preceding the Portfolio Purchase Option Completion Date), and such price shall be the Portfolio Purchase Option Purchase Price **provided that** the calculation of such Portfolio Purchase Option Purchase Price by the Cash Manager does not constitute a manifest error.

Payment of the Portfolio Purchase Option Purchase Price

The Portfolio Purchase Option Holder or its nominee will be required to deposit the full amount of the Portfolio Purchase Option Purchase Price (subject to any netting of its own holdings) in the Deposit Account on the date of execution of a binding agreement for the sale of the beneficial interest in the Portfolio Purchase Option Loans, no later than the day falling five Business Days immediately preceding the Interest Payment Date on which the Notes are to be redeemed or such later date as agreed with the Trustee or (after the delivery of an Enforcement Notice) take such other action agreed with the Trustee. The Portfolio Purchase Option Purchase Price will be held in escrow pending completion of transfer of the beneficial title to the Portfolio Purchase Option Loans on that Interest Payment Date, upon which date the full amount of the Portfolio Purchase Option Purchase Price will be applied in accordance with the Post-Enforcement Priority of Payments to pay accrued interest, fees, costs and expenses of the Issuer and to effect a redemption in full of the Notes pursuant to Condition 8.3 (*Redemption of the Notes in full pursuant to 10 per cent. clean-up call*), 8.4 (*Redemption of the Notes pursuant to Taxation call*) or 8.5 (*Mandatory Redemption in full pursuant to the exercise of the Portfolio Purchase Option*), as applicable.

Where the sale to the Portfolio Purchase Option Holder does not contemplate a transfer of the legal title to the Loans being sold, the exercise of the Portfolio Purchase Option shall be conditional on the

consent of the Legal Title Holder, to hold legal title on behalf of the Portfolio Purchase Option Holder or its nominee.

Governing Law

The Deed Poll and any non-contractual obligations arising out of or in connection with it will be governed by English law.

Other Agreements

For a description of the Swap Agreement, see "*Credit Structure*" below.

CREDIT STRUCTURE

The Notes and Certificates are Obligations of the Issuer only. The Notes and Certificates are not obligations of, or the responsibility of, or guaranteed by, any person other than the Issuer. In particular, the Notes and Certificates are not obligations of, or the responsibility of, or guaranteed by, any of the Transaction Parties. No liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes and Certificates shall be accepted by any of the Transaction Parties or by any other person other than the Issuer.

The structure of the credit support arrangements may be summarised as follows:

1. **Liquidity Support for the Notes provided by Available Revenue Receipts**

   It is anticipated that, during the life of the Notes, the interest payable by Borrowers on the Loans will, assuming that all of the Loans are fully performing, be sufficient so that the Available Revenue Receipts will be sufficient to pay the amounts payable under items (a) to (w) (inclusive) of the Pre-Enforcement Revenue Priority of Payments. The actual amount of any RC1 Payment Amounts and RC2 Payment Amounts payable under item (x) of the Pre-Enforcement Revenue Priority of Payments will vary during the life of the Notes. Two of the key factors determining such variation are the interest rates applicable to the Loans in the Portfolio relative to the interest rates on the Notes (taking into account in respect of the amounts due to or by the Issuer pursuant to the terms of the Swap Agreement) (as to which, see "*Interest Rate Risk for the Notes*" below) and the performance of the Portfolio.

   Available Revenue Receipts will be applied (after making payments ranking higher in the Pre-Enforcement Revenue Priority of Payments) on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments, towards reducing any Principal Deficiency Ledger entries which may arise from Losses on the Portfolio and from the application of Available Redemption Receipts as Principal Addition Amounts to cure any Senior Expenses Deficit in accordance with the Pre-Enforcement Redemption Priority of Payments.

   To the extent that the amount of Available Revenue Receipts on each Interest Payment Date up to but excluding the Class B Redemption Date exceeds the aggregate of the payments required to be met under items (a) to (h) (inclusive) of the Pre-Enforcement Revenue Priority of Payments, such excess is available to replenish the Class A and Class B Liquidity Reserve Fund Ledger up to and including an amount equal to the Class A and Class B Liquidity Reserve Fund Required Amount.

   To the extent that the amount of Available Revenue Receipts on each Interest Payment Date up to and excluding the Final Collateralised Notes Redemption Date exceeds the aggregate of the payments required to be met under items (a) to (p) (inclusive) of the Pre-Enforcement Revenue Priority of Payments, such excess is available to replenish the General Reserve Fund up to an amount equal to the General Reserve Fund Required Amount.

   To the extent that the amount of Available Revenue Receipts on each Interest Payment Date from and including the Optional Redemption Date exceeds the aggregate of the payments required to be met under items (a) to (t) (inclusive) of the Pre-Enforcement Revenue Priority of Payments, an amount equal to the lesser of: (i) all remaining amounts (if any); and (ii) the amount required by the Issuer to pay in full all amounts payable under items (a) to (h) (inclusive) of the Pre-Enforcement Redemption Priority of Payments, less any Available Redemption Receipts (other than item (c) of the definition thereof) otherwise available to the Issuer, is available as Enhanced Amortisation Amounts to be applied as Available Redemption Receipts in accordance with the Pre-Enforcement Redemption Priority of Payments.

2. **General Reserve Fund and General Reserve Fund Ledger**

   On the Closing Date, the Issuer will establish the General Reserve Fund to provide credit enhancement and liquidity support for the Notes. The General Reserve Fund will be deposited in the Deposit Account (with a corresponding credit being made to the General Reserve Fund Ledger). The Issuer may invest the amounts standing to the credit of the General Reserve Fund

from time to time in Authorised Investments. For more information about the application of the amounts standing to the credit of the General Reserve Fund, see the section "*Cashflows – Application of Monies released from the General Reserve Fund*" below.

The Cash Manager will maintain the General Reserve Fund Ledger pursuant to the Cash Management Agreement to record the balance from time to time of the General Reserve Fund.

After the Initial Reserve Funding Date, on each Interest Payment Date up to and excluding the Final Collateralised Notes Redemption Date, the General Reserve Fund will be replenished up to the General Reserve Fund Required Amount from Available Revenue Receipts (to the extent available) in accordance with the provisions of the Pre-Enforcement Revenue Priority of Payments.

Following the determination by the Cash Manager on each Calculation Date up to and including the Calculation Date immediately preceding the Final Collateralised Notes Redemption Date of the General Reserve Fund Required Amount in respect of the immediately following Interest Payment Date, the Cash Manager shall determine the General Reserve Fund Excess Amount for application as Available Redemption Receipts on the immediately following Interest Payment Date (if any).

On each Interest Payment Date up to and excluding the Final Collateralised Notes Redemption Date, the Cash Manager will apply as Available Redemption Receipts the General Reserve Fund Excess Amount (as determined on the immediately preceding Calculation Date).

On any Calculation Date up to and including the Calculation Date immediately preceding the Final Collateralised Notes Redemption Date (prior to the delivery of an Enforcement Notice), if the Cash Manager determines that on the immediately following Interest Payment Date, there would be a Revenue Deficit, the Cash Manager will apply on such Interest Payment Date an amount from the General Reserve Fund equal to the General Reserve Fund Release Amount, in meeting such Revenue Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order that they appear in the Pre-Enforcement Revenue Priority of Payments (any such amount to be debited from the General Reserve Fund Ledger immediately prior to the application of Available Revenue Receipts pursuant to the Pre-Enforcement Revenue Priority of Payments on such Interest Payment Date).

On the Final Collateralised Notes Redemption Date only (but prior to the delivery of an Enforcement Notice), all amounts standing to the credit of the General Reserve Fund Ledger (after first having applied any Class A and Class B Liquidity Reserve Fund Release Amounts in meeting any Class A and Class B Liquidity Deficit and then any General Reserve Fund Release Amount to meet any Revenue Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order they appear in the Pre-Enforcement Revenue Priority of Payments, and debiting such amounts from the Class A and Class B Liquidity Reserve Fund Ledger and/or the General Reserve Fund Ledger in accordance with the Pre-Enforcement Revenue Priority of Payments, in each case on such Final Collateralised Notes Redemption Date) will be applied as Available Redemption Receipts in accordance with the Pre-Enforcement Redemption Priority of Payments.

Following the delivery of an Enforcement Notice, all amounts standing to the credit of the General Reserve Fund will be applied in accordance with the Post-Enforcement Priority of Payments.

3. **Use of Available Redemption Receipts to pay Senior Expenses Deficit**

On each Calculation Date prior to the delivery of an Enforcement Notice, and with reference to the immediately following Interest Payment Date, the Cash Manager will calculate whether there will be a shortfall of Available Revenue Receipts and any Class A and Class B Liquidity Reserve Fund Release Amounts and any General Reserve Fund Release Amounts in meeting a Senior Expenses Deficit on such Interest Payment Date. If the Cash Manager determines that there will be a Senior Expenses Deficit, then pursuant to item (b) of the Pre-Enforcement Redemption Priority of Payments, the Cash Manager on behalf of the Issuer shall apply an amount of Available Redemption Receipts equal to the lesser of:

(a) the amount of Available Redemption Receipts available for application pursuant to the Pre-Enforcement Redemption Priority of Payments on such Interest Payment Date; and

(b) the amount of such Senior Expenses Deficit,

(such amount being the "**Principal Addition Amounts**"), in meeting such Senior Expenses Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order that they appear in the Pre-Enforcement Revenue Priority of Payments.

Any Available Redemption Receipts applied as Principal Addition Amounts will be recorded as a debit on the Principal Deficiency Ledger (as further described below).

For more information about the application of Available Redemption Receipts to pay Senior Expenses Deficits, see the section "*Cashflows – Application of Available Redemption Receipts to cure a Senior Expenses Deficit*".

4. **Class A and Class B Liquidity Reserve Fund and Class A and Class B Liquidity Reserve Fund Ledger**

On the Closing Date, the Issuer will establish the Class A and Class B Liquidity Reserve Fund to provide liquidity support (and ultimately, credit enhancement) for the Class A Notes and the Class B Notes. The Class A and Class B Liquidity Reserve Fund will be deposited in the Deposit Account (with a corresponding credit being made to the Class A and Class B Liquidity Reserve Fund Ledger). The Issuer may invest amounts standing to the credit of the Class A and Class B Liquidity Reserve Fund in Authorised Investments. For more information about the application of the amounts standing to the credit of the Class A and Class B Liquidity Reserve Fund, see the section "*Cashflows – Application of Monies released from the Class A and Class B Liquidity Reserve Fund*" below.

The Cash Manager will maintain the Class A and Class B Liquidity Reserve Fund Ledger pursuant to the Cash Management Agreement to record the balance from time to time of the Class A and Class B Liquidity Reserve Fund.

After the Initial Reserve Funding Date, on each Interest Payment Date up to but excluding the Class B Redemption Date, the Class A and Class B Liquidity Reserve Fund will be replenished up to the Class A and Class B Liquidity Reserve Fund Required Amount from Available Revenue Receipts (to the extent available) in accordance with the provisions of the Pre-Enforcement Revenue Priority of Payments.

Following the determination by the Cash Manager on each Calculation Date up to but excluding the Calculation Date immediately preceding the Class B Redemption Date of the Class A and Class B Liquidity Reserve Fund Required Amount in respect of the immediately following Interest Payment Date, the Cash Manager shall determine the Class A and Class B Liquidity Reserve Fund Excess Amount to be applied as Available Redemption Receipts on the immediately following Interest Payment Date (if any).

On any Calculation Date up to and including the Calculation Date immediately preceding the Class B Redemption Date (prior to the delivery of an Enforcement Notice), if the Cash Manager determines that on the immediately following Interest Payment Date, there would be a Class A and Class B Liquidity Deficit, the Cash Manager will apply on such Interest Payment Date an amount from the Class A and Class B Liquidity Reserve Fund equal to the Class A and Class B Liquidity Reserve Fund Release Amount, in meeting such Class A and Class B Liquidity Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order that they appear in the Pre-Enforcement Revenue Priority of Payments (any such amount to be debited from the Class A and Class B Liquidity Reserve Fund Ledger immediately prior to the application of any Principal Addition Amounts and Available Revenue Receipts pursuant to the Pre-Enforcement Revenue Priority of Payments on such Interest Payment Date).

On the Class B Redemption Date only (but prior to the delivery of an Enforcement Notice), all amounts standing to the credit of the Class A and Class B Liquidity Reserve Fund (after first

having applied any Class A and Class B Liquidity Reserve Fund Release Amount in meeting any Class A and Class B Liquidity Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order they appear in the Pre-Enforcement Revenue Priority of Payments and debiting such amount from the Class A and Class B Liquidity Reserve Fund Ledger) will be applied as Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments.

Following the delivery of an Enforcement Notice, all amount standing to credit of the Class A and Class B Liquidity Reserve Fund will be applied in accordance with the Post-Enforcement Priority of Payments.

5. **Principal Deficiency Ledger**

A Principal Deficiency Ledger will be established to record any Losses affecting the Loans in the Portfolio and/or any Principal Addition Amounts. The "**Principal Deficiency Ledger**" will comprise the following sub-ledgers: the Class A Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger, the Class C Principal Deficiency Sub-Ledger, the Class D Principal Deficiency Sub-Ledger and the Class E Principal Deficiency Sub-Ledger, (each a "**Principal Deficiency Sub-Ledger**"). Any Losses on the Portfolio and/or any Principal Addition Amounts will be recorded as a debit (on the date that the Cash Manager is informed of such Losses by the Servicer or such Principal Addition Amounts are determined by the Cash Manager (as applicable)) first (a) to the Class E Principal Deficiency Sub-Ledger up to a maximum amount equal to the Principal Amount Outstanding of the Class E Notes; then (b) to the Class D Principal Deficiency Sub-Ledger up to a maximum amount equal to the Principal Amount Outstanding of the Class D Notes; then (c) to the Class C Principal Deficiency Sub-Ledger up to a maximum amount equal to the Principal Amount Outstanding of the Class C Notes; then (d) to the Class B Principal Deficiency Sub-Ledger up to a maximum amount equal to the Principal Amount Outstanding of the Class B Notes; then (e) to the Class A Principal Deficiency Sub-Ledger up to a maximum amount equal to the aggregate Principal Amount Outstanding of the Class A Notes. Investors should note that realised Losses in any period will be calculated after applying any recoveries following enforcement of a Loan to outstanding fees and interest amounts due and payable on the relevant Loan.

The Cash Manager will record as a credit to the Principal Deficiency Ledger (i) Available Revenue Receipts applied pursuant to items (g), (j), (l), (n) and (p) of the Pre-Enforcement Revenue Priority of Payments (if any) (which amounts shall, for the avoidance of doubt, thereupon become Available Redemption Receipts) and (ii) Enhanced Amortisation Amounts applied in accordance with item (r) of the Pre-Enforcement Revenue Priority of Payments (which amounts shall, for the avoidance of doubt, thereupon become Available Redemption Receipts).

Any amount credited to the Principal Deficiency Ledger in respect of Enhanced Amortisation Amounts will be reduced to the extent of any future Losses arising in respect of the Portfolio.

6. **Available Revenue Receipts and Available Redemption Receipts**

Available Revenue Receipts and Available Redemption Receipts shall be applied on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments and the Pre-Enforcement Redemption Priority of Payments, respectively. Other than amounts which the Issuer expects to generate in each accounting period as its profit in respect of the business of the Issuer, amounts standing to the credit of the Class A and Class B Liquidity Reserve Fund Ledger (other than any amounts representing Class A and Class B Liquidity Reserve Fund Release Amounts or Class A and Class B Liquidity Reserve Fund Excess Amounts), amounts standing to the credit of the General Reserve Fund Ledger (other than any amounts representing General Reserve Fund Release Amounts or General Reserve Fund Excess Amounts) and the Swap Collateral Ledger (if any), it is not intended that any surplus will be accumulated in the Issuer.

If, on any Interest Payment Date while there are Notes outstanding, the Issuer has insufficient Available Revenue Receipts, General Reserve Fund Release Amounts, Class A and Class B

Liquidity Reserve Fund Release Amounts and Principal Addition Amounts to pay the interest that would otherwise be payable absent the deferral provisions in respect of the Notes other than in respect of the Most Senior Class of Notes (and other than where the Most Senior Class is the Class X Notes), then the Issuer will be entitled under Condition 18 (*Subordination by Deferral*) to defer payment of that amount (to the extent of the insufficiency) until the following Interest Payment Date. Any such deferral in accordance with the deferral provisions contained in the Conditions will not constitute an Event of Default. However, failure to pay interest on the Most Senior Class of Notes (other than where the Most Senior Class is the Class X Notes) within any applicable grace period in accordance with the Conditions shall constitute an Event of Default under the Notes which may result in the Trustee enforcing the Security.

7. **Interest Rate Risk for the Notes**

Swap Agreement

On or prior to the Closing Date, the Issuer and the Swap Provider entered into the Swap Agreement.

Swap Transaction

Some of the Loans in the Portfolio pay or will pay a fixed rate of interest for an initial period of time. However, the Issuer's liabilities under the Notes are based on SONIA for the relevant period.

To provide a hedge against the possible variance between:

(a) the fixed rates of interest payable on the Fixed Rate Loans in the Portfolio; and

(b) the rate of interest under the Floating Rate Notes being calculated by reference to SONIA,

the Issuer has entered into the Swap Transaction with the Swap Provider under the Swap Agreement.

Under the Swap Transaction, on each Interest Payment Date the Issuer will pay to the Swap Provider an amount calculated by reference to a fixed rate, and the Swap Provider will pay to the Issuer a floating amount calculated by reference to Compounded Daily SONIA in accordance with the Swap Agreement.

On each Interest Payment Date (subject to being paid net of the Swap Provider Swap Amount), the Issuer will pay an amount to the Swap Provider (the "**Issuer Swap Amount**") which shall be equal to the product of:

(a) notional amount of the Swap Transaction for the related calculation period thereunder;

(b) a fixed rate; and

(c) the Day Count Fraction,

provided that in the event the fixed rate under the Swap Transaction is negative such that the amount due and payable by the Issuer to the Swap Provider on an Interest Payment Date would be a negative sum, the Swap Provider shall instead pay to the Issuer the absolute value of such amount as part of the Swap Provider Swap Amount.

Notwithstanding the foregoing, (i) in the event Compounded Daily SONIA as calculated under the Swap Agreement is negative for any related calculation period such that the amount due and payable by the Swap Provider to the Issuer on such Interest Payment Date would be a negative sum, the Issuer shall instead pay to the Swap Provider the absolute value of such amount and/or (ii) in the event the fixed rate under the Swap Transaction is negative such that the amount due and payable by the Issuer to the Swap Provider on an Interest Payment Date would be a negative sum, the Swap Provider shall instead pay to the Issuer the absolute value of such amount.

The notional amount under the Swap Transaction is determined by reference to a fixed amortisation schedule. The amortisation schedule will be based on the expected repayment profile of the Fixed Rate Loans assuming a zero per cent. constant prepayment rate and zero per cent. defaults and delinquencies. The notional amount under the Swap Transaction is independent from, and does not necessarily match to, the balance of the Fixed Rate Loans in the Portfolio for the related calculation period under the Swap Transaction.

The Swap Transaction may not fully hedge the Issuer's interest rate risk as discussed under the section entitled "*Risk Factors – Interest Rate Risk*" above.

General

If a payment is made by the Swap Provider (other than (i) any early termination amount received by the Issuer under the Swap Agreement, (ii) Swap Collateral, (iii) any Replacement Swap Premium paid to the Issuer, and (iv) amounts in respect of Swap Tax Credits on such Interest Payment Date excluding, in each case, any Swap Collateral Account Surplus which is to be applied as Available Revenue Receipts in accordance with the Swap Collateral Account Priority of Payments), that payment will be included in the Available Revenue Receipts and will be applied on the relevant Swap Payment Date according to the applicable Priority of Payments. If a payment is to be made by the Issuer, it will be made according to the applicable Priority of Payments of the Issuer.

Under the terms of the Swap Agreement, in the event that the relevant rating(s) of the Swap Provider assigned by a Rating Agency falls below the required swap rating (the "**Required Swap Rating**") (as to which see further the section entitled "*Triggers Tables*"), the Swap Provider will, in accordance with the Swap Agreement, be required to take certain remedial measures within the time-frame stipulated in the Swap Agreement and at its own cost which may include providing collateral for its obligations under the Swap Transaction, arranging for its obligations under the Swap Transaction to be transferred to an entity with the Required Swap Ratings or procuring another eligible entity with the Required Swap Ratings to become co-obligor or guarantor, as applicable, in respect of its obligations under the Swap Transaction. If the remedial measures following a downgrade below the Required Swap Rating are not taken within the applicable time frames, this will in certain circumstances permit the Issuer to terminate the Swap Agreement early.

The Swap Transaction may be terminated in certain circumstances, including the following, each as more specifically defined in the Swap Agreement (an "**Early Termination Event**"):

(a) if there is a failure by a party to pay amounts due under the Swap Agreement and any applicable grace period has expired;

(b) if certain insolvency events occur with respect to the Swap Provider or the Issuer;

(c) if a material misrepresentation is made by the Swap Provider under the Swap Agreement;

(d) if a breach of a provision of the Swap Agreement by the Swap Provider is not remedied within the applicable grace period;

(e) if a change of law results in the obligations of one of the parties becoming illegal;

(f) if certain force majeure events occur and result in one of the parties being prevented from performing its obligations, receiving payments or complying with any material provision of the Swap Agreement;

(g) in certain circumstances, if a deduction or withholding for or on account of taxes is imposed on payments under the Swap Transaction due to a change in law;

(h) if the Swap Provider is downgraded and fails to comply with the requirements of the downgrade provisions contained in the Swap Agreement and described above;

(i) service by the Trustee of an Enforcement Notice on the Issuer pursuant to Condition 11 (*Events of Default*) of the Notes;

(j) if there is a redemption in full of the Notes pursuant to Conditions 8.3 (*Redemption of the Notes in full pursuant to 10 per cent. clean-up call*), 8.4 (*Redemption of the Notes pursuant to Taxation call*) or 8.5 (*Mandatory Redemption in full pursuant to the exercise of the Portfolio Purchase Option*); and

(k) any of the Transaction Documents are modified, waived, amended or supplemented or such modification, waiver, amendment or supplement is consented to by the Noteholders and/or the Certificateholders without the Swap Provider's prior written consent (and such consent not to be unreasonably withheld or delayed) and such, modification, waiver, amendment or supplement would have the effect:

  (i) that immediately thereafter, the Swap Provider would be required to pay more or to receive less from a third-party transferee if it were to transfer each of the Transaction(s) (as defined in the Swap Agreement) to such third-party transferee (subject to and in accordance with the terms of the Swap Agreement) than would otherwise be the case if such amendment, modification, waiver, supplement or consent were not made;

  (ii) of altering the amount, timing or priority of any payments due from the Issuer to the Swap Provider or from the Swap Provider to the Issuer;

  (iii) of altering any requirement to obtain the Swap Provider's prior consent (written or otherwise) in respect of any matter;

  (iv) of altering the Swap Provider's status as a Secured Creditor; or

  (v) of altering the rights of the Swap Provider in relation to the Security (howsoever described, and including as a result of changing the nature or the scope of, or releasing such Security) granted by the Issuer in favour of the Trustee on behalf of the Secured Creditors.

Under the terms of the Swap Agreement, upon an early termination of the Swap Transaction, depending on the type of Early Termination Event and the circumstances prevailing at the time of termination, the Issuer or the Swap Provider may be liable to make a termination payment to the other. This termination payment will be calculated and made in Sterling. The amount of any termination payment may reflect, among other things, the cost of entering into a replacement transaction at the time, third-party market data such as rates, prices, yields and yield curves, or similar information derived from internal sources of the party making the determination and will include any unpaid amounts that became due and payable on or prior to the date of termination.

Depending on the terms of the Swap Transaction and the circumstances prevailing at the time of termination, any such termination payment could be substantial and may affect the funds available for paying amounts due to the Noteholders. Any termination payment made by the Swap Provider to the Issuer may be used by the Issuer as Replacement Swap Premium in order to find a replacement Swap Provider (and may therefore not be used as Available Revenue Receipts).

The Issuer will use its reasonable endeavours, upon termination of the Swap Agreement, to find a replacement Swap Provider although no guarantees of such replacement can be given.

The Issuer is not obliged under the Swap Agreement to gross up payments made by it if a withholding or deduction for or on account of taxes is imposed on payments made under the Swap Transaction.

The Swap Provider will generally be obliged to gross up payments made by it to the Issuer if a withholding or deduction for or on account of tax is imposed on payments made by it under the Swap Agreement.

The Swap Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

CASHFLOWS

Application of Monies released from the General Reserve Fund

Prior to delivery of an Enforcement Notice on the Issuer, (i) the General Reserve Fund Excess Amount will be applied on each Interest Payment Date up to but excluding the Final Collateralised Notes Redemption Date as Available Redemption Receipts in accordance with the Pre-Enforcement Redemption Priority of Payments and (ii) an amount equal to the General Reserve Fund Release Amount will be applied on each Interest Payment Date up to and excluding the Final Collateralised Notes Redemption Date to meet any Revenue Deficit existing on such Interest Payment Date against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order that they appear in the Pre-Enforcement Revenue Priority of Payments. For the avoidance of doubt, the General Reserve Fund Excess Amount to be applied on any Interest Payment Date in accordance with limb (i) above will be determined taking into account any General Reserve Fund Release Amount to be applied on that same Interest Payment Date.

On the Final Collateralised Notes Redemption Date only, all amounts standing to the credit of the General Reserve Fund Ledger (after first having applied any Class A and Class B Liquidity Reserve Fund Release Amount in meeting any Class A and Class B Liquidity Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order they appear in the Pre-Enforcement Revenue Priority of Payments and debiting such amount from the Class A and Class B Liquidity Reserve Fund Ledger and any General Reserve Fund Release Amount in meeting any Revenue Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order they appear in the Pre-Enforcement Revenue Priority of Payments and debiting such amount from the General Reserve Fund Ledger) will be applied as Available Redemption Receipts in accordance with the Pre-Enforcement Redemption Priority of Payments.

Following delivery of an Enforcement Notice on the Issuer, all amounts standing to the credit of the General Reserve Fund Ledger will be applied in accordance with the Post-Enforcement Priority of Payments.

Application of Available Redemption Receipts to cure a Senior Expenses Deficit

Prior to delivery of an Enforcement Notice on the Issuer, if the Cash Manager calculates that there will be a Senior Expenses Deficit on the immediately following Interest Payment Date (taking into account any Class A and Class B Liquidity Reserve Fund Release Amounts and any General Reserve Fund Release Amounts), the Issuer shall apply Available Redemption Receipts (to the extent available) as Principal Addition Amounts to meet any Senior Expenses Deficit on such Interest Payment Date against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order that they appear in the Pre-Enforcement Revenue Priority of Payments.

If any Principal Addition Amounts are applied on any Interest Payment Date in accordance with item (b) of the Pre-Enforcement Redemption Priority of Payments, the Issuer (or the Cash Manager on its behalf) will make a corresponding debit entry in the Principal Deficiency Ledger.

Application of Monies released from the Class A and Class B Liquidity Reserve Fund

Prior to delivery of an Enforcement Notice on the Issuer, (i) the Class A and Class B Liquidity Reserve Fund Excess Amount will be applied on each Interest Payment Date up to but excluding the Class B Redemption Date as Available Redemption Receipts in accordance with the Pre-Enforcement Redemption Priority of Payments and (ii) an amount equal to the Class A and Class B Liquidity Reserve Fund Release Amount will be applied on each Interest Payment Date up to and including the Class B Redemption Date to meet any Class A and Class B Liquidity Deficit existing on such Interest Payment Date against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order that they appear in the Pre-Enforcement Revenue Priority of Payments.

On the Class B Redemption Date only, all amounts standing to the credit of the Class A and Class B Liquidity Reserve Fund Ledger (after first having applied any Class A and Class B Liquidity Reserve Fund Release Amount in meeting any Class A and Class B Liquidity Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order they appear in the Pre-Enforcement Revenue Priority of Payments and debiting such amount from the Class A and Class B Liquidity

Reserve Fund Ledger) will be applied as Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments.

Following delivery of an Enforcement Notice on the Issuer, all amounts standing to the credit of the Class A and Class B Liquidity Reserve Fund Ledger will be applied in accordance with the Post-Enforcement Priority of Payments.

Application of Available Revenue Receipts prior to the delivery of an Enforcement Notice on the Issuer

On each relevant Interest Payment Date prior to the delivery of an Enforcement Notice by the Trustee on the Issuer, the Cash Manager, on behalf of the Issuer, shall apply or provide for the application of the Available Revenue Receipts, any General Reserve Fund Release Amount, any Class A and Class B Liquidity Reserve Fund Release Amount and any Principal Addition Amount in the following order of priority (in each case only if and to the extent that payments or provisions of a higher priority have been made in full) (the "**Pre-Enforcement Revenue Priority of Payments**"):

(a) *first*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of any fees, costs, charges, Liabilities, expenses and all other amounts then due to the Trustee and any Appointee under the provisions of the Trust Deed, the Deed of Charge and the other Transaction Documents together with (if payable) VAT thereon as provided therein;

(b) *second*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof (in each case without double counting) of:

(i) any remuneration then due and payable to the Agent Bank, the Custodian, the Registrar and the Paying Agents and any fees, costs, charges, Liabilities, expenses and all other amounts then due to them under the provisions of the Agency Agreement, together with (if payable) VAT thereon as provided therein;

(ii) any remuneration then due and payable to the Cash Manager and any fees, costs, charges, Liabilities, expenses and all other amounts then due under the provisions of the Cash Management Agreement, together with VAT (if payable) thereon as provided therein;

(iii) any amounts then due and payable to the Servicer (other than Third Party Amounts) and any fees (including the Servicing Fee), costs, charges, Liabilities and expenses then due under the provisions of the Servicing Agreement, together with VAT (if payable) thereon as provided therein;

(iv) any amounts then due and payable to the Legal Title Holder (including by way of indemnity) then due under the provisions of the Servicing Agreement together with (if payable) VAT thereon;

(v) any amounts then due and payable to the Back-Up Servicer Facilitator and any fees, costs, charges, Liabilities and expenses then due under the provisions of the Servicing Agreement, together with (if payable) VAT thereon as provided therein;

(vi) any amounts then due and payable to the Corporate Services Provider and any fees, costs, charges, Liabilities and expenses then due under the provisions of the Corporate Services Agreement, together with (if payable) VAT thereon as provided therein;

(vii) any remuneration then due and payable to the Issuer Account Bank and any Custodian and any fees, costs, charges, Liabilities, expenses and all other amounts then due under the provisions of the Bank Account Agreement and any Custody Agreement, together with (if applicable) VAT thereon as provided therein;

(viii) any amounts then due and payable to the Collection Account Bank and any fees, costs, charges, Liabilities and expenses then due, together with (if applicable) VAT thereon as provided therein; and

(ix) any amounts then due and payable to the Replacement Servicer and the Replacement Legal Title Holder and any fees, costs, charges, Liabilities and expenses then due under the provisions of the Servicing Agreement or the Mortgage Sale Agreement (as applicable), together with (if payable) VAT thereon as provided therein;

(c) *third*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:

(i) any amounts due and payable by the Issuer to third parties (other than Third Party Amounts) that (1) are incurred without breach by the Issuer of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere) (excluding Tax (but other than amounts of corporation tax payable pursuant to limb (2) of this item (c)(i))) and (2) are paid in accordance with the Transaction Documents, as well as any amounts required to pay or discharge any liability of the Issuer for corporation tax of the Issuer (but only to the extent not capable of being satisfied out of amounts retained by the Issuer under item (e) below); and

(ii) any Transfer Costs which the Servicer has failed to pay pursuant to the Servicing Agreement;

(d) *fourth*, to pay, in or towards satisfaction of any amounts due to the Swap Provider in respect of the Swap Agreement (including any termination payment due and payable by the Issuer) to the extent such amounts due cannot be satisfied by amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments other than any Swap Collateral Account Surplus, and excluding, if applicable, any related Swap Subordinated Amounts;

(e) *fifth*, to pay the Issuer an amount equal to the Issuer Profit Amount;

(f) *sixth*, to provide for amounts due on the relevant Interest Payment Date, to pay, *pro rata* and *pari passu*, interest due and payable on the Class A Notes;

(g) *seventh*, (so long as the Class A Notes remain outstanding following such Interest Payment Date), to credit the Class A Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Redemption Receipts);

(h) *eighth,* to provide for amounts due on the relevant Interest Payment Date, to pay, *pro rata* and *pari passu*, interest due and payable on the Class B Notes;

(i) *ninth*, following the Initial Reserve Funding Date, to credit the Class A and Class B Liquidity Reserve Fund Ledger up to the Class A and Class B Liquidity Reserve Fund Required Amount;

(j) *tenth*, (so long as the Class B Notes remain outstanding following such Interest Payment Date), to credit the Class B Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Redemption Receipts);

(k) *eleventh*, to provide for amounts due on the relevant Interest Payment Date, to pay, *pro rata* and *pari passu*, interest due and payable on the Class C Notes;

(l) *twelfth*, (so long as the Class C Notes remain outstanding following such Interest Payment Date), to credit the Class C Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Redemption Receipts);

(m) *thirteenth*, to provide the amounts due on the relevant Interest Payment Date, to pay, *pro rata* and *pari passu*, interest due and payable on the Class D Notes;

(n) *fourteenth*, (so long as the Class D Notes remain outstanding following such Interest Payment Date), to credit the Class D Principal Deficiency Sub-Ledger in an amount sufficient to

eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Redemption Receipts);

(o) *fifteenth*, to provide the amounts due on the relevant Interest Payment Date, to pay, *pro rata* and *pari passu*, interest due and payable on the Class E Notes;

(p) *sixteenth*, (so long as the Class E Notes remain outstanding following such Interest Payment Date), to credit the Class E Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon (such amounts to be applied in repayment of principal as Available Redemption Receipts);

(q) *seventeenth*, following the Initial Reserve Funding Date and prior to and excluding the Final Collateralised Notes Redemption Date, to credit the General Reserve Fund Ledger up to the General Reserve Fund Required Amount

(r) *eighteenth,* on any Interest Payment Date occurring on or after the Optional Redemption Date an amount equal to the lesser of:

(i) all remaining amounts (if any); and

(ii) the amount required by the Issuer to pay in full all amounts payable under items (a) to (h) (inclusive) of the Pre-Enforcement Redemption Priority of Payments, less any Available Redemption Receipts (other than item (c) of the definition thereof) otherwise available to the Issuer,

to be applied as Available Redemption Receipts;

(s) *nineteenth,* to provide for amounts due on the relevant Interest Payment Date, to pay, *pro rata* and *pari passu*, interest due and payable on the Class X Notes;

(t) *twentieth*, in or towards repayment, *pro rata* and *pari passu*, of principal amounts outstanding on the Class X Notes until the Principal Amount Outstanding on the Class X Notes has been reduced to zero;

(u) *twenty-first*, to pay in accordance with the terms of the Swap Agreement to the Swap Provider in respect of any Swap Subordinated Amounts (to the extent such amounts due cannot be satisfied by amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments other than any Swap Collateral Account Surplus);

(v) *twenty-second,* to pay any other amounts of Tax due and payable by the Issuer, which amounts have been incurred without breach by the Issuer of the Transaction Documents to which it is a party and for which payment has not been provided for elsewhere and where not otherwise provided for above;

(w) *twenty-third*, on any Interest Payment Date falling within a Determination Period, all remaining amounts to be credited to the Deposit Account to be applied on the next Interest Payment Date as Available Revenue Receipts; and

(x) *twenty-fourth*, either: (i) on any Interest Payment Date prior to (but excluding) the Optional Redemption Date, any excess amounts *pro rata* and *pari passu* as RC1 Payments to the holders of the RC1 Certificates; or (ii) on and from the Optional Redemption Date, any excess amounts *pro rata* and *pari passu* as RC2 Payments to the holders of the RC2 Certificates.

Application of Available Redemption Receipts prior to the delivery of an Enforcement Notice on the Issuer

Prior to the delivery of an Enforcement Notice on the Issuer, the Cash Manager on behalf of the Issuer is required pursuant to the terms of the Cash Management Agreement to apply Available Redemption Receipts on each Interest Payment Date in the following order of priority (the "**Pre-Enforcement Redemption Priority of Payments**") (in each case only if and to the extent that payments or provisions of a higher priority have been paid in full).

(a) *first*, up to and including the Initial Reserve Funding Date, in or towards funding, *pro rata* and *pari passu*, of the General Reserve Fund Ledger and the Class A and B Liquidity Reserve Fund Ledger up to the General Reserve Fund Required Amount and the Class A and B Liquidity Reserve Fund Required Amount respectively;

(b) *second*, any Principal Addition Amounts to be applied to meet any Senior Expenses Deficit;

(c) *third*, in or towards repayment, *pro rata* and *pari passu*, of principal amounts outstanding on the Class A Notes until the Principal Amount Outstanding on the Class A Notes has been reduced to zero;

(d) *fourth*, in or towards repayment, *pro rata* and *pari passu*, of principal amounts outstanding on the Class B Notes until the Principal Amount Outstanding on the Class B Notes has been reduced to zero;

(e) *fifth*, in or towards repayment, *pro rata* and *pari passu*, of principal amounts outstanding on the Class C Notes until the Principal Amount Outstanding on the Class C Notes has been reduced to zero;

(f) *sixth*, in or towards repayment, *pro rata* and *pari passu*, of principal amounts outstanding on the Class D Notes until the Principal Amount Outstanding on the Class D Notes has been reduced to zero;

(g) *seventh*, in or towards repayment, *pro rata* and *pari passu*, of principal amounts outstanding on the Class E Notes until the Principal Amount Outstanding on the Class E Notes has been reduced to zero; and

(h) *eighth*, any excess amounts as Available Revenue Receipts.

Distributions following the delivery of an Enforcement Notice on the Issuer

After an Enforcement Notice has been served on the Issuer, the Trustee (or the Cash Manager on its behalf) or any Receiver appointed by the Trustee in connection with the enforcement of the Security will apply all amounts received or recovered other than:

(a) any amount standing to the credit of the Swap Collateral Account which will be applied in accordance with the Swap Collateral Account Priority of Payments (other than any amount to be applied as Swap Collateral Account Surplus in accordance with the Swap Collateral Account Priority of Payments); and

(b) any amount standing to the credit of the Issuer Profit Ledger, which shall be applied by the Issuer in or towards satisfaction of any liability of the Issuer for corporation tax of the Issuer,

in the following order of priority (in each case only if and to the extent that payments or provisions of a higher priority have been made in full) (the "**Post-Enforcement Priority of Payments**" and, together with the Pre-Enforcement Revenue Priority of Payments and the Pre-Enforcement Redemption Priority of Payments, the "**Priority of Payments**"):

(a) *first*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof of any fees, costs, charges, Liabilities, expenses and all other amounts then due and payable to Trustee, Receiver and any Appointee under the provisions of the Trust Deed, the Deed of Charge, and the other Transaction Documents, together with (if payable) VAT thereon as provided therein;

(b) *second*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof of:

(i) any remuneration then due and payable to the Agent Bank, the Custodian, the Registrar and the Paying Agents and any costs, charges, Liabilities, expenses and all other amounts then due and payable to them under the provisions of the Agency Agreement, together with (if payable) VAT thereon as provided therein;

(ii) any remuneration then due and payable to the Cash Manager and any fees, costs, charges, Liabilities and expenses and all other amounts then due under the provisions of the Cash Management Agreement, together with VAT (if payable) thereon as provided therein;

(iii) any remuneration then due and payable to the Servicer and any fees (including the Servicing Fee), costs, charges, Liabilities, expenses and all other amounts then due under the provisions of the Servicing Agreement, together with VAT (if payable) thereon as provided therein;

(iv) any amounts then due and payable to the Legal Title Holder (including by way of indemnity) then due under the provisions of the Servicing Agreement together with (if payable) VAT thereon;

(v) any amounts then due and payable to the Back-Up Servicer Facilitator and any fees, costs, charges, Liabilities and expenses then due under the provisions of the Servicing Agreement, together with (if applicable) VAT thereon as provided therein;

(vi) any amounts then due and payable to the Corporate Services Provider and any fees, costs, charges, Liabilities and expenses then due and payable to the Corporate Services Provider under the provisions of the Corporate Services Agreement together with (if payable) VAT thereon as provided therein;

(vii) any remuneration then due and payable to the Issuer Account Bank and any Custodian and any fees, costs, charges, Liabilities, expenses and all other amounts then due and payable to the Issuer Account Bank under the provisions of the Bank Account Agreement and any Custody Agreement, together with (if payable) VAT thereon as provided therein; and

(viii) any amounts then due and payable to the Collection Account Bank and any fees, costs, charges, Liabilities and expenses then due, together with (if applicable) VAT thereon as provided therein;

(c) *third*, to pay in or towards satisfaction of any amounts due to the Swap Provider in respect of the Swap Agreement (including any termination payment due and payable by the Issuer) to the extent such amounts due cannot be satisfied by amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments other than any Swap Collateral Account Surplus, and excluding, if applicable, any related Swap Subordinated Amounts;

(d) *fourth*, to pay, *pro rata* and *pari passu*, according to the respective outstanding amounts thereof interest and principal due and payable on the Class A Notes until the Principal Amount Outstanding on the Class A Notes has been reduced to zero;

(e) *fifth*, to pay*, pro rata* and *pari passu*, according to the respective outstanding amounts thereof, interest and principal due and payable on the Class B Notes until the Principal Amount Outstanding on the Class B Notes has been reduced to zero;

(f) *sixth*, to pay, *pro rata* and *pari passu*, according to the respective outstanding amounts thereof, interest and principal due and payable on the Class C Notes until the Principal Amount Outstanding on the Class C Notes has been reduced to zero;

(g) *seventh*, to pay, *pro rata* and *pari passu*, according to the respective outstanding amounts thereof, interest and principal due and payable on the Class D Notes until the Principal Amount Outstanding on the Class D Notes has been reduced to zero;

(h) *eighth*, to pay, *pro rata* and *pari passu*, according to the respective outstanding amounts thereof, interest and principal due and payable on the Class E Notes until the Principal Amount Outstanding on the Class E Notes has been reduced to zero;

(i) *ninth*, to pay the Issuer Profit Amount and any corporation tax of the Issuer not otherwise able to be paid from amounts standing to the credit of the Issuer Profit Ledger;

(j) *tenth*, to pay, *pro rata* and *pari passu*, according to the respective outstanding amounts thereof, interest and principal due and payable on the Class X Notes until the Principal Amount Outstanding on the Class X Notes has been reduced to zero;

(k) *eleventh*, to pay in accordance with the terms of the Swap Agreement to the Swap Provider in respect of any Swap Subordinated Amounts (to the extent such amounts due cannot be satisfied by amounts available to be applied in accordance with the Swap Collateral Account Priority of Payments other than any Swap Collateral Account Surplus);

(l) *twelfth*, to pay, *pro rata* and *pari passu*, amounts due and payable to third parties (if any); and

(m) *thirteenth*, either: (i) on any Interest Payment Date prior to (but excluding) the Optional Redemption Date any excess amounts *pro rata* and *pari passu* as RC1 Payments to the holders of the RC1 Certificates; or (ii) on and from the Optional Redemption Date, any excess amounts *pro rata* and *pari passu* as RC2 Payments to the holders of the RC2 Certificates.

Swap Collateral

In the event that the Swap Provider is required to transfer collateral to the Issuer in respect of its obligations under the Swap Agreement (the "**Swap Collateral**") in accordance with the terms of the Credit Support Annex of the Swap Agreement (the "**Swap Credit Support Annex**"), that Swap Collateral (and any interest and/or distributions earned thereon) will be credited to the Swap Collateral Account and credited to the Swap Collateral Ledger. In addition, upon any early termination of the Swap Agreement (a) any Replacement Swap Premium received by the Issuer from a replacement swap provider, (b) any termination payment received by the Issuer from the outgoing Swap Provider and (c) any Swap Tax Credits will be credited to the Swap Collateral Account and recorded on the Swap Collateral Ledger.

Amounts and securities standing to the credit of each Swap Collateral Account (including interest, distributions and redemption or sale proceeds thereon or thereof) and recorded on the Swap Collateral Ledger will not be available for the Issuer or the Trustee to make payments to the Secured Creditors generally, but may be applied by the Cash Manager only in accordance with the following provisions (the "**Swap Collateral Account Priority of Payments**"):

(a) to pay an amount equal to any Swap Tax Credits received by the Issuer to the relevant Swap Provider;

(b) prior to the designation of an Early Termination Date (as defined in the Swap Agreement, the "**Early Termination Date**") in respect of the Swap Agreement, solely in or towards payment or discharge of any Return Amounts (as defined in the Swap Credit Support Annex), Interest Amounts and Distributions (as defined in the Swap Credit Support Annex), on any day, directly to the Swap Provider;

(c) following the designation of an Early Termination Date in respect of the Swap Agreement where (A) such Early Termination Date has been designated following a Swap Provider Default or Swap Provider Downgrade Event and (B) the Issuer enters into a Replacement Swap Agreement in respect of the Swap Agreement on or around the Early Termination Date of the Swap Agreement, on the later of the day on which such Replacement Swap Agreement is entered into, the day on which a termination payment (if any) payable to the Issuer has been received and the day on which a Replacement Swap Premium (if any) payable to the Issuer has been received, in the following order of priority:

  (i) *first*, in or towards payment of a Replacement Swap Premium (if any) payable by the Issuer to a replacement swap provider in order to enter into a Replacement Swap Agreement with the Issuer with respect to the Swap Agreement being terminated;

  (ii) *second*, in or towards payment of any termination payment and any interest thereon, if applicable, due to the outgoing Swap Provider; and

  (iii) *third*, the surplus (if any) on such day to be transferred to the Deposit Account to be applied as Available Revenue Receipts;

(d) following the designation of an Early Termination Date in respect of the Swap Agreement where: (A) such Early Termination Date has been designated otherwise than as a result of one a Swap Provider Default or Swap Provider Downgrade Event, and (B) the Issuer enters into a Replacement Swap Agreement in respect of the Swap Agreement on or around the Early Termination Date of the Swap Agreement, on the later of the day on which such Replacement Swap Agreement is entered into, the day on which a termination payment (if any) payable to the Issuer has been received and the day on which a Replacement Swap Premium (if any) payable to the Issuer has been received, in the following order of priority:

(i) *first*, in or towards payment of any termination payment due to the outgoing Swap Provider;

(ii) *second*, in or towards payment of a Replacement Swap Premium (if any) payable by the Issuer to a replacement swap provider in order to enter into a Replacement Swap Agreement with the Issuer with respect to the Swap Agreement being terminated; and

(iii) *third*, any surplus on such day to be transferred to the Deposit Account to be applied as Available Revenue Receipts;

(e) following the designation of an Early Termination Date in respect of the Swap Agreement for any reason where the Issuer does not enter into a Replacement Swap Agreement in respect of the Swap Agreement on or around the Early Termination Date of the Swap Agreement and, on the date on which the relevant payment is due, in or towards payment of any termination payment and any interest thereon, if applicable, due to the outgoing Swap Provider; and

(f) following payments of amounts due pursuant to (e) above, if amounts remain standing to the credit of a Swap Collateral Account, such amounts may be applied only in accordance with the following provisions:

(i) *first*, in or towards payment of a Replacement Swap Premium (if any) payable by the Issuer to a replacement swap provider in order to enter into a Replacement Swap Agreement with the Issuer with respect to the Swap Agreement; and

(ii) *second*, any surplus remaining after payment of such Replacement Swap Premium to be transferred to the Deposit Account to be applied as Available Revenue Receipts,

provided that for so long as the Issuer does not enter into a Replacement Swap Agreement with respect to the Swap Agreement, on each Swap Payment Date, the Issuer (or the Cash Manager on its behalf) will be permitted to withdraw an amount from the Swap Collateral Account (which shall be debited to the Swap Collateral Ledger), equal to the excess of the Swap Provider Swap Amount over the Issuer Swap Amount which would have been paid by the Swap Provider to the Issuer on such Swap Payment Date but for the designation of an Early Termination Date under the Swap Agreement, such surplus to be transferred to the Deposit Account to be applied as Available Revenue Receipts; and

provided further that for so long as the Issuer does not enter into a Replacement Swap Agreement with respect to the Swap Agreement on or prior to the earlier of:

(A) the Calculation Date immediately before the Interest Payment Date on which the Principal Amount Outstanding of all Notes would be reduced to zero (taking into account any Swap Collateral Account Surplus to be applied as Available Revenue Receipts on such Interest Payment Date); or

(B) the day on which an Enforcement Notice is given pursuant to Condition 10 (*Events of Default*); or

(C) the date on which the Current Balance of the Fixed Rate Loans (excluding any Fixed Rate Loans that are Enforced Loans or more than 90 days in Arrears) is reduced to zero,

then the amount standing to the credit of such Swap Collateral Account on such day shall be transferred to the Deposit Account to be applied as Available Revenue Receipts as soon as reasonably practicable thereafter.

The Swap Collateral Account will be opened in the name of the Issuer and will be held at a financial institution which satisfies the Account Bank Minimum Rating. A Swap Collateral Account and Swap Collateral Ledger will be established and maintained in respect of the Swap Agreement. As security for the payment of all monies payable in respect of the Notes and the other Secured Obligations, the Issuer will grant a first fixed charge in favour of the Trustee for the Trustee itself and on trust for the Secured Creditors over the Issuer's interest in the Swap Collateral Account and the debts represented thereby (which may, however, take effect as a floating charge and therefore rank behind the claims of any preferential creditors of the Issuer).

For the avoidance of doubt, Swap Collateral may not be invested by the Issuer in Authorised Investments or in any other form.

DESCRIPTION OF THE GLOBAL NOTES

General

Each Class of Notes as at the Closing Date will each be represented by a Global Note. All capitalised terms not defined in this paragraph shall be as defined in the Conditions of the Notes.

The Global Notes will be registered in the name of the nominee for the Common Depositary (or its nominee) for both Euroclear and Clearstream, Luxembourg. The Registrar will maintain a register in which it will register the nominee for the Common Depositary as the owner of the Global Note.

Upon confirmation by the Common Depositary that it has custody of the Global Notes, Euroclear or Clearstream, Luxembourg, as the case may be, will record in book-entry form interests representing beneficial interests in the Global Note attributable thereto ("**Book-Entry Interests**").

Book-Entry Interests in respect of each Global Note will be recorded in denominations of £100,000 and higher integral multiples of £1,000 (an "**Authorised Denomination**"). Ownership of Book-Entry Interests is limited to persons that have accounts with Euroclear or Clearstream, Luxembourg ("**Participants**") or persons that hold interests in the Book-Entry Interests through Participants or through other Indirect Participants ("**Indirect Participants**"), including, as applicable, banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with Euroclear or Clearstream, Luxembourg, either directly or indirectly. Book-Entry Interests will not be held in definitive form. Instead, Euroclear and Clearstream, Luxembourg, as applicable, will credit the Participants' accounts with the respective Book-Entry Interests beneficially owned by such Participants on each of their respective book-entry registration and transfer systems. The accounts initially credited will be designated by the Lead Manager. Ownership of Book-Entry Interests will be shown on, and transfers of Book-Entry Interests or the interests therein will be effected only through, records maintained by Euroclear or Clearstream, Luxembourg (with respect to the interests of their Participants) and on the records of Participants or Indirect Participants (with respect to the interests of Indirect Participants). The laws of some jurisdictions or other applicable rules may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may therefore impair the ability to own, transfer or pledge Book-Entry Interests.

So long as a nominee for the Common Depositary is the registered holder of the Global Note underlying the Book-Entry Interests, the nominee for the Common Depositary will be considered the sole Noteholder of the Global Note for all purposes under the Trust Deed. Except as set out under "*Issuance of Registered Definitive Notes*", below, Participants or Indirect Participants will not be entitled to have Notes registered in their names, will not receive or be entitled to receive physical delivery of the Notes in definitive registered form and will not be considered the holders thereof under the Trust Deed. Accordingly, each person holding a Book-Entry Interest must rely on the rules and procedures of Euroclear or Clearstream, Luxembourg, as the case may be, and Indirect Participants must rely on the procedures of the Participants or Indirect Participants through which such person owns its interest in the relevant Book-Entry Interests, to exercise any rights and obligations of a holder of the Notes under the Trust Deed. See "*Action in respect of the Global Notes and the Book-Entry Interests*", below.

Unlike legal owners or holders of the Notes, holders of the Book-Entry Interests will not have the right under the Trust Deed to act upon solicitations by the Issuer or consents or requests by the Issuer for waivers or other actions from Noteholders. Instead, a holder of Book-Entry Interests will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear or Clearstream, Luxembourg, as the case may be, and, if applicable, their Participants. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Book-Entry Interests to vote on any requested actions on a timely basis. Similarly, upon the occurrence of an Event of Default under the Global Note, holders of Book-Entry Interests will be restricted to acting through Euroclear or Clearstream, Luxembourg unless and until Registered Definitive Notes are issued in accordance with the Conditions. There can be no assurance that the procedures to be implemented by Euroclear and Clearstream, Luxembourg under such circumstances will be adequate to ensure the timely exercise of remedies under the Trust Deed.

In the case of a Global Note, unless and until Book-Entry Interests are exchanged for Registered Definitive Notes, the Global Note held by the Common Depositary may not be transferred except as a whole by the Common Depositary to a successor of the Common Depositary.

Purchasers of Book-Entry Interests in a Global Note will hold Book-Entry Interests in the Global Note relating thereto. Investors may hold their Book-Entry Interests in respect of a Global Note directly through Euroclear or Clearstream, Luxembourg (in accordance with the provisions set out under "*Transfers and Transfer Restrictions*", below), if they are account holders in such systems, or indirectly through organisations which are account holders in such systems. Euroclear and Clearstream, Luxembourg will hold Book-Entry Interests in the Global Note on behalf of their account holders through securities accounts in the respective account holders' names on Euroclear's and Clearstream, Luxembourg's respective book-entry registration and transfer systems.

Although Euroclear and Clearstream, Luxembourg have agreed to certain procedures to facilitate transfers of Book-Entry Interests among account holders of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Arranger, the Lead Manager, the Trustee or any of their respective agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective Participants or account holders of their respective obligations under the rules and procedures governing their operations.

Payments on the Global Notes

Payment of principal and interest on, and any other amount due in respect of, the Global Notes will be made in Sterling by or to the order of the Principal Paying Agent, on behalf of the Issuer to the order of the Common Depositary or its nominee as the registered holder thereof with respect to the Global Notes. Each holder of Book-Entry Interests must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of any amounts paid by or on behalf of the Issuer to the order of the Common Depositary or their nominees in respect of those Book-Entry Interests. All such payments will be distributed without deduction or withholding for or on account of any taxes, duties, assessments or other governmental charges of whatever nature except as may be required by law. If any such deduction or withholding is required to be made, then neither the Issuer, the Paying Agents nor any other person will be obliged to pay additional amounts in respect thereof.

In accordance with the rules and procedures for the time being of Euroclear or, as the case may be, Clearstream, Luxembourg, after receipt of any payment from the Principal Paying Agent to the order of the Common Depositary, the respective systems will promptly credit their Participants' accounts with payments in amounts proportionate to their respective ownership of Book-Entry Interests as shown in the records of Euroclear or Clearstream, Luxembourg. On each record date (the "**Record Date**") Euroclear and Clearstream, Luxembourg will determine the identity of the Noteholders for the purposes of making payments to the Noteholders. The Record Date in respect of the Notes (i) where the Notes are in global registered form, shall be at the close of the Business Day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) prior to the relevant Interest Payment Date and (ii) where the Notes are in definitive registered form, shall be the date falling 15 days prior to the relevant Interest Payment Date. The Issuer expects that payments by Participants to owners of interests in Book-Entry Interests held through such Participants or Indirect Participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participants or Indirect Participants. None of the Issuer, any agent of the Issuer, the Arranger, the Lead Manager, or the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of a Participant's ownership of Book-Entry Interests or for maintaining, supervising or reviewing any records relating to a Participant's ownership of Book-Entry Interests.

Information Regarding Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg have advised the Issuer as follows:

Euroclear and Clearstream, Luxembourg each hold securities for their account holders and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders, thereby eliminating the need for physical movements of certificates and any risk from lack of simultaneous transfers of securities.

Euroclear and Clearstream, Luxembourg each provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and

borrowing. Euroclear and Clearstream, Luxembourg each also deal with domestic securities markets in several countries through established depositary and custodial relationships. The respective systems of Euroclear and of Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective account holders may settle trades with each other.

Account holders in both Euroclear and Clearstream, Luxembourg are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to both Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

An account holder's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under such rules and operating procedures only on behalf of their respective account holders, and have no record of or relationship with persons holding through their respective account holders.

The Issuer understands that under existing industry practices, if any of the Issuer, the Trustee or the Trustee requests any action of owners of Book-Entry Interests or if an owner of a Book-Entry Interest desires to give instructions or take any action that a holder is entitled to give or take under the Trust Deed or the Deed of Charge, Euroclear or Clearstream, Luxembourg as the case may be, would authorise the Participants owning the relevant Book-Entry Interests to give instructions or take such action, and such Participants would authorise Indirect Participants to give or take such action or would otherwise act upon the instructions of such Indirect Participants.

Redemption

In the event that a Global Note (or portion thereof) is redeemed, the Principal Paying Agent will deliver all amounts received by it in respect of the redemption of such Global Note to the order of the Common Depositary and, upon final payment, will surrender such Global Note (or portion thereof) to or to the order of the Principal Paying Agent for cancellation. Appropriate entries will be made in the Register. The redemption price payable in connection with the redemption of Book-Entry Interests will be equal to the amount received by the Principal Paying Agent in connection with the redemption of the Global Note (or portion thereof) relating thereto. For any redemptions of the Global Note in part, selection of the relevant Book-Entry Interest relating thereto to be redeemed will be made by Euroclear or Clearstream, Luxembourg, as the case may be, on a *pro rata* basis (or on such basis as Euroclear or Clearstream, Luxembourg, as the case may be, deems fair and appropriate). Upon any redemption in part, the Principal Paying Agent will mark down the schedule to such Global Note by the principal amount so redeemed.

Cancellation

Cancellation of any Note represented by a Global Note and required by the Conditions to be cancelled following its redemption will be effected by endorsement by or on behalf of the Principal Paying Agent of the reduction in the principal amount of the relevant Global Note on the relevant schedule thereto and the corresponding entry on the Register.

Transfers and Transfer Restrictions

All transfers of Book-Entry Interests will be recorded in accordance with the book-entry systems maintained by Euroclear or Clearstream, Luxembourg, as applicable, pursuant to customary procedures established by each respective system and its Participants. See "*General*" above.

Issuance of Registered Definitive Notes

Holders of Book-Entry Interests in the Global Note will be entitled to receive Notes in definitive registered form (such exchanged Global Notes in definitive registered form, "**Registered Definitive Notes**") in exchange for their respective holdings of Book-Entry Interests if (a) both Euroclear and Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business or to cease to make book-entry systems available for settlement of beneficial interests in such Global Notes and do in fact do either of those things and no alternative clearing system satisfactory to the

Trustee is available or (b) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political subdivision thereof) or of any authority therein or thereof having power to tax or in the interpretation or administration by a revenue authority or a court or in the administration of such laws or regulations which become effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any deduction or withholding from any payment in respect of the Notes which would not be required were the Notes in definitive registered form. Any Registered Definitive Notes issued in exchange for Book-Entry Interests in the Global Note will be registered by the Registrar in such name or names as the Issuer shall instruct the Principal Paying Agent based on the instructions of Euroclear or Clearstream, Luxembourg, as the case may be. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, Luxembourg from their Participants with respect to ownership of the relevant Book-Entry Interests. Holders of Registered Definitive Notes issued in exchange for Book-Entry Interests in the Global Note will not be entitled to exchange such Registered Definitive Notes for Book-Entry Interests in such Global Note. Any Notes issued in definitive form will be issued in registered form only and will be subject to the *provisions set out under "Transfers and Transfer Restrictions*" above and **provided that** no transfer shall be registered for a period of 15 days immediately preceding any due date for payment in respect of the Note or, as the case may be, the due date for redemption. Registered Definitive Notes will be issued in a denomination that is an integral multiple of the minimum Authorised Denomination. See "*Risk Factors – Registered Definitive Notes and denominations in integral multiples*" above.

Action in respect of the Global Notes and the Book-Entry Interests

Not later than 10 days after receipt by the Issuer of any notices in respect of a Global Note or any notice of solicitation of consents or requests for a waiver or other action by the holder of such Global Note, the Issuer will deliver to Euroclear and Clearstream, Luxembourg a notice containing (a) such information as is contained in such notice, (b) a statement that at the close of business on a specified record date Euroclear and Clearstream, Luxembourg will be entitled to instruct the Issuer as to the consent, waiver or other action, if any, pertaining to the Book-Entry Interests or the Global Note and (c) a statement as to the manner in which such instructions may be given. Upon the written request of Euroclear or Clearstream, Luxembourg, as applicable, the Issuer shall endeavour insofar as practicable to take such action regarding the requested consent, waiver or other action in respect of the Book-Entry Interests or the Global Note in accordance with any instructions set out in such request. Euroclear or Clearstream, Luxembourg are expected to follow the procedures described under "*General*" above with respect to soliciting instructions from their respective Participants. The Registrar will not exercise any discretion in the granting of consents or waivers or the taking of any other action in respect of the Book-Entry Interests or the Global Notes.

Notices

Whilst the Notes are represented by Global Notes the Issuer may, at its option, send to Euroclear and Clearstream, Luxembourg a copy of any notices addressed to Noteholders for communication by Euroclear and Clearstream, Luxembourg to the Noteholders. Alternatively, such notices regarding the Notes may instead be published in the *Financial Times* or, if such newspaper shall cease to be published or if timely publication therein is not practicable, in such other English newspaper or newspapers as the Trustee shall approve in advance having a general circulation in the United Kingdom; **provided that** if, at any time, the Issuer procures that the information contained in such notice shall appear on a page of the Reuters screen, the Bloomberg screen or any other medium for electronic display of data as may be previously approved in writing by the Trustee and notified to Noteholders, publication in such newspaper shall not be required with respect to such information so long as the rules of Euronext Dublin allow. The Issuer may elect not to publish any notice in a newspaper for so long as the Notes are held in global form and notice is given to Euroclear and Clearstream, Luxembourg. The Trustee may, in accordance with Condition 15.2 (*Trustee's Discretion to Select Alternative Method*) sanction other methods of giving notice to all or some of the Noteholders if such method is reasonable having regard to, among other things, the market practice then prevailing and the requirements of the relevant stock exchange. See also Condition 16 (*Notice to Noteholders*) of the Notes.

Eurosystem eligibility

The Notes are not intended to be held in a manner which would allow Eurosystem eligibility.

DESCRIPTION OF THE GLOBAL CERTIFICATES

General

Each Class of Certificates, as at the Closing Date, will be represented by a Global Certificate. The Global Certificates will be registered on issue on or around the Closing Date in the name of the nominee for the Common Depositary for Euroclear and Clearstream, Luxembourg. The Registrar will maintain a register in which it will register the nominee for the Common Depositary as the holder of the Global Certificate.

Upon confirmation by the Common Depositary that it has been issued with the Global Certificates, Euroclear or Clearstream, Luxembourg, as the case may be, will record the beneficial interests in the Global Certificate ("**Certificate Book-Entry Interests**") representing beneficial interests in the Global Certificate attributable thereto.

Ownership of Certificate Book-Entry Interests will be limited to Participants or Indirect Participants, including, as applicable, banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with Euroclear or Clearstream, Luxembourg, either directly or indirectly. Indirect Participants will also include persons that hold beneficial interests through such Indirect Participants. Certificate Book-Entry Interests will not be held in definitive form. Instead, Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A., Luxembourg ("**Clearstream**"), as applicable, will credit the Participants' accounts with the respective Certificate Book-Entry Interests beneficially owned by such Participants on each of their respective book-entry registration and transfer systems. The accounts initially credited will be designated by the Seller (or as the Seller may direct). Ownership of Certificate Book-Entry Interests will be shown on, and transfers of Certificate Book-Entry Interests or the interests therein will be effected only through, records maintained by Euroclear or Clearstream, Luxembourg (with respect to the interests of their Participants) and on the records of Participants or Indirect Participants (with respect to the interests of Indirect Participants). The laws of some jurisdictions or other applicable rules may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may therefore impair the ability to own, transfer or pledge Certificate Book-Entry Interests.

So long as the nominee of the Common Depositary is the registered holder of the Global Certificate underlying the Certificate Book-Entry Interests, it will be considered the sole Certificateholder of the Certificate represented by that Global Certificate for all purposes under the Trust Deed. Except as set out under the section below entitled "*Issuance of Definitive Certificates*", Participants or Indirect Participants will not receive or be entitled to receive physical delivery of Certificates in definitive form and will not be considered the holders thereof under the Trust Deed. Accordingly, each person holding a Certificate Book-Entry Interest must rely on the rules and procedures of Euroclear or Clearstream, Luxembourg, as the case may be, and Indirect Participants must rely on the procedures of the Participants or Indirect Participants through which such person owns its interest in the relevant Certificate Book-Entry Interests, to exercise any rights and obligations of a holder of Certificates under the Trust Deed. See the section below entitled "*Action in respect of the Global Certificate and the Certificate Book-Entry Interests*".

Unlike legal owners or holders of the Certificates, holders of the Certificate Book-Entry Interests will not have the right under the Trust Deed to act upon solicitations by the Issuer or consents or requests by the Issuer for waivers or other actions from Certificateholders. Instead, a holder of Certificate Book-Entry Interests will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear or Clearstream, Luxembourg, as the case may be, and, if applicable, their Participants. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Certificate Book-Entry Interests to vote on any requested actions on a timely basis. Similarly, upon the occurrence of an Event of Default, holders of Certificate Book-Entry Interests will be restricted to acting through Euroclear or Clearstream, Luxembourg unless and until Definitive Certificates are issued in accordance with the Certificate Conditions. There can be no assurance that the procedures to be implemented by Euroclear and Clearstream, Luxembourg under such circumstances will be adequate to ensure the timely exercise of remedies under the Trust Deed.

Unless and until Certificate Book-Entry Interests are exchanged for Definitive Certificates, the Global Certificate held by the nominee for the Common Depositary may not be transferred except as a whole

by that nominee for the Common Depositary to a successor nominee for that Common Depositary or a nominee of a successor of the Common Depositary.

Purchasers of Certificate Book-Entry Interests in a Global Certificate will hold Certificate Book-Entry Interests in the Global Certificates relating thereto. Investors may hold their Certificate Book-Entry Interests in respect of a Global Certificate directly through Euroclear or Clearstream, Luxembourg (in accordance with the provisions set out in the section below entitled "*Transfers and Transfer Restrictions*"), if they are account holders in such systems, or indirectly through organisations which are account holders in such systems. Euroclear and Clearstream, Luxembourg will hold Certificate Book-Entry Interests in the Global Certificate on behalf of their account holders through securities accounts in the respective account holders' names on Euroclear's and Clearstream, Luxembourg's respective book-entry registration and transfer systems.

Although Euroclear and Clearstream, Luxembourg have agreed to certain procedures to facilitate transfers of Certificate Book-Entry Interests among account holders of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Arranger, the Lead Manager, the Trustee or any of their respective agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective Participants or account holders of their respective obligations under the rules and procedures governing their operations.

Issuance of Definitive Certificates

Global Certificates will become exchangeable in whole, but not in part, for Definitive Certificates at the request of the holder of the relevant Global Certificate upon the occurrence of an Exchange Event.

Any Definitive Certificate issued in exchange for Certificate Book-Entry Interests in the Global Certificate will be registered by the Registrar in such name or names as the Issuer shall instruct the Principal Paying Agent based on the instructions of Euroclear or Clearstream, Luxembourg, as the case may be. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, Luxembourg from their Participants with respect to ownership of the relevant Certificate Book-Entry Interests. Whenever a Global Certificate is to be exchanged for Definitive Certificates, the Issuer shall procure the prompt delivery (free of charge to the holders of the Certificate Book-Entry Interests) of such Definitive Certificates, duly authenticated and effectuated, in an aggregate principal amount equal to the principal amount of the relevant Global Certificate within 30 days of the occurrence of the Exchange Event.

Payments on the Global Certificates

Payment of amounts due in respect of the Global Certificates will be made in Sterling by or to the order of the Principal Paying Agent on behalf of the Issuer to the order of the Common Depositary or its nominee as the registered holder thereof with respect to the Global Certificates.

Each holder of Certificate Book-Entry Interests must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of any amounts paid by or on behalf of the Issuer to the order of the Common Depositary or its nominee in respect of those Certificate Book-Entry Interests. All such payments will be distributed without deduction or withholding for any taxes, duties, assessments or other governmental charges of whatever nature except as may be required by law. If any such deduction or withholding is required to be made, then none of the Issuer, the Principal Paying Agent or any other person will be obliged to pay additional amounts in respect thereof.

In accordance with the rules and procedures for the time being of Euroclear or, as the case may be, Clearstream, Luxembourg, after receipt of any payment from the Principal Paying Agent to the Common Depositary, the respective systems will promptly credit their Participants' accounts with payments in amounts proportionate to their respective ownership of Certificate Book-Entry Interests as shown in the records of Euroclear or Clearstream, Luxembourg. On each record date (the "**Record Date**"), Euroclear and Clearstream, Luxembourg will determine the identity of the Participants for the purposes of making payments under the Certificates. The Record Date in respect of the Certificates shall be as at the close of business on the Business Day prior to the relevant Interest Payment Date. The Issuer expects that payments by Participants to owners of interests in Certificate Book-Entry Interests held through such Participants or Indirect Participants will be governed by standing customer

instructions and customary practices, as is now the case with the securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participants or Indirect Participants. None of the Issuer, any agent of the Issuer, the Arranger, the Lead Manager, the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of a Participant's ownership of Certificate Book-Entry Interests or for maintaining, supervising or reviewing any records relating to a Participant's ownership of Certificate Book-Entry Interests.

Information Regarding Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg have advised the Issuer as follows:

- Euroclear and Clearstream, Luxembourg each hold securities for their account holders and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders, thereby eliminating the need for physical movements of Certificates and any risk from lack of simultaneous transfers of securities.

- Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing.

- Euroclear and Clearstream, Luxembourg each also deal with domestic securities markets in several countries through established depositary and custodial relationships. The respective systems of Euroclear and of Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective account holders may settle trades with each other.

- Account holders in both Euroclear and Clearstream, Luxembourg are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to both Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

- An account holder's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under such rules and operating procedures only on behalf of their respective account holders, and have no record of or relationship with persons holding through their respective account holders.

The Issuer understands that under existing industry practices, if any of the Issuer, the Trustee requests any action of owners of Certificate Book-Entry Interests or if an owner of a Certificate Book-Entry Interest desires to give instructions or take any action that a holder is entitled to give or take under the Trust Deed or the Deed of Charge, Euroclear or Clearstream, Luxembourg, as the case may be, would authorise the Participants owning the relevant Certificate Book-Entry Interests to give instructions or take such action, and such Participants would authorise Indirect Participants to give or take such action or would otherwise act upon the instructions of such Indirect Participants.

Transfers and Transfer Restrictions

All transfers of Certificate Book-Entry Interests will be recorded in accordance with the book-entry systems maintained by Euroclear or Clearstream, Luxembourg, as applicable, pursuant to customary procedures established by each respective system and its Participants (see the section above entitled "*General*").

Beneficial interests in a Global Certificate may be held only through Euroclear or Clearstream, Luxembourg. Each Global Certificate will bear a legend similar to that appearing under the section of this Prospectus entitled "*Transfer Restrictions and Investor Representations*" below, and neither a Global Certificate nor any beneficial interest therein may be transferred except in compliance with the transfer restrictions set out in the legend appearing in the relevant Global Certificate.

Action in respect of the Global Certificate and the Certificate Book-Entry Interests

Not later than 10 days after receipt by the Issuer of any notice in respect of the Certificates or any notice of solicitation of consents or requests for a waiver or other action by the Certificateholder of the Certificates, the Issuer will deliver to Euroclear and Clearstream, Luxembourg a notice containing (a) such information as is contained in such notice, (b) a statement that at the close of business on a specified record date Euroclear and Clearstream, Luxembourg will be entitled to instruct the Issuer as to the consent, waiver or other action, if any, pertaining to the Certificate Book-Entry Interests or the Certificates and (c) a statement as to the manner in which such instructions may be given. Upon the written request of Euroclear or Clearstream, Luxembourg, as applicable, the Issuer shall endeavour insofar as practicable to take such action regarding the requested consent, waiver or other action in respect of the Certificate Book-Entry Interests or the Certificates in accordance with any instructions set out in such request. Euroclear and Clearstream, Luxembourg are expected to follow the procedures described under the section above entitled "*General*", with respect to soliciting instructions from their respective Participants.

Notices

The Issuer will send to Euroclear and Clearstream, Luxembourg a copy of any notices addressed to Certificateholders for communication by Euroclear and Clearstream, Luxembourg to the Certificateholders and shall procure that the information contained in such notice shall appear on a Relevant Screen (see also Certificate Condition 15 (*Notice to Certificateholders*)). The Trustee may in accordance with the Certificate Condition 15.2 (*Trustee's Discretion to Select Alternative Method*) sanction other methods of giving notice to all or some of the Certificateholders, if such method is reasonable having regard to the then prevailing market practice.

Eurosystem eligibility

The Certificates are not intended to be held in a manner which would allow Eurosystem eligibility.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of the Notes in the form (subject to amendment) in which they will be set out in the Trust Deed (as defined below).

1. GENERAL

The £292,909,000 Class A mortgage backed floating rate notes due September 2067 (the "**Class A Notes**"), the £13,831,000 Class B mortgage backed floating rate notes due September 2067 (the "**Class B Notes**"), the £7,323,000 Class C mortgage backed floating rate notes due September 2067 (the "**Class C Notes**"), the £5,696,000 Class D mortgage backed floating rate notes due September 2067 (the "**Class D Notes**"), the £5,696,000 Class E mortgage backed floating rate notes due September 2067 (the "**Class E Notes**" and together with the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, the "**Collateralised Notes**" and the "**Floating Rate Notes**"), the £6,509,000 Class X fixed rate notes due September 2067 (the "**Class X Notes**", the "**Fixed Rate Notes**" and together with the Floating Rate Notes, the "**Rated Notes**") (the Class X Notes and the Collateralised Notes together, the "**Notes**"), in each case of Ealbrook Mortgage Funding 2025-1 PLC (the "**Issuer**") are constituted by the Trust Deed dated on or about the Closing Date and made between, among others, the Issuer and the Trustee acting as trustee for Noteholders**.** Any reference in these terms and conditions (the "**Conditions**") to a "**Class**" of Notes or of Noteholders or (as applicable) of Certificates or of Certificateholders shall be a reference to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes, the RC1 Certificates or the RC2 Certificates, as the case may be, or to the respective holders thereof. Any reference in these Conditions to the Certificate Conditions will be to the terms and conditions of the Certificates (the "**Certificate Conditions**"). Any reference in these Conditions to the Noteholders means the registered holders for the time being of the Notes, or if preceded by a particular Class designation of Notes, the registered holders for the time being of such Class of Notes. The security for the Notes is constituted by and pursuant to a deed of charge and assignment (the "**Deed of Charge**") dated on the Closing Date and made between, among others, the Issuer and the Trustee, acting as trustee for the Secured Creditors.

Pursuant to the Agency Agreement, provision is made for, *inter alia*, the payment of principal and interest in respect of the Notes.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Deed of Charge, the Agency Agreement, and an incorporated terms memorandum (the "**Incorporated Terms Memorandum**") entered into by, among others, the Issuer and the Trustee on the Closing Date and the other Transaction Documents (as defined therein).

Physical copies of the Trust Deed, the Deed of Charge, the Agency Agreement, the Incorporated Terms Memorandum and the other Transaction Documents are available for inspection during normal business hours at the specified office for the time being of each of the Paying Agents. The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Transaction Documents applicable to them.

2. INTERPRETATION

2.1 Definitions

Capitalised terms not otherwise defined in these Conditions shall bear the meanings given to them in the master definitions schedule set out in the Incorporated Terms Memorandum available as described above.

2.2 Interpretation

These Conditions shall be construed in accordance with the principles of construction set out in the Incorporated Terms Memorandum.

3. FORM, DENOMINATION AND TITLE

3.1 Form and Denomination

Each Class of Notes will initially be represented by a global note certificate in registered form (a "**Global Note**").

For so long as any of the Notes are represented by a Global Note, transfers and exchanges of beneficial interests in such Global Note and entitlement to payments thereunder will be effected subject to and in accordance with the rules and procedures from time to time of Euroclear Bank SA/NV ("**Euroclear**") or Clearstream, Luxembourg, ("**Clearstream**") as appropriate. Each Global Note will be deposited with and registered in the name of a common depositary (or a nominee thereof) for Euroclear and Clearstream, Luxembourg.

For so long as the Notes are represented by a Global Note, and for so long as Euroclear and Clearstream, Luxembourg so permit, the Notes shall be tradable only in the minimum nominal amount of £100,000 and higher integral multiples of £1,000, notwithstanding that no Registered Definitive Notes (as defined below) will be issued with a denomination above £199,000. A Global Note will be exchanged for the relevant Note in definitive registered form (such exchanged Global Notes in definitive registered form, the "**Registered Definitive Notes**") only if either of the following applies:

(a) both Euroclear and Clearstream, Luxembourg:

(i) are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise); or

(ii) announce an intention permanently to cease business or to cease to make book-entry systems available for settlement of beneficial interests in such Global Notes and do in fact do either of those things,

and in either case no alternative clearing system satisfactory to the Trustee is available; or

(b) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political subdivision thereof) or of any authority therein or thereof having power to tax, or in the interpretation or administration by a revenue authority or a court or in the application of such laws or regulations which become effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Notes which would not be required were the relevant Notes in definitive registered form.

If Registered Definitive Notes are issued in respect of Notes originally represented by a Global Note, the beneficial interests represented by such Global Note shall be exchanged by the Issuer for the relevant Notes in registered definitive form. The aggregate principal amount of the Registered Definitive Notes shall be equal to the Principal Amount Outstanding of the Notes at the date on which notice of exchange is given of the Global Note, subject to and in accordance with the detailed provisions of these Conditions, the Agency Agreement, the Trust Deed and the relevant Global Note.

Registered Definitive Notes (which, if issued, will be in the denomination set out below) will be serially numbered and will be issued in registered form only.

The minimum denomination of the Notes in global and (if issued and printed) definitive form will be £100,000 and for so long as Euroclear and Clearstream, Luxembourg so permit, any amount in excess thereof in integral multiples of £1,000.

References to "**Notes**" in these Conditions shall include the Global Notes and the Registered Definitive Notes.

3.2 **Title**

Title to the Global Notes shall pass by and upon registration in the register (the "**Register**") which the Issuer shall procure to be kept by the Registrar. The registered holder of a Global Note may (to the fullest extent permitted by applicable laws) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Global Note regardless of any notice of ownership, theft or loss or any trust or other interest therein or of any writing thereon (other than the endorsed form of transfer).

Title to a Registered Definitive Note shall only pass by and upon registration of the transfer in the Register.

Registered Definitive Notes may be transferred upon the surrender of the relevant Registered Definitive Note, with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar. Such transfers shall be subject to the minimum denominations specified in Condition 3.1 (*Form and Denomination*) above. All transfers of Registered Definitive Notes are subject to any restrictions on transfer set out on the Registered Definitive Notes and the detailed regulations concerning transfers in the Agency Agreement.

Each new Registered Definitive Note to be issued upon transfer of such Registered Definitive Note will, within five Business Days of receipt and surrender of such Registered Definitive Note (duly completed and executed) for transfer, be available for delivery at the specified office of the Registrar or be mailed at the risk of the transferee entitled to such Registered Definitive Note to such address as may be specified in the relevant form of transfer.

Registration of a Registered Definitive Note on transfer will be effected without charge by the Registrar, but subject to payment of (or the giving of such indemnity as the Registrar may require for) any tax, stamp duty or other government charges which may be imposed in relation to it.

4. **STATUS AND RELATIONSHIP BETWEEN THE NOTES AND SECURITY**

4.1 **Status and relationship between the Notes**

(a) The Class A Notes constitute direct, secured and (subject to the limited recourse provision in Condition 12 (*Enforcement*)) unconditional Obligations of the Issuer. The Class A Notes rank *pro rata* and *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, as provided in these Conditions and the Transaction Documents.

(b) The Class B Notes constitute direct, secured and (subject to the limited recourse provision in Condition 12 (*Enforcement*) and Condition 18 (*Subordination by Deferral*)) unconditional Obligations of the Issuer. The Class B Notes rank *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes, as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of Class B Notes (the "**Class B Noteholders**") will be subordinated to the interests of the persons who for the time being are registered in the Register as holders of Class A Notes (the "**Class A Noteholders**") (so long as any Class A Notes remain outstanding).

(c) The Class C Notes constitute direct, secured and (subject to the limited recourse provision in Condition 12 (*Enforcement*) and Condition 18 (*Subordination by Deferral*)) unconditional Obligations of the Issuer. The Class C Notes rank *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes and the Class B Notes, as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of the Class C Notes (the "**Class C Noteholders**") will be subordinated to the interests

of each of the Class A Noteholders, and the Class B Noteholders (so long as any Class A Notes and/or any Class B Notes remain outstanding).

(d) The Class D Notes constitute direct, secured and (subject to the limited recourse provision in Condition 12 (*Enforcement*) and Condition 18 (*Subordination by Deferral*)) unconditional Obligations of the Issuer. The Class D Notes rank *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes, the Class B Notes and the Class C Notes, as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of the Class D Notes (the "**Class D Noteholders**") will be subordinated to the interests of each of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders (so long as any Class A Notes and/or any Class B Notes and/or any Class C Notes remain outstanding).

(e) The Class E Notes constitute direct, secured and (subject to the limited recourse provision in Condition 12 (*Enforcement*) and Condition 18 (*Subordination by Deferral*)) unconditional Obligations of the Issuer. The Class E Notes rank *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, as provided in these Conditions and the Transaction Documents. Accordingly, the interests of the persons who for the time being are registered in the Register as holders of the Class E Notes (the "**Class E Noteholders**") will be subordinated to the interests of each of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders and the Class D Noteholders (so long as any Class A Notes and/or any Class B Notes and/or any Class C Notes and/or any Class D Notes remain outstanding).

(f) The Class X Notes constitute direct, secured and (subject as provided in Condition 18 (*Subordination by Deferral*) and the limited recourse provisions in Condition 12 (*Enforcement*)) unconditional Obligations of the Issuer. The Class X Notes rank *pari passu* without preference or priority among themselves in relation to payment of interest and principal at all times, but subordinate to all payments due in respect of the Collateralised Notes and the Class X Notes other than in respect of payments of interest only which rank senior to payment of principal on the Class X Notes, as provided in these Conditions and the Transaction Documents.

(g) The Trust Deed and the Deed of Charge contain provisions requiring the Trustee, respectively, to have regard to the interests of holders of each Class of the Notes as regards all rights, powers, trusts, authorities, duties and discretions of the Trustee (except where expressly provided otherwise) but requiring the Trustee where there is a conflict of interests between one or more classes of Notes in any such case to have regard (except as expressly provided otherwise) to the interests of the holders of the Class of Notes ranking in priority to the other relevant Classes of Notes in the Post-Enforcement Priority of Payments or if there are no Notes then outstanding to the Certificateholders.

(h) The Trust Deed also contains provisions limiting the powers of any Class of Noteholders to request or direct the Trustee to take any action or to pass an effective Extraordinary Resolution according to the effect thereof on the interests of the holders of the Most Senior Class. Except in certain circumstances described in Condition 13 (*Meetings of Noteholders, Modification, Waiver and Substitution*), the Trust Deed contains no such limitation on the powers of the holders of the Most Senior Class, the exercise of which will be binding (save in respect of a Basic Terms Modification) on the holders of all other Classes of Notes and Certificateholders in each case irrespective of the effect thereof on their respective interests.

As long as any Notes are outstanding but subject to Condition 13.5 (*Modification to the Transaction Documents*), the Trustee shall not have regard to the interests of the other Secured Creditors.

4.2 **Security**

(a) The security constituted by or pursuant to the Deed of Charge is granted to the Trustee for it to hold on trust for the Noteholders and the other Secured Creditors, upon and subject to the terms and conditions of the Deed of Charge.

(b) The Noteholders and the other Secured Creditors will share in the benefit of the security constituted by or pursuant to the Deed of Charge, upon and subject to the terms and conditions of the Deed of Charge.

5. **ISSUER COVENANTS**

Save with the prior written consent of the Trustee or unless otherwise permitted under any of these Conditions or any of the Transaction Documents, the Issuer shall not, so long as any Note remains outstanding:

(a) *Negative pledge*: create or permit to subsist any encumbrance (unless arising by operation of law) or other security interest whatsoever over any of its assets or undertakings;

(b) *Restrictions on activities*: (i) engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage; or (ii) have any subsidiaries, any subsidiary undertaking (as defined in the Companies Act 1985 and the Companies Act 2006 (as applicable)) or any employees (but shall procure that, at all times, it shall retain at least one independent director) or premises; or (iii) act as a director of any company;

(c) *Disposal of assets*: assign, transfer, sell, lend, lease, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire all or any of its assets or undertakings or any interest, estate, right, title or benefit therein or attempt or purport to do any of the foregoing;

(d) *Equitable and Beneficial Interest*: permit any person, other than itself and the Trustee, to have any equitable or beneficial interest in any of its assets or undertakings or any interest, estate, right, title or benefit therein;

(e) *Dividends or distributions*: pay any dividend or make any other distribution to its shareholders except out of amounts of profit retained by the Issuer in accordance with the applicable Priority of Payments which are available for distribution in accordance with the Issuer's memorandum and articles of association and with applicable laws or issue any further shares;

(f) *Indebtedness*: incur any financial indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness or of any other obligation of any person;

(g) *Merger*: consolidate or merge with any other person or convey or transfer substantially all of its properties or assets to any other person;

(h) *No modification or waiver*: permit any of the Transaction Documents to which it is a party to become invalid or ineffective or permit the priority of the security interests created or evidenced thereby or pursuant thereto to be varied, modified, terminated, postponed, waived or agree to any modification of, or grant any consent, approval, authorisation or waiver pursuant to, or in connection with, any of the Transaction Documents to which it is a party or permit any party to any of the Transaction Documents to which it is a party to be released from its obligations or exercise any right to terminate any of the Transaction Documents to which it is a party;

(i) *Bank accounts*: have an interest in any bank account other than the Issuer Accounts and the Issuer's interest in the Collection Account Sub-Trust, unless such account or interest therein is charged to the Trustee on terms acceptable to the Trustee;

(j) *Purchase Notes*: purchase or otherwise acquire any Notes;

(k) *U.S. activities*: engage in any activities in the United States (directly or through agents), or derive any income from United States sources as determined under United States income tax principles, or hold any property if doing so would cause it to be engaged in a trade or business within the United States as determined under United States income tax principles; or

(l) *Derivatives*: enter into any derivatives or hedging contracts having the same economic effect.

6. INTEREST

6.1 Accrual of interest

Interest Accrual

Each Note bears interest on its Principal Amount Outstanding from (and including) the Closing Date. Each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest from and including the due date for redemption unless, upon due presentation in accordance with Condition 7 (Payments), payment of the principal in respect of the Note is improperly withheld or refused or default is otherwise made in respect of the payment, in which event interest shall continue to accrue as provided in the Trust Deed.

6.2 Interest Payment Dates

Interest will be payable in arrear on each Interest Payment Date, for all classes of Notes. The first Interest Payment Date will be the Interest Payment Date falling in March 2026.

Interest shall accrue from (and including) an Interest Payment Date (except in the case of the first Interest Period, which shall commence on (and include) the Closing Date) to (but excluding) the next following Interest Payment Date (each such period, an "**Interest Period**").

6.3 Rate of Interest

(a) The rate of interest payable from time to time in respect of each class of the Notes (each a "**Rate of Interest**" and together "**Rates of Interest**") will be determined on the basis of paragraph (b) below in respect of the Floating Rate Notes and paragraph (c) below in relation to the Fixed Rate Notes.

(b) The Rate of Interest payable from time to time in respect of the Floating Rate Notes will be determined on the basis of the following provisions:

(i) On each Interest Determination Date, the Agent Bank will determine the Compounded Daily SONIA at approximately 11.00 a.m. (London time) on that Interest Determination Date.

(ii) The Rate of Interest for the Interest Period in respect of each class of the Floating Rate Notes shall be (I) from and including the Closing Date to (but excluding) the Optional Redemption Date, the Compounded Daily SONIA plus the Relevant Margin, and (II) from (and including) the Optional Redemption Date, the Compounded Daily SONIA plus the Relevant Step-Up Margin.

(iii) Subject to paragraph (ii) above, in the event that the Rate of Interest cannot be determined in accordance with the provisions of these Conditions by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest), the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Relevant Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Relevant Margin

relating to the relevant Interest Period in place of the Relevant Margin relating to that last preceding Interest Period) or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Floating Rate Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Relevant Margin applicable to the first Interest Period).

(iv) The minimum Rate of Interest shall be zero. There will be no maximum Rate of Interest.

(c) The Rate of Interest payable from time to time in respect of the Fixed Rate Notes in relation to any Interest Period will be 0.00 per cent per annum.

6.4 **Determination of Rates of Interest and Interest Amounts**

The Agent Bank shall, as soon as practicable after 11:00 a.m. (London time) on the Interest Determination Date falling in such Interest Period, but in no event later than the third Business Day thereafter, determine the Sterling amount (the "**Interest Amounts**") payable in respect of interest on the Principal Amount Outstanding of each Class of the Notes for the relevant Interest Period.

The Interest Amounts shall, in respect of a Class of Notes, be determined by applying the relevant Rate of Interest to the Principal Amount Outstanding of such Class of Notes and multiplying the sum by the actual number of days in the Interest Period concerned divided by 365 and rounding the figure downwards to the nearest penny.

6.5 **Publication of Rates of Interest and Interest Amounts**

The Agent Bank shall cause the Rate of Interest and the Interest Amounts for each Class of Notes in respect of each Interest Period and each Interest Payment Date to be notified to the Issuer, the Cash Manager, the Trustee, the Registrar and the Paying Agents (as applicable) and to any stock exchange or other relevant authority on which the Notes are at the relevant time listed and to be published in accordance with Condition 16 (*Notice to Noteholders*) as soon as possible after their determination and in no event later than two Business Days prior to the immediately succeeding Interest Payment Date. The Interest Amounts and Interest Payment Date may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

6.6 **Determinations by substitute agent**

If the Agent Bank defaults at any time in its obligation to determine the Rates of Interest and the Interest Amounts in accordance with the above provisions, the Issuer shall appoint another agent on its behalf to determine or cause to be determined the Rates of Interest and the Interest Amounts, the former at such rates as, in its absolute discretion (having such regard as it shall think fit to the procedure described above), it shall deem fair and reasonable in all the circumstances and the latter in the manner provided in Condition 6.4 (*Determination of Rates of Interest and Interest Amounts*).

6.7 **Notifications to be Final**

All notifications, opinions, determinations, certificates, calculations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6, whether by the Reference Banks (or any of them), the Agent Bank, the Cash Manager or the Trustee, will (in the absence of wilful default, gross negligence, fraud or manifest error) be binding on the Issuer, the Cash Manager, the Trustee, the Agent Bank, the Registrar, the Paying Agents and all Noteholders and (in the absence of wilful default, gross negligence, fraud or manifest error) no liability to the Issuer or the Noteholders shall attach to the Reference Banks (or any of them), the Cash Manager, the Agent Bank, the Registrar or, if applicable, the Trustee in connection with the exercise or non-exercise by any of them of their powers, duties and discretions under this Condition 6 (*Interest*).

6.8 **Agent Bank**

The Issuer shall procure that, so long as any of the Notes remain outstanding, there is at all times an agent bank for the purposes of the Notes. The Issuer may, subject to the prior written approval of the Trustee, terminate the appointment of the Agent Bank and shall, in the event of the appointed office of any bank being unable or unwilling to continue to act as the agent bank or failing duly to determine the Rate of Interest or the Interest Amounts in respect of any Class of Notes for any Interest Period, subject to the prior written approval of the Trustee, appoint another major bank engaged in the relevant interbank market to act in its place. The Agent Bank may not resign its duties or be removed without a successor having been appointed on terms commercially acceptable in the market.

6.9 **Determinations and Reconciliation**

(a) In the event that the Cash Manager does not receive a Servicer Report with respect to a Collection Period (each such period, a "**Determination Period**"), then the Cash Manager may use the three most recently received Servicer Reports in respect of the preceding Collection Periods (or, where there are not at least three previous Servicer Reports, any previous Servicer Reports) for the purposes of calculating the amounts available to the Issuer to make payments, as set out in Condition 6.9(b). When the Cash Manager receives the Servicer Report relating to the Determination Period, it will make the reconciliation calculations and reconciliation payments as set out in Condition 6.9(c). Any (i) calculations properly made on the basis of such estimates in accordance with Conditions 6.9(b) and/or 6.9(c); (ii) payments made under any of the Notes and Transaction Documents in accordance with such calculations; and (iii) reconciliation calculations and reconciliation payments made as a result of such reconciliation calculations, each in accordance with Condition 6.9(b) and/or 6.9(c), shall be deemed to be made in accordance with the provisions of the Transaction Documents and will in themselves not lead to an Event of Default and no liability will attach to the Cash Manager in connection with the exercise by it of its powers, duties and discretion for such purposes.

(b) In respect of any Determination Period the Cash Manager shall on the Calculation Date immediately preceding the Determination Period:

(i) determine the Interest Determination Ratio by reference to the three most recently received Servicer Reports (or, where there are not at least three previous Servicer Reports, any previous Servicer Reports) received in the preceding Collection Periods;

(ii) calculate the Revenue Receipts for such Determination Period as the product of (A) the Interest Determination Ratio and (B) all collections received by the Issuer during such Determination Period (the "**Calculated Revenue Receipts**"); and

(iii) calculate the Redemption Receipts for such Determination Period as the product of (A) 1 minus the Interest Determination Ratio and (B) all collections received by the Issuer during such Determination Period (the "**Calculated Redemption Receipts**").

(c) Following the end of any Determination Period, upon receipt by the Cash Manager of the Servicer Report in respect of such Determination Period, the Cash Manager shall reconcile the calculations made in accordance with Condition 6.9(b) above to the actual collections set out in the Servicer Reports by allocating the Reconciliation Amount (as defined above) as follows:

(i) if the Reconciliation Amount is a positive number, the Cash Manager shall apply an amount equal to the lesser of (A) the absolute value of the Reconciliation Amount and (B) the amount standing to the credit of the Revenue Ledger, as Available Redemption Receipts (with a corresponding debit of the Revenue Ledger); and

(ii) if the Reconciliation Amount is a negative number, the Cash Manager shall apply an amount equal to the lesser of (A) the absolute value of the Reconciliation Amount and (B) the amount standing to the credit of the Redemption Ledger, as Available Revenue Receipts (with a corresponding debit of the Redemption Ledger),

provided that the Cash Manager shall apply such Reconciliation Amount in determining Available Revenue Receipts and Available Redemption Receipts for such Collection Period in accordance with the terms of the Cash Management Agreement and the Cash Manager shall promptly notify the Issuer and the Trustee of such Reconciliation Amount.

7. PAYMENTS

7.1 Payment of Interest and Principal

Subject to Condition 3.1 (*Form and Denomination*), payments of any amount in respect of a Note, including principal and interest, shall be made by:

(a) (other than in the case of final redemption) Sterling cheque; or

(b) (other than in the case of final redemption) upon application by the relevant Noteholder to the specified office of the Principal Paying Agent not later than the 15th day before the due date for any such payment, by transfer to a Sterling account maintained by the payee with a bank in London; and

(c) (in the case of final redemption) Sterling cheque upon surrender (or, in the case of part payment only, endorsement) of the relevant Global Note or Registered Definitive Notes (as the case may be) at the specified office of any Paying Agent.

7.2 Laws and Regulations

Payments of any amount in respect of a Note including principal and interest in respect of the Notes are subject, in all cases, to (i) any fiscal or other laws and regulations applicable thereto in the place of payment and (ii) any withholding or deduction required pursuant to an agreement described in section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to sections 1471 to 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof or any law implementing an intergovernmental approach thereto (the "**FATCA**"). Noteholders will not be charged commissions or expenses on payments.

7.3 Payment of Interest following a Failure to pay Principal

If payment of principal is improperly withheld or refused on or in respect of any Note or part thereof, the interest which continues to accrue in respect of such Note in accordance with Condition 6.1 (*Accrual of interest*) and Condition 6.3 (*Rate of Interest*) will be paid in accordance with this Condition 7.

7.4 Change of Paying Agents

The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of the Principal Paying Agent or the Registrar and to appoint additional or other agents, **provided that**:

(a) there will at all times be a person appointed to perform the obligations of the Principal Paying Agent with a specified office in London, and a person appointed to perform the obligations of the Registrar with a specified office in Ireland or in London; and

(b) the Issuer undertakes that it will ensure that it maintains a Paying Agent in the EU or the United Kingdom.

Except where otherwise provided in the Trust Deed or the Agency Agreement, the Issuer will cause notice of no more than 30 days and no less than 15 days of any change in or addition to the Paying Agents or the Registrar or their specified offices to be given to the Noteholders in accordance with Condition 16 (*Notice to Noteholders*) and will notify the Rating Agencies of such change or addition.

7.5 **No Payment on non-Business Day**

If the date for payment of any amount in respect of a Note is not a Presentation Date, Noteholders shall not be entitled to payment until the next following Presentation Date and shall not be entitled to further interest or other payment in respect of such delay. In this Condition 7.5, the expression "**Presentation Date**" means a day which is (a) a Business Day and (b) a day on which banks are generally open for business in the relevant place.

7.6 **Partial Payment**

If a Paying Agent makes a partial payment in respect of any Note, the Registrar will, in respect of the relevant Note, annotate the Register indicating the amount and date of such payment.

7.7 **Payment of Interest**

If interest is not paid in respect of a Note of any Class on the date when due and payable (other than because the due date is not a Presentation Date (as defined in Condition 7.5 (*No Payment on non-Business Day*)) or by reason of non-compliance by the Noteholder with Condition 7.1 (*Payment of Interest and Principal*)), then such unpaid interest (other than unpaid interest on the Class X Notes) shall itself bear interest at the Rate of Interest applicable from time to time to such Note until such interest and interest thereon are available for payment and notice thereof has been duly given in accordance with Condition 16 (*Notice to Noteholders*).

8. **REDEMPTION**

8.1 **Redemption at Maturity**

Unless previously redeemed in full or purchased and cancelled as provided below, the Issuer will redeem the Notes at their respective Principal Amount Outstanding together with accrued unpaid interest on the Interest Payment Date falling in September 2067 (the "**Final Maturity Date**").

8.2 **Mandatory Redemption prior to the delivery of an Enforcement Notice or prior to the Optional Redemption Date or prior to exercise of the Portfolio Purchase Option**

(a) The Principal Amount Outstanding of each Class of Notes shall be redeemed on each Interest Payment Date in accordance with the relevant Priority of Payments. The principal amount to be redeemed in respect of a Note of a particular Class (the "**Note Principal Payment**") on any Interest Payment Date prior to the delivery of an Enforcement Notice shall be the Available Redemption Receipts available for such purpose on such Interest Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments and the Pre-Enforcement Redemption Priority of Payments, as applicable, as calculated on the Calculation Date immediately preceding such Interest Payment Date multiplied by the relevant Note Factor and rounded down to the nearest penny. With respect to each Note of a particular Class on (or as soon as practicable after) each Calculation Date, the Issuer shall determine (or cause the Cash Manager to determine) (i) the amount of any Note Principal Payment due on the Interest Payment Date next following such Calculation Date, (ii) the Principal Amount Outstanding of each such Note and (iii) the fraction expressed as a decimal to the sixth decimal point (the "**Note Factor**"), of which the numerator is the Principal Amount Outstanding of that Note (as referred to in (ii) above) and the denominator is the Principal Amount Outstanding of the relevant Class of Notes. Each determination by or on behalf of the Issuer of any principal repayment, the Principal Amount Outstanding of a Note and the Note Factor shall in each case (in the absence of wilful default or manifest error) be final and binding on all persons.

(b) The Issuer will cause each determination of a principal repayment, Principal Amount Outstanding and Note Factor to be notified by not less than two Business Days prior to the relevant Interest Payment Date to the Trustee, the Paying Agents, the Agent Bank and (for so long as the Notes are listed on the Official List of Euronext Dublin and admitted to trading on its regulated market) Euronext Dublin, and will immediately cause notice of each such determination to be given in accordance with Condition 16 (*Notice to Noteholders*) not later than two Business Days prior to the relevant Interest Payment Date. If no principal repayment is due to be made on the Notes on any Interest Payment Date a notice to this effect will be given to the holders of the Notes.

8.3 **Redemption of the Notes in full pursuant to 10 per cent. clean-up call**

The Issuer:

(a) may, if the Portfolio Purchase Option Holder does not exercise its rights in respect of the Portfolio Purchase Option within 90 days of the date on which the Principal Amount Outstanding of all of the outstanding Notes is less than 10 per cent. of the Principal Amount Outstanding of all of the Notes as at the Closing Date; or

(b) shall, on the Portfolio Purchase Option Completion Date, use the Portfolio Purchase Option Purchase Price received from the Portfolio Purchase Option Holder to,

in each case, redeem all (but not some only) of the Notes in each Class at their Principal Amount Outstanding together with accrued unpaid interest up to but excluding the date of redemption on any Interest Payment Date when, on the related Calculation Date, the aggregate of the Principal Amount Outstanding of all of the outstanding Notes is less than 10 per cent. of the Principal Amount Outstanding of all of the Notes as at the Closing Date and **provided that**:

(i) no Enforcement Notice has been delivered by the Trustee;

(ii) the Issuer has given not more than 60 nor less than 30 days' notice to the Trustee and the Noteholders in accordance with Condition 16 (*Notices to Noteholders*) that it will redeem all (but not some only) of the Notes in each Class; and

(iii) immediately prior to giving any such notice, the Issuer shall have provided to the Trustee a certificate signed by two directors of the Issuer (upon which the Trustee shall be entitled to rely without further enquiry or liability) to the effect that it will have the funds on the relevant Interest Payment Date, not subject to the interest of any other person, required to redeem the Notes pursuant to this Condition and meet its payment obligations under items (a) to (l) of the Post-Enforcement Priority of Payments.

The Issuer shall, upon it becoming aware of the same, notify the Portfolio Purchase Option Holder where the outstanding Notes is less than 10 per cent. of the Principal Amount Outstanding of all the Notes as at the Closing Date.

8.4 **Redemption of the Notes pursuant to Taxation call**

The Issuer,

(a) may, if the Portfolio Purchase Option Holder does not exercise its rights in respect of the Portfolio Purchase Option within 90 days of the occurrence of any of the circumstances set out in limbs (i) or (ii) below, or

(b) shall, on the Portfolio Purchase Option Completion Date, use the Portfolio Purchase Option Purchase Price received from the Portfolio Purchase Option Holder to,

in each case, redeem all (but not some only) of the Notes in each Class at their Principal Amount Outstanding together with accrued interest up to but excluding the date of redemption on any Interest Payment Date if:

(i) after the date on which by reason of a change in tax law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, on or before the next Interest Payment Date the Issuer or the Paying Agents would be required to deduct or withhold from any payment of principal or interest on any Notes (other than because the relevant holder has some connection with the United Kingdom other than the holding of such Notes) any amount for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom or any political sub-division thereof or any authority thereof or therein having power to tax the Issuer; or

(ii) after the date on which by reason of a change in law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, it has become or will become unlawful for the Issuer to make, fund or allow to remain outstanding all or any of the Notes,

provided that the Issuer shall notify the Portfolio Purchase Option Holder following the Issuer becoming aware of the circumstances in (i) or (ii), above and the Issuer or the Portfolio Purchase Option Holder satisfies the Trustee that one or more of the events described above is continuing and that the appointment of a Paying Agent in another jurisdiction and substitution of a company incorporated and tax resident in another jurisdiction as principal debtor under the Notes would not avoid the effect of the relevant event, or that having used its reasonable endeavours, the Issuer is unable to arrange such substitution or appointment, **provided further that** if the Issuer has arranged for such substitution the Trustee is satisfied that such substitution will not be materially prejudicial to the interests of the holders of the Notes and the conditions for any such substitution of the Issuer as provided in the Trust Deed are complied with (and in making such determination, the Trustee may rely, without further investigation or enquiry, on any confirmation from the Rating Agencies that the then current ratings of the Notes would not be adversely affected by such substitution) and subject to the following:

(A) no Enforcement Notice has been delivered by the Trustee;

(B) the Issuer has given not more than 60 nor less than 30 days' notice to the Trustee and the Noteholders in accordance with Condition 16 (*Notice to Noteholders*) of its intention to redeem all (but not some only) of the Notes in each Class;

(C) prior to giving any such notice, the Issuer or the Portfolio Purchase Option Holder has provided to the Trustee:

(1) a legal opinion (addressed to the Trustee) from a firm of lawyers in the applicable jurisdiction (the identity of such firm approved in writing by the Trustee), opining on the relevant change in law or tax law (or the application or official interpretation thereof) to the effect that in the case of Condition 8.4(a) above, the Issuer or the Paying Agents has or will become obliged to deduct or withhold amounts as a result of such change or in the case of Condition 8.4(b) above that it has or will become unlawful for the Issuer to make, fund or allow to remain outstanding all or any of the Notes;

(2) a certificate signed by two directors of the Issuer or by the Portfolio Purchase Option Holder to the effect that one or more of the circumstances in Condition 8.4(a) or Condition

8.4(b) above exists and confirming that the appointment of a Paying Agent in another jurisdiction or a substitution of the Issuer would not avoid the effect of the event, or that, having used its reasonable endeavours, the Issuer is unable to arrange such appointment or substitution; and

(3) a certificate signed by two directors of the Issuer to the effect that it will have the funds on the relevant Interest Payment Date, not subject to the interest of any other person, required to redeem the Notes pursuant to this Condition and to meet its payment obligations under items (a) to (l) of the Post-Enforcement Priority of Payments.

The Trustee shall be entitled to accept and rely on such certificates and opinion as sufficient evidence of the satisfaction of the circumstances set out above, in which event they shall be conclusive and binding on all Noteholders and Secured Creditors.

8.5 **Mandatory Redemption in full pursuant to the exercise of the Portfolio Purchase Option**

(a) On the Portfolio Purchase Option Completion Date, the Issuer shall use the Portfolio Purchase Option Purchase Price received from the Portfolio Purchase Option Holder to redeem all (but not some only) of the Notes in each Class at their Principal Amount Outstanding together with accrued unpaid interest up to but excluding the date of redemption in accordance with the Post-Enforcement Priority of Payments with the result that the Notes will be redeemed in full in accordance with this Condition 8.5 on such date. The Issuer shall give not more than 60 days' nor fewer than 2 Business Days' notice of any such redemption of the Notes to the Noteholders in accordance with Condition 16 (*Notice to Noteholders*) and the Trustee.

(b) Any Note redeemed pursuant to Condition 8.5(a) will be redeemed at an amount equal to the Principal Amount Outstanding of the relevant Note to be redeemed together with accrued (and unpaid) interest on the Principal Amount Outstanding of the relevant Note up to but excluding the Interest Payment Date on which the redemption occurred.

8.6 **Principal Amount Outstanding**

The "**Principal Amount Outstanding**" means, on any day:

(a) in relation to a Note, the original principal amount of that Note on the Closing Date less the aggregate amount of all principal payments in respect of such Note which have been made since the Closing Date;

(b) in relation to a Class of Notes on any date shall be, in each case, their original principal amount, in respect of the Class A Notes of £292,909,000, in respect of the Class B Notes of £13,831,000, in respect of the Class C Notes of £7,323,000, in respect of the Class D Notes of £5,696,000, in respect of the Class E Notes of £5,696,000, in respect of the Class X Notes of £6,509,000, in each case less the aggregate amount of all principal payments in respect of such Class of Notes which have been made since the Closing Date;

(c) in relation to the Notes outstanding at any time, the aggregate of the amount in paragraph (a) above in respect of all Notes outstanding, regardless of Class; and

(d) in relation to the Certificates, for the purposes of the voting and quorum provisions set out in the Conditions, the Certificate Conditions and the Trust Deed any reference to the Principal Amount Outstanding of the RC1 Certificates and the RC2 Certificates shall each be deemed to be a reference at all times to £500,000.

8.7 **Notice of Redemption**

Any such notice as is referred to in Condition 8.3 (*Redemption of the Notes in full pursuant to 10 per cent. clean-up call*), Condition 8.4 (*Redemption of the Notes pursuant to Taxation call*) or Condition 8.5 (*Mandatory Redemption in full pursuant to the exercise of the Portfolio Purchase Option*) above shall be irrevocable and, upon the expiry of such notice, the Issuer shall be bound to redeem the relevant Notes at the applicable amounts specified above.

8.8 **No Purchase by the Issuer**

The Issuer will not be permitted to purchase any of the Notes.

8.9 **Cancellation on redemption in full**

All Notes redeemed in full will be cancelled upon redemption. Notes cancelled upon redemption in full may not be resold or re-issued.

9. **TAXATION**

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, all present and future taxes, levies, imposts, duties, fees, deductions, withholdings or charges of any nature whatsoever and wheresoever imposed, including income tax, corporation tax, value added tax or other tax in respect of added value and any franchise, transfer, sales, gross receipts, use, business, occupation, excise, personal property, real property or other tax imposed by any national, local or supranational taxing or fiscal authority or agency together with any penalties, fines or interest thereon ("**Taxes**"), unless the withholding or deduction of the Taxes is required by applicable law. In that event, subject to Condition 8.4 (*Redemption of the Notes pursuant to Taxation call*), the Issuer or, as the case may be, the Paying Agent shall make such payment after the withholding or deduction has been made and shall account to the relevant authorities for the amount required to be withheld or deducted. Neither the Issuer nor any Paying Agent nor any other person shall be obliged to make any additional payments to Noteholders in respect of such withholding or deduction.

10. **PRESCRIPTION**

Claims for principal in respect of Notes shall become void where application for payment is made more than ten years after the Relevant Date and (in the case of interest) more than five years after the Relevant Date in respect of the relevant payment.

In this Condition 10, the "**Relevant Date**", in respect of a payment, is the date on which such payment first becomes due or (if the full amount of the monies payable on that date has not been duly received by the Principal Paying Agent or the Trustee on or prior to such date) the date on which, the full amount of such monies having been received, notice to that effect is duly given to the relevant Noteholders in accordance with Condition 16 (*Notice to Noteholders*).

11. **EVENTS OF DEFAULT**

11.1 **Notes**

The Trustee, at its absolute discretion, may or, if so directed in writing by the holders of at least 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class or if so directed by an Extraordinary Resolution of the holders of the Most Senior Class shall, (subject to being indemnified and/or prefunded and/or secured to its satisfaction as more particularly described in the Trust Deed) (but, in the case of the occurrence of any of the events mentioned paragraphs (b) and (c) below, only if the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the holders of the Most Senior Class of Notes or, where there are no Notes outstanding, the Certificateholders) give a notice (an "**Enforcement Notice**") to the Issuer (with a copy to the Swap Provider, the Cash Manager, the Servicer, the Back-Up Servicer Facilitator, the Issuer Account Bank and the Seller) that all Classes of the Notes are immediately due and repayable

at their respective Principal Amount Outstanding, together with accrued (but unpaid) interest as provided in the Trust Deed, if any of the following events (each, an "**Event of Default**") occur:

(a) subject to Condition 18 (*Subordination by Deferral*), if default is made in the payment of any principal or interest due in respect of the Notes and the default continues for: (i) a period of five Business Days in the case of principal, or (ii) three Business Days in the case of interest; or

(b) if the Issuer fails to perform or observe any of its other obligations under these Conditions or any Transaction Document to which it is a party and it continues for a period of 15 days (or such longer period as the Trustee may permit) (except that in any case where the Trustee considers the failure to be incapable of remedy, then no continuation or notice as is aforementioned will be required) following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or

(c) if any representation or warranty made by the Issuer under any Transaction Document is incorrect when made and the matters giving rise to such misrepresentation are not remedied within a period of 15 days (or such longer period as the Trustee may permit) (except that in any case where the Trustee considers the matters giving rise to such misrepresentation to be incapable of remedy, then no continuation or notice as is hereinafter mentioned will be required) following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or

(d) if any order is made by any competent court or any resolution is passed for the winding up or dissolution of the Issuer, save for the purposes of reorganisation on terms approved in writing by the Trustee or by Extraordinary Resolution of the Most Senior Class of Noteholders; or

(e) if (i) the Issuer ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of reorganisation on terms approved in writing by the Trustee or by Extraordinary Resolution of the Most Senior Class of Noteholders, or (ii) the Issuer stops or threatens to stop payment of, or is unable to, or admits inability to, pay its debts (or any class of its debts) as they fall due or the value of its assets falls to less than the amount of its liabilities (taking into account its contingent and prospective liabilities) or (iii) the Issuer is deemed unable to pay its debts pursuant to or for the purposes of any applicable law or is adjudicated or found bankrupt or insolvent; or

(f) if proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with the court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to the whole or any part of the undertaking or assets of the Issuer, and in any such case (other than the appointment of an administrator or an administrative receiver appointed following presentation of a petition for an administration order), unless initiated by the Issuer, is not discharged within 30 days; or

(g) if the Issuer (or its directors or shareholders) initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or takes steps with a view to obtaining a moratorium in respect of any of its indebtedness or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors).

11.2 **General**

Upon the delivery of an Enforcement Notice by the Trustee in accordance with Condition 11.1 (*Notes*), all the Notes then outstanding shall thereby immediately become due and repayable at their respective Principal Amount Outstanding, together with accrued interest as provided in the Trust Deed.

12. ENFORCEMENT

12.1 **General**

The Trustee may, at any time, at its discretion and without notice, take such proceedings, actions or steps against the Issuer or any other party to any of the Transaction Documents as it may think fit to enforce the provisions of the Notes, the Certificates, the Trust Deed (including these Conditions or the Certificate Conditions) or the Deed of Charge or any of the other Transaction Documents to which it is a party and, at any time after the delivery of an Enforcement Notice, the Trustee may, at its discretion and without notice, take such steps as it may think fit to enforce the Security, but the Trustee shall not be bound to take any such proceedings, action or steps unless:

(a) the Trustee shall have been so directed by an Extraordinary Resolution of the holders of the Most Senior Class then outstanding or directed in writing by the holders of at least 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class; and

(b) in all cases, it shall have been indemnified and/or prefunded and/or secured to its satisfaction.

12.2 **Preservation of Assets**

If the Security has become enforceable otherwise than by reason of a default in payment of any amount due on the Notes or the Certificates, the Trustee will not be entitled to dispose of any of the Charged Assets or any part thereof unless either (a) a sufficient amount would be realised to allow discharge in full on a *pro rata* and *pari passu* basis of all amounts owing to the holders of the Notes (and all persons ranking in priority to the holders of the Notes), or (b) the Trustee is of the opinion, which shall be binding on the Secured Creditors, reached after considering at any time and from time to time the advice of any financial adviser (or such other professional advisers selected by the Trustee for the purpose of giving such advice), that the cash flow prospectively receivable by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts owing: (i) to the Noteholders (and all persons ranking in priority to the Noteholders as set out in the order of priority set out in the Post-Enforcement Priority of Payments); and (ii) once all the Noteholders (and all such higher ranking persons) have been repaid, to the remaining Secured Creditors (other than the Certificateholders) in the order of priority set out in the Post-Enforcement Priority of Payments; and (iii) once all the Noteholders and the Secured Creditors (other than the Certificateholders) have been repaid, to the Certificateholders. The fees and expenses of the aforementioned financial adviser or other professional adviser selected by the Trustee shall be paid by the Issuer. The Trustee shall be entitled to rely upon any financial or other professional advice referred to in this Condition 12.2 without further enquiry and shall incur no liability to any person for so doing.

12.3 **Limitations on Enforcement**

No Noteholder shall be entitled to proceed directly against the Issuer or any other party to any of the Transaction Documents to enforce the performance of any of the Conditions or any of the provisions of the Transaction Documents and/or to take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer unless the Trustee having become bound so to do, fails to do so within a reasonable period and such failure shall be continuing, **provided that** no Noteholder shall be entitled to take any steps or proceedings to procure the winding up, administration or liquidation of the Issuer.

12.4 **Limited Recourse**

Notwithstanding any other Condition or any provision of any Transaction Document, all Obligations of the Issuer to the Noteholders are limited in recourse to the property, assets and undertakings of the Issuer the subject of any security created under and pursuant to the Security Documents (the "**Charged Assets**"). If:

(a) there are no Charged Assets remaining which are capable of being realised or otherwise converted into cash;

(b) all amounts available from the Charged Assets have been applied to meet or provide for the relevant obligations specified in, and in accordance with, the provisions of the Deed of Charge; and

(c) there are insufficient amounts available from the Charged Assets to pay in full, in accordance with the provisions of the Deed of Charge, amounts outstanding under the Notes,

then the Noteholders shall have no further claim against the Issuer in respect of any amounts owing to them which remain due or to be paid in respect of the Notes (including, for the avoidance of doubt, payments of principal, premium (if any) or interest in respect of the Notes) and the Issuer shall be deemed to be discharged from making any further payments in respect of the Notes and any further payment rights shall be extinguished.

13. **MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION**

13.1 The Trust Deed contains provisions for convening meetings of the Noteholders and/or Certificateholders of each Class and, in certain cases, more than one Class to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of these Conditions or the provisions of any of the Transaction Documents.

13.2 For the purposes of these Conditions: "**Most Senior Class**" means:

(a) the Class A Notes; or

(b) if there are no Class A Notes then outstanding, the Class B Notes; or

(c) if there are no Class A Notes or Class B Notes then outstanding, the Class C Notes; or

(d) if there are no Class A Notes, Class B Notes or Class C Notes then outstanding, the Class D Notes; or

(e) if there are no Class A Notes, Class B Notes, Class C Notes or Class D Notes then outstanding, the Class E Notes; or

(f) if there are no Collateralised Notes then outstanding, the Class X Notes; or

(g) if there are no Collateralised Notes or Class X Notes then outstanding; or

(h) if there are no Notes then outstanding:

(i) prior to (but excluding) the Optional Redemption Date, the RC1 Certificates; or

(ii) on and from the Optional Redemption Date, the RC2 Certificates.

"**outstanding**" means, in relation to a Class of Notes or Certificates, all the Notes or Certificates of that Class which have been issued except:

(a) those which have been redeemed in full in accordance with the conditions;

(b) those in respect of which the date for redemption in full has occurred and the full amount of redemption moneys (including all interest accrued on such Notes or Certificates to the date for such redemption and any interest payable under the conditions after such date) have been duly paid to the Trustee or to the Principal Paying Agent as provided in clause 5 (*Covenant to Repay Principal*) of the Trust Deed (and, where appropriate, notice to that effect has been given to the Noteholders in accordance with Condition 16 (*Notice to Noteholders*) or to the Certificateholders in accordance with Certificate Condition 15 (*Notice to Certificateholders*)) and remain available for payment against presentation and surrender of Notes or Certificates;

(c) those which have become void or in respect of which claims have become prescribed;

(d) those mutilated or defaced Notes or Certificates which have been surrendered or cancelled and those Notes or Certificates which are alleged to have been lost, stolen or destroyed and in all cases in respect of which replacement Notes or Certificates have been issued pursuant to the conditions; and

(e) any Global Note or Global Certificate to the extent that it shall have been exchanged for the related Definitive Notes or Definitive Certificates pursuant to the provisions contained therein and the conditions,

provided that for each of the following purposes:

(i) ascertaining the right to attend and vote at any meeting of the Noteholders or Certificateholders;

(ii) the determination of how many Notes or Certificates are outstanding for the purposes of Condition 11 (*Events of Default*) or Certificate Condition 10 (*Events of Default*), Condition 12 (*Enforcement*) or Certificate Condition 11 (*Enforcement*) and Condition 13 (*Meetings of Noteholders, Modification, Waiver and Substitution*) or Certificate Condition 12 (*Meetings of Certificateholders, Modification, Waiver and Substitution*) and Schedule 7 (*Provisions for Meetings of Noteholders and Certificateholders*) to the Trust Deed;

(iii) the exercise of any discretion, power or authority which the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Noteholders or Certificateholders or any Class of them; and

(iv) the determination by the Trustee of whether any event or potential event is or would be materially prejudicial to the interests of the Noteholders or Certificateholders or any Class of them,

those Notes or Certificates which are beneficially held by, on behalf of or for the benefit of the Issuer, the Seller, any holding company as defined in section 1159 of the Companies Act 2006 ("**Holding Company**") of the Issuer or Seller or any other subsidiary as defined in section 1159 of the Companies Act 2006 ("**Subsidiary**") of either such Holding Company (each such entity a "**Relevant Person**"), in each case as beneficial owner, shall (unless and until ceasing to be so held) be deemed not to remain outstanding or in issue, except where all of the Notes or Certificates of any Classes are held by or on behalf of or for the benefit of one or more Relevant Persons, in which case such Classes of Notes or Certificates (the "**Relevant Class**") shall be deemed to remain outstanding or in issue (as the case may be) except that, if there is any other Class of Notes or Certificates ranking (with regard to the definition of Most Senior Class) *pari passu* with, or junior to, the Relevant Class and one or more Relevant Persons are not the beneficial owners of all the Notes of such Class, then the Relevant Class shall be deemed not to remain outstanding and **provided that** in relation to a matter relating to a Basic Terms Modification, any Notes or Certificates which are for the time being held by or on behalf of or for the benefit of a Relevant Person, in each case as beneficial owner, shall be deemed to remain outstanding or in issue, as applicable.

13.3 **Most Senior Class and Limitations on other Noteholders and Certificateholders**

(a) Other than in relation to a Basic Terms Modification, which additionally require an Extraordinary Resolution of the holders of the relevant affected Class or Classes of Notes and/or Certificates then in issue, as applicable:

(i) subject to Condition 13.3(a)(ii), an Extraordinary Resolution passed at any meeting of a relevant Class of Noteholders shall be binding on (i) such Noteholders and all other Classes of Noteholders ranking junior to such Class of Noteholders in the Post-Enforcement Priority of Payments in each case and (ii) the Certificateholders, irrespective of the effect it has upon them; and

(ii) no Extraordinary Resolution of any Class of Noteholders or Certificateholders shall take effect for any purpose while any Class of Noteholders or Certificateholders ranking senior to such Class of Noteholders or Certificateholders in the Post-Enforcement Priority of Payments (any such senior ranking Class of Notes or Certificates, a "**Senior Class**") remains outstanding or (in the case of the Certificates) remain in issue unless it shall have been sanctioned by an Extraordinary Resolution of the holders of each Senior Class or the Trustee is of the opinion that it would not be materially prejudicial to the interests of the holders of each Senior Class,

provided that, in respect of any Extraordinary Resolution of a Class or Classes of Noteholders and/ or Certificateholders relating to any amendment, waiver, modification, supplement or consent in respect of any of the Transaction Documents which would have the effect:

(A) that immediately thereafter, the Swap Provider would be required to pay more or to receive less from a third-party transferee if it were to transfer each of the Transaction(s) (as defined in the Swap Agreement) to such third-party transferee (subject to and in accordance with the terms of the Swap Agreement) than would otherwise be the case if such amendment, waiver, modification, supplement or consent were not made;

(B) of altering the amount, timing or priority of any payments due from the Issuer to the Swap Provider or from the Swap Provider to the Issuer;

(C) of altering any requirement (including pursuant to this Condition 13.3) to obtain the Swap Provider's prior consent (written or otherwise) in respect of any matter;

(D) of altering the Swap Provider's status as a Secured Creditor; or

(E) of altering the rights of the Swap Provider in relation to the Security (however so described, and including as a result of changing the nature or the scope of, or releasing such Security) granted by the Issuer in favour of the Trustee on behalf of the Secured Creditors,

unless (x) the written consent of the Swap Provider has been obtained, or (y) the Trustee has determined that Swap Provider consent is not needed after taking into account all of the circumstances and information available to it (including for the avoidance of doubt any written notification from the Issuer to the Trustee (as determined by the Issuer in accordance with the Transaction Documents), that the Swap Provider's consent is not needed), prior to such amendments being effected.

(b) The Issuer shall procure that any amendment proposed to be made to any Transaction Document is notified to the Swap Provider, no later than the fifth Business Day prior to such amendment being effected (where such proposed amendment is not within the scope of the amendments described in Condition 13.3(a) above where prior written Swap Provider consent is required).

(c) No Extraordinary Resolution of the holders of a Class or Classes of Notes and/or Certificates which would have the effect of sanctioning a Basic Terms Modification in respect of any Class of Notes or Certificates shall take effect unless it has been sanctioned by an Extraordinary Resolution of the holders of each affected Class of Notes then outstanding and/or the holders of each affected Class of Certificates then in issue which are affected by such Basic Terms Modification.

(d) No Ordinary Resolution that is passed by the holders of any Class of Notes or Certificates shall take effect for any purpose while any Senior Class remain outstanding or (in the case of the Certificates) remain in issue unless it shall have been sanctioned by an Ordinary Resolution of the holders of each Senior Class or the Trustee is of the opinion that it would not be materially prejudicial to the interests of the holders of each Senior Class.

13.4 **Quorum**

(a) Subject as provided below, the quorum at any meeting of Noteholders of any Class or Classes for passing an Ordinary Resolution will be one or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of such Class or Classes of Notes then outstanding.

(b) Subject as provided below, the quorum at any meeting of Noteholders of any Class or Classes for passing an Extraordinary Resolution will be one or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of such Class or Classes of Notes then outstanding.

(c) Subject to the more detailed provisions set out in the Trust Deed, the quorum at any meeting of any holders of any Class or Classes of Notes or Certificates passing an Extraordinary Resolution to:

(i) sanction a modification of the date of maturity of the Notes;

(ii) sanction a modification of the date of payment of principal or interest (including any premium payable) in respect of the Notes, or where applicable, of the method of calculating the date of payment of principal or interest in respect of the Notes or of the method of calculating the date of payment in respect of any Class of Certificates, except in accordance with Conditions 13.6(g) or (h) (*Additional Right of Modification*) or Certificate Conditions 12.6(g) or (h) (*Additional Right of Modification*) in relation to any Base Rate Modification or Swap Rate Modification;

(iii) sanction a modification of the amount of principal or the rate of interest payable in respect of the Notes, or where applicable, of the method of calculating the amount payable of any principal or interest in respect of the Notes or of the method of calculating the amounts payable in respect of any Class of Certificates (including, if any such modification is proposed for any Class of Notes), except in accordance with Conditions 13.6(g) or (h) (*Additional Right of Modification*) or Certificate Conditions 12.6(g) or (h) (*Additional Right of Modification*) in relation to any Base Rate Modification or Swap Rate Modification;

(iv) alter the currency in which payments under any Class of Notes or any Class of Certificates are to be made;

(v) alter the quorum or majority required in relation to this exception;

(vi) sanction any scheme or proposal for the sale, conversion or cancellation of any Class of Notes or any Class of Certificates; or

(vii) any change to the definition of Basic Terms Modification,

(each a "**Basic Terms Modification**") shall be one or more persons holding or representing in aggregate not less than three-quarters of the aggregate Principal Amount Outstanding of such Class of Notes then outstanding. Any Extraordinary Resolution in respect of a Basic Terms Modification shall only be effective if duly passed at separate meetings (or by separate resolutions in writing or by separate resolutions passed by way of consents received through the relevant Clearing System(s)) of each relevant affected Class of Noteholders.

(d) Subject as provided below, the quorum at any adjourned meeting of Noteholders of any Class or Classes for passing an Ordinary Resolution will be one or more persons holding or representing not less than 10 per cent. of the aggregate Principal Amount Outstanding of such Class or Classes of Notes then outstanding.

(e) Subject as provided below, the quorum at any adjourned meeting of Noteholders of any Class or Classes for passing an Extraordinary Resolution will be one or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of such Class or Classes of Notes then outstanding.

(f) Subject to the more detailed provisions set out in the Trust Deed, the quorum at any adjourned meeting of any holders of any Class or Classes of Notes passing an Extraordinary Resolution to sanction a Basic Terms Modification shall be one or more persons holding or representing in aggregate not less than 50 per cent. of the aggregate Principal Amount Outstanding of such Class of Notes then outstanding. Any Extraordinary Resolution in respect of a Basic Terms Modification shall only be effective if duly passed at separate meetings (or by separate resolutions in writing or by separate resolutions passed by way of consents received through the relevant Clearing System(s)) of each relevant affected Class of Noteholders and by a meeting of each relevant affected Class of Certificates.

13.5 **Modification to the Transaction Documents**

(a) The Trustee may (or in the case of paragraph (iii), (iv) or (v) below, shall) at any time and from time to time, with the written consent of the Secured Creditors which are a party to the relevant Transaction Document (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document) but without the consent or sanction of the Noteholders, the Certificateholders or any other Secured Creditors agree with the Issuer and any other parties in making or sanctioning any modification:

(i) other than in respect of a Basic Terms Modification, to the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document, which in the opinion of the Trustee (acting in accordance with the Trust Deed) will not be materially prejudicial to the interests of the Noteholders (or, if there are no Notes outstanding, the interests of the Certificateholders), and, for the avoidance of doubt, any modification of the Collection Account Declaration of Trust which does not affect the manner in which the Issuer Share (as defined in the Collection Account Declaration of Trust) is calculated will not be materially prejudicial to the interests of the Noteholders (or if there are no Notes outstanding, the interests of the Certificateholders) or the interests of the Trustee;

(ii) to the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document if in the opinion of the Trustee (acting in accordance with the Trust Deed) such modification is of a formal, minor or technical nature or to correct a manifest error;

(iii) to the Transaction Documents, the Conditions and/or the Certificate Conditions that are requested in writing by the Issuer (acting in its own discretion or at the direction of any transaction party) in order to enable the Issuer to comply with any requirements which apply to it under EU EMIR and/or under UK EMIR, irrespective of whether such modifications are (i) materially prejudicial to the interests of the holders of any Class of Notes or

Certificates or any other Secured Creditor or (ii) in respect of a Basic Terms Modification (any such modification, an "**EMIR Amendment**") and subject to receipt by the Trustee of a certificate of (i) the Issuer signed by two directors or (ii) the Servicer on behalf of the Issuer certifying to the Trustee that the amendments requested by the Issuer are to be made solely for the purpose of enabling the Issuer to satisfy its requirements under EU EMIR and/or under UK EMIR and (y) have been drafted solely to such effect;

(iv) to the Transaction Documents or the Conditions and/or the Certificate Conditions that are requested in writing by the Issuer (acting in its own discretion or at the direction of any transaction party) for the purpose of enabling the Issuer (or the Servicer on its behalf) to (x) transfer the Collection Account from the Collection Account Bank to another bank or (y) transfer the role of the Servicer and/or the Legal Title Holder to the Replacement Servicer and Replacement Legal Title Holder or, as the case may be, to the Successor Servicer and the Successor Legal Title Holder, in each case in circumstances where the Servicer's and Legal Title Holder's appointment is terminated pursuant to clause 25 (*Appointment following Termination*) of the Servicing Agreement, irrespective of whether such modifications are (i) materially prejudicial to the interests of the holders of any Class of Notes or Certificates or any other Secured Creditor or (ii) in respect of a Basic Terms Modification **provided that** the Issuer (or Servicer on its behalf) certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect and that the conditions stipulated in clause 30.2 or 25, respectively, of the Servicing Agreement have been satisfied; or

(v) to the Transaction Documents or the Conditions and/or the Certificate Conditions that are requested in writing by the Issuer (acting in its own discretion or at the direction of any transaction party) for the purpose of enabling the Issuer to open any custody account for the receipt of any collateral posted by the Swap Provider under the Swap Agreement in the form of securities, irrespective of whether such modifications are (i) materially prejudicial to the interests of the holders of any Class of Notes or Certificates or any other Secured Creditor or (ii) in respect of a Basic Terms Modification **provided that** the Issuer (or the Seller on its behalf) certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect.

(b) Notwithstanding anything to the contrary in the Trust Deed or the other Transaction Documents, when implementing any of the amendments specified in paragraphs (a)(iii), (a)(iv), or (a)(v) above pursuant to this Condition 13.5 the Trustee shall not consider the interests of the Noteholders, the Certificateholders, any other Secured Creditor or any other person, but shall act and rely solely and without further investigation on any certificate and notification (as applicable) provided to it by (or on behalf of) the Issuer pursuant to this Condition 13.5 and shall not be liable to any Noteholder, Certificateholder or other Secured Creditor for so acting or relying.

(c) The Trustee shall not be obliged to agree to any modification pursuant to Conditions 13.6 (a)(iii), (a)(iv) or (a)(v) above which (in the sole opinion of the Trustee) would have the effect of:

(i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction; or

(ii) increasing the obligations or duties, or decreasing the protections of the Trustee in the Transaction Documents and/or the Conditions of the Notes or Certificates.

13.6 **Additional Right of Modification**

Notwithstanding the provisions of Condition 13.5 (*Modification to the Transaction Documents*), the Trustee shall be obliged, without any consent or sanction of the Noteholders, the Certificateholders or any other Secured Creditor, subject to written consent of the Secured Creditors which are party to the relevant Transaction Documents (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document), to concur with the Issuer in making any modification (other than in respect of a Basic Terms Modification) to these Conditions, the Notes, the Certificate Conditions, the Certificates, the Trust Deed or any other Transaction Document to which it is a party or in relation to which it holds security or to enter into any new, supplemental or additional documents that the Issuer (in each case) considers necessary:

(a) for the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, **provided that**:

(i) the Issuer certifies in writing to the Trustee that such modification is necessary to comply with such criteria or, as the case may be, is solely to implement and reflect such criteria; and

(ii) in the case of any modification to a Transaction Document proposed by any of the Seller, the Servicer, the Swap Provider, the Cash Manager the Agent Bank, the Principal Paying Agent and the Issuer Account Bank (for the purpose of this Condition 13.6 only, each a "**Relevant Party**"), in order (x) to remain eligible to perform its role in such capacity in conformity with such criteria and/or (y) to avoid taking action which it would otherwise be required to take to enable it to continue performing such role (including, without limitation, posting collateral or advancing funds):

(A) the Relevant Party certifies in writing to the Issuer and the Trustee that such modification is necessary for the purposes described in sub-paragraph (ii)(x) and/or (y) above; and

(B) either:

(1) the Issuer, the Relevant Party or the Seller (on behalf of the Issuer) obtains from each of the Rating Agencies, a Rating Agency Confirmation (or certifies in writing to the Issuer (in the case of the Relevant Party or the Seller) and the Trustee that no Rating Agency Confirmation has been received within 30 days of a written request for such Rating Agency Confirmation) that such modification would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such Rating Agency and would not result in any Rating Agency placing any Notes on rating watch negative (or equivalent) and, if relevant, delivers a copy of each such confirmation to the Issuer (in the case of the Relevant Party or the Seller), and the Trustee; or

(2) the Issuer, the Relevant Party or the Seller (on behalf of the Issuer) certifies in writing to the Trustee that the Rating Agencies have been informed of the proposed modification and none of the Rating Agencies has indicated that such modification would result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such Rating Agency or (y) such Rating Agency placing any Notes on rating watch negative (or equivalent),

and the Relevant Party pays all costs and expenses (including legal fees) incurred by the Issuer and the Trustee in connection with such modification;

(b) for the purpose of complying with any changes in the requirements of the EU Securitisation Regulation, including as a result of the adoption of regulatory technical standards in relation to the EU Securitisation Regulation or any other risk retention legislation or regulations or official guidance in relation thereto, **provided that** the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(c) for the purpose of complying with any changes in the requirements of the UK Securitisation Framework, including as a result of the adoption of regulatory technical standards in relation to the UK Securitisation Framework or any other risk retention legislation or regulations or official guidance in relation thereto, **provided that** the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(d) for the purpose of enabling the Notes to be (or to remain) listed on Euronext Dublin, **provided that** the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(e) for the purpose of enabling the Issuer or any of the other Transaction Parties to comply with FATCA, **provided that** the Issuer or the relevant Transaction Party, as applicable, certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(f) for the purpose of complying with any changes in the requirements of the UK CRA Regulation after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the UK CRA Regulation and the Commission Delegated Regulation 2015/3 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA (including, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators), as amended from time to time (the "**UK CRA3 Requirements**"), including any requirements imposed by the UK Securitisation Framework and/or any new regulations or official guidance in relation thereto, **provided that** the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(the certificate to be provided by the Issuer, the Seller (on behalf of the Issuer), and/or the Relevant Party, as the case may be, pursuant to Conditions 13.6(a) to 13.6(f) above being a "**Modification Certificate**"), or

(g) for the purpose of changing the SONIA Reference Rate or the base rate that then applies in respect of the Notes to an alternative base rate (including where such base rate may remain linked to SONIA but may be calculated in a different manner) (any such rate, an "**Alternative Base Rate**") and making such other amendments as are necessary or advisable in the commercially reasonable judgment of the Issuer (or the Seller on its behalf) to facilitate such change (a "**Base Rate Modification**"), **provided that** the Issuer (or the Seller on its behalf), certifies to the Trustee in writing (such certificate, a "**Base Rate Modification Certificate**") that:

(i) such Base Rate Modification is being undertaken due to:

(A) an alternative manner of calculating a SONIA-based base rate is introduced and becomes a standard means of calculating interest for similar transactions;

(B) a material disruption to SONIA or any other relevant interest rate benchmark applicable to the Notes, an adverse change in the methodology of calculating SONIA or any other relevant interest rate

benchmark or SONIA or any other relevant interest rate benchmark ceasing to exist or be published;

(C) the insolvency or cessation of business of the SONIA administrator or the administrator of any other relevant interest rate benchmark applicable to the Notes (in circumstances where no successor SONIA administrator (or administrator of any other relevant interest rate benchmark applicable to the Notes) has been appointed);

(D) a public statement by the SONIA administrator or administrator of any other relevant interest rate benchmark applicable to the Notes that it will cease publishing SONIA (or any other relevant interest rate benchmark applicable to the Notes) permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such interest rate benchmark);

(E) a public statement by the supervisor of the SONIA administrator or the administrator of any other relevant interest rate benchmark applicable to the Notes that SONIA or any other relevant interest rate benchmark applicable to the Notes has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;

(F) a public announcement by the supervisor of the SONIA administrator or the administrator of any other relevant interest rate benchmark applicable to the Notes of the permanent or indefinite discontinuation of the SONIA Reference Rate or base rate that applies to the Notes;

(G) a public statement by the supervisor of the SONIA administrator or the administrator of any other relevant interest rate benchmark applicable to the Notes that means SONIA or any other relevant interest rate benchmark applicable to the Notes may no longer be used or that its use is subject to restrictions or adverse consequences; or

(H) the reasonable expectation of the Issuer (or the Seller on its behalf) that any of the events specified in sub-paragraphs (A) to (G) above will occur or exist within six months of the proposed effective date of such Base Rate Modification;

and, in each case, has been drafted solely to such effect; and

(ii) such Alternative Base Rate is:

(A) a base rate published, endorsed, approved or recognised by the Federal Reserve or the Bank of England, any regulator in the United States, the United Kingdom or the EU or any stock exchange on which the Notes are listed (or any relevant committee or other body established, sponsored or approved by any of the foregoing);

(B) the Sterling Over Night Index Average or the Broad Treasuries Repo Financing Rate (or any rate which is derived from, based upon or otherwise similar to either of the foregoing);

(C) a base rate utilised in a material number of publicly-listed new issues of Sterling-denominated asset backed floating rate notes prior to the effective date of such Base Rate Modification;

(D) a base rate utilised in a publicly-listed new issue of Sterling-denominated asset backed floating rate notes where the originator of the relevant assets is Shawbrook Bank Limited or an affiliate thereof; or

(E) such other base rate as the Seller (on behalf of the Issuer) reasonably determines.

For the avoidance of doubt, the Issuer (or the Seller on its behalf) may propose an Alternative Base Rate on more than one occasion **provided that** the Conditions set out in this Condition 13.6(f) are satisfied;

(h) for the purpose of changing the base rate that then applies in respect of the Swap Agreement to an alternative base rate as is necessary or advisable in the commercially reasonable judgment of the Issuer (or the Seller on its behalf) and (in the case of the Swap Agreement) the Swap Provider solely as a consequence of a Base Rate Modification and solely for the purpose of aligning the base rate of the Swap Agreement to the base rate of the Notes following such Base Rate Modification (a "**Swap Rate Modification**"), **provided that** the Seller, on behalf of the Issuer, certifies to the Trustee in writing that such modification is required solely for such purpose and it has been drafted solely to such effect (such certificate being a "**Swap Rate Modification Certificate**");

provided that, in the case of any modification made pursuant to paragraphs (a) to (h) above:

(i) at least 30 calendar days' prior written notice of any such proposed modification has been given to the Trustee;

(ii) the Modification Certificate, Base Rate Modification Certificate or Swap Rate Modification Certificate, as applicable, in relation to such modification shall be provided to the Trustee both at the time the Trustee is notified of the proposed modification and on the date that such modification takes effect;

(iii) the consent of each Secured Creditor which is party to the relevant Transaction Document has been obtained (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document);

(iv) the Trustee is satisfied that it has been or will be reimbursed for all costs, fees and expenses (including properly incurred legal fees) incurred by it in connection with such modification;

(v) other than in the case of a modification pursuant to Condition 13.6(a)(ii), either:

(A) the Issuer or the Seller (on behalf of the Issuer) obtains from each of the Rating Agencies a Rating Agency Confirmation (or certifies in the Modification Certificate, Base Rate Modification Certificate or Swap Rate Modification Certificate, as applicable, that no such Rating Agency Confirmation has been received within 30 days of a written request for such Rating Agency Confirmation) that such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such Rating Agency or (y) such Rating Agency placing any Notes on rating watch negative (or equivalent); or

(B) the Issuer or the Seller (on behalf of the Issuer) certifies in the Modification Certificate, Base Rate Modification Certificate or Swap Rate Modification Certificate, as applicable, that it has informed the Rating Agencies of the proposed modification and none of the Rating Agencies has indicated that such modification would result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such Rating Agency or (y) such Rating Agency placing any Notes on rating watch negative (or equivalent); and

(vi) the Issuer certifies (upon which certification the Trustee shall be entitled to rely absolutely and without further enquiry or liability) in writing to the Trustee (which certification may be in the Modification Certificate, Base Rate

Modification Certificate or Swap Rate Modification Certificate, as applicable) that (I) the Issuer has provided at least 30 calendar days' notice to the Noteholders or Certificateholders, as applicable, of each Class of the proposed modification in accordance with Condition 16 (*Notice to Noteholders*) and by publication on Bloomberg on the "**Company News**" screen relating to the Notes, and (II) Noteholders or Certificateholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes (or if no Notes are outstanding, the Certificates) then outstanding or in issue have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes or Certificates may be held) within such notification period notifying the Issuer that such Noteholders or such Certificateholders do not consent to the modification.

If Noteholders or Certificateholders (as applicable) representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes (or if no Notes are outstanding, Certificates) then outstanding have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes or Certificates may be held) within the notification period referred to above that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders or Certificateholders of the Most Senior Class then outstanding or in issue is passed in favour of such modification in accordance with Condition 13 (*Meetings of Noteholders, Modification, Waiver and Substitution*).

Objections made in writing other than through the applicable clearing system must be accompanied by evidence to the Issuer's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes or Certificateholder's holding of the Certificates.

Other than where specifically provided in this Condition 13.6 or any Transaction Document:

(a) when implementing any modification pursuant to this Condition 13.6 (save to the extent the Trustee considers that the proposed modification would constitute a Basic Terms Modification), the Trustee shall not consider the interests of the Noteholders, Certificateholders, any other Secured Creditor or any other person but shall act and rely solely and without further investigation on any certificate or evidence provided to it by the Issuer or the relevant Transaction Party, as the case may be, pursuant to this Condition 13.6 and shall not be liable to the Noteholders, the Certificateholders any other Secured Creditor for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person; and

(b) the Trustee shall not be obliged to agree to any modification which, in the sole opinion of the Trustee would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Trustee in the Transaction Documents and/or these Conditions and/or the Certificate Conditions.

Any such modification shall be binding on all Noteholders and Certificateholders and shall be notified by the Issuer as soon as reasonably practicable to:

(a) so long as any of the Notes rated by the Rating Agencies remains outstanding, each Rating Agency;

(b) the Secured Creditors; and

(c) the Noteholders in accordance with Condition 16 (*Notice to Noteholders*).

13.7 **Authorisation or Waiver of Breach**

Other than in relation to a Basic Terms Modification, the Trustee may, without the consent or sanction of the Noteholders, the Certificateholders or the other Secured Creditors and without

prejudice to its rights in respect of any further or other breach, from time to time and at any time, authorise or waive any proposed or actual breach of any of the covenants or provisions contained in or arising pursuant to the Conditions, the Certificate Conditions or any of the Transaction Documents by any party thereto or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default shall not be treated as such (**provided that**, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders (or, if there are no Notes outstanding, the interests of the Certificateholders)), **provided that** the Trustee shall not exercise any powers conferred on it by this Condition 13.7 in contravention of any express direction given by Extraordinary Resolution of the holders of the Most Senior Class or by a direction under Condition 11 (*Events of Default*) but so that no such direction or request shall affect any waiver, authorisation or determination previously given or made.

13.8 **Notification of modifications, waivers, authorisations or determinations**

Any such modification, waiver, authorisation or determination by the Trustee in accordance with these Conditions, the Certificate Conditions or the Transaction Documents shall be binding on the Noteholders and, unless the Trustee agrees otherwise, any such modification shall be notified by the Issuer to the Noteholders in accordance with Condition 16 (*Notice to Noteholders*), the Rating Agencies (while any Notes remain outstanding) and the Secured Creditors as soon as practicable thereafter.

13.9 In connection with any such substitution of principal debtor referred to in Condition 8.4 (*Redemption of the Notes pursuant to Taxation call*), the Trustee may also agree, without the consent of the Noteholders or the other Secured Creditors, to a change of the laws governing the Notes, these Conditions and/or any of the Transaction Documents, **provided that** such change would not, in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders or the other Secured Creditors.

13.10 In determining whether a proposed action will not be materially prejudicial to the Noteholders or any Class thereof, the Trustee may, among other things, have regard to whether the Rating Agencies have confirmed in writing to the Issuer or any other party to the Transaction Documents that any proposed action will not result in the withdrawal or reduction of, or entail any other adverse action with respect to, the then current ratings of the Notes. It is agreed and acknowledged by the Trustee that, notwithstanding the foregoing, a credit rating is an assessment of credit and does not address other matters that may be of relevance to the Noteholders. In being entitled to take into account that each of the Rating Agencies has confirmed that the then current ratings of the Notes would not be adversely affected, it is agreed and acknowledged by the Trustee this does not impose or extend any actual or contingent liability for each of the Rating Agencies to the Trustee, the Noteholders or any other person, or create any legal relations between each of the Rating Agencies and the Trustee, the Noteholders or any other person, whether by way of contract or otherwise.

13.11 Where, in connection with the exercise or performance by the Trustee of any right, power, trust, authority, duty or discretion under or in relation to these Conditions or any of the Transaction Documents (including in relation to any modification, waiver, authorisation, determination, substitution or change of laws as referred to above), the Trustee is required to have regard to the interests of the Noteholders of any Class or Classes, it shall (A) have regard to the general interests of the Noteholders of such Class or Classes but shall not have regard to any interests arising from circumstances particular to individual Noteholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise or performance for individual Noteholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof, and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer and the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders and (B) subject to the more detailed provisions of the Trust Deed and the Deed of Charge, as applicable, have regard to the interests of holders of each Class of Notes (except where expressly provided otherwise) but requiring the Trustee where there is a conflict of interests between one or more Classes of Notes in any such case to have regard (except as expressly

provided otherwise) to the interests of the holders of the Class or Classes of Notes ranking in priority to the other relevant Classes of Notes.

13.12 Other than in respect of any matter requiring an Extraordinary Resolution, Noteholders are required to vote by way of an Ordinary Resolution.

13.13 Details of any Extraordinary Resolution and any Ordinary Resolution passed in accordance with the provisions of the Trust Deed shall be notified to each of the Rating Agencies by the Principal Paying Agent on behalf of the Issuer.

13.14 **Issuer Substitution Condition**

The Trustee may agree, subject to such amendment of these Conditions and of any of the Transaction Documents, and to such other conditions as the Trustee may require and subject to the terms of the Trust Deed, but without the consent of the Noteholders, to the substitution of another body corporate in place of the Issuer as principal debtor under the Trust Deed, the Notes and the Certificates and in respect of the other Secured Obligations, **provided that** the conditions set out in the Trust Deed are satisfied including, *inter alia*, that the Notes are unconditionally and irrevocably guaranteed by the Issuer (unless all of the assets of the Issuer are transferred to such body corporate) and that such body corporate is a single purpose vehicle and undertakes itself to be bound by provisions corresponding to those set out in Condition 5 (Issuer *Covenants*). In the case of a substitution pursuant to this Condition 13.14, the Trustee may in their absolute discretion agree, without the consent of the Noteholders, to a change in law governing the Notes and/or any of the Transaction Documents unless such change would, in the opinion of the Trustee, be materially prejudicial to the interests of the Noteholders.

14. INDEMNIFICATION AND EXONERATION OF THE TRUSTEE

The Trust Deed and the Deed of Charge contain provisions governing the responsibility (and relief from responsibility) of the Trustee and providing for its indemnification in certain circumstances, including provisions relieving it from taking action or, enforcing the Security, unless indemnified and/or prefunded or secured to its satisfaction.

The Trust Deed and the Deed of Charge also contain provisions pursuant to which the Trustee are entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or any other party to any of the Transaction Documents and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any other party to any of the Transaction Documents, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, individual Noteholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

15. REPLACEMENT OF NOTES

If any Note is mutilated, defaced, lost, stolen or destroyed, it may be replaced at the specified office of the Registrar subject to all applicable laws and stock exchange requirements. Replacement of any mutilated, defaced, lost, stolen or destroyed Note will only be made on payment of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. A mutilated or defaced Note must be surrendered before a new one will be issued.

16. NOTICE TO NOTEHOLDERS

16.1 Publication of Notice

(a) Subject to Condition 16.1(d), any notice to Noteholders shall be validly given if published in the *Financial Times* or, if such newspaper shall cease to be published or if timely publication therein is not practicable, in such other English newspaper or newspapers as the Trustee shall approve in advance having a general circulation in the United Kingdom, **provided that** if, at any time, (i) the Issuer procures that the information concerned in such notice shall appear on a page of the Reuters screen, the

Bloomberg screen or any other medium for electronic display of data as may be previously approved in writing by the Trustee and notified to Noteholders (in each case a "**Relevant Screen**"), or (ii) paragraph 16.1(c) applies and the Issuer has so elected, publication in the newspaper set out above or such other newspaper or newspapers shall not be required with respect to such notice. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication shall have been made in the newspaper or newspapers in which (or on the Relevant Screen) publication is required.

(b) In respect of Notes in definitive form, notices to Noteholders will be sent to them by first class post (or its equivalent) or (if posted to an address outside the United Kingdom) by airmail at the respective addresses on the Register. Any such notice will be deemed to have been given on the fourth day after the date of posting.

(c) While the Notes are represented by Global Note, notices to Noteholders will be valid if published as described above or, at the option of the Issuer, if submitted to Euroclear and/or Clearstream, Luxembourg for communication by them to Noteholders. Any notice delivered to Euroclear and/or Clearstream, Luxembourg, as aforesaid shall be deemed to have been given on the day of such delivery.

(d) So long as the relevant Notes are admitted to trading on, and listed on the Official List of, Euronext Dublin all notices to the Noteholders will be valid if published in a manner which complies with the rules and regulations of Euronext Dublin (which includes delivering a copy of such notice to Euronext Dublin) and any such notice will be deemed to have been given on the date sent to Euronext Dublin.

16.2 **Trustee's Discretion to Select Alternative Method**

The Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders or category of them if, in its sole opinion, such other method is reasonable having regard to market practice then prevailing and to the requirements of the quotation systems on or by which the Notes are then quoted and/or traded and **provided that** notice of such other method is given to the Noteholders in such manner as the Trustee shall require.

17. **REPLACEMENT NOTES**

If Condition 13.14 (*Issuer Substitution Condition*) is satisfied in accordance with these Conditions and the Trust Deed, the Issuer may, without the consent of the Noteholders, issue one or more classes of Replacement Notes to replace one or more Classes of Notes, each class of which shall have terms and conditions which may differ from the terms and conditions of the Class of Notes which it replaces, **provided that**:

(a) the aggregate principal amount of all Replacement Notes to be issued on such date is not less than £5,000,000;

(b) any class of Replacement Notes are assigned the same ratings as are then applicable to the Class or Classes of Notes which they are to replace;

(c) the ratings of each Class of Notes at that time outstanding are not downgraded, withdrawn or qualified as a result of such issue of Replacement Notes and none of such ratings is lower than it was upon the date of issue of any of the Notes; and

(d) application will be made, in respect of the Replacement Notes, for such notes to be admitted to listing on the Official List of Euronext Dublin and to trading on its regulated market or, if the Notes then outstanding are no longer admitted to trading on that exchange, such exchange, if any, on which the Notes then outstanding are then admitted to trading.

18. SUBORDINATION BY DEFERRAL

18.1 Interest

If, on any Interest Payment Date, the Issuer has insufficient funds from Available Revenue Receipts, General Reserve Fund Release Amounts, Class A and Class B Liquidity Reserve Fund Release Amounts and Principal Addition Amounts to make payment in full of all amounts of interest payable in respect of the Notes other than the Most Senior Class of Notes (which shall, for the purposes of this Condition 18, include any interest previously deferred under this Condition 18.1 and accrued interest thereon), then interest payments may be deferred by the Issuer to the next Interest Payment Date **provided that** the interest being deferred solely relates to amounts of interest that accrued on the Notes whilst the Notes were not the Most Senior Class of Notes (other than where the Most Senior Class is the Class X Notes) after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments (such interest, the "**Deferred Interest**"). For the avoidance of doubt, any amounts of interest deferred on previous Interest Payment Dates prior to a Class of Notes becoming the Most Senior Class may continue to be deferred as Deferred Interest regardless of whether such Class is the then Most Senior Class.

18.2 General

Any amounts of Deferred Interest in respect of a Class of Notes (other than in respect of the Class X Notes) shall accrue interest ("**Additional Interest**") at the same rate and on the same basis as scheduled interest in respect of the corresponding Class of Notes, but shall not be capitalised. Such Deferred Interest and Additional Interest shall, in any event, become payable on the next Interest Payment Date (unless and to the extent that Condition 18.1 (*Interest*) applies) or on such earlier date as the relevant Class of Notes becomes due and repayable in full in accordance with these Conditions. For the avoidance of doubt, Deferred Interest amounts on the Class X Notes shall not accrue Additional Interest.

18.3 Notification

As soon as practicable after becoming aware that any part of a payment of interest on a Class of Notes will be deferred or that a payment previously deferred will be made in accordance with this Condition 18, the Issuer will give notice thereof to the relevant Class of Noteholders, as appropriate, in accordance with Condition 16 (*Notice to Noteholders*). Any deferral of interest in accordance with this Condition 18 will not constitute an Event of Default. The provisions of this Condition 18 shall cease to apply on the Final Maturity Date, or any earlier date on which the Notes are redeemed in full or, are required to be redeemed in full, at which time all deferred interest and accrued interest thereon shall become due and payable.

19. NON-RESPONSIVE RATING AGENCY

(a) In respect of the exercise of any power, duty, trust, authority or discretion as contemplated hereunder or in relation to the Notes and any of the Transaction Documents, the Trustee shall be entitled but not obliged to take into account any written confirmation or affirmation (in any form acceptable to the Trustee) from the relevant Rating Agencies that the then current ratings of the Notes will not be reduced, qualified, adversely affected or withdrawn thereby (a "**Rating Agency Confirmation**").

(b) If a Rating Agency Confirmation or other response by a Rating Agency is a condition to any action or step under any Transaction Document and a written request for such Rating Agency Confirmation or response is delivered to each Rating Agency by or on behalf of the Issuer (copied to the Trustee) and:

(i) (A) one Rating Agency (such Rating Agency, a "**Non-Responsive Rating Agency**") indicates that it does not consider such Rating Agency Confirmation or response necessary in the circumstances or that it does not, as a matter of practice or policy, provide such Rating Agency Confirmation or response or (B) within 30 days of delivery of such request, no Rating

Agency Confirmation or response is received and/or such request elicits no statement by such Rating Agency that such Rating Agency Confirmation or response could not be given; and

(ii) one Rating Agency gives such Rating Agency Confirmation or response based on the same facts,

then such condition to receive a Rating Agency Confirmation or response from each Rating Agency shall be modified so that there shall be no requirement for the Rating Agency Confirmation or response from the Non-Responsive Rating Agency if the Issuer provides to the Trustee a certificate signed by two directors certifying and confirming that each of the events in paragraphs (i)(A) or (B) and (ii) above has occurred, the Issuer having sent a written request to each Rating Agency.

If no such Rating Agency Confirmation is forthcoming within 30 days of such a request and two directors of the Issuer have certified the same in writing to the Trustee (an "**Issuer Certificate**"), the Trustee shall be entitled (but not obliged) to assume from a written certificate of the Seller to the Trustee (a "**Seller Certificate**") that such proposed action:

(a) (while any of the Notes remain outstanding) has been notified to the Rating Agencies;

(b) would not adversely impact on the Issuer's ability to make payment when due in respect of the Notes;

(c) would not affect the legality, validity and enforceability of any of the Transaction Documents or any Security; and

(d) (while any of the Notes remain outstanding) the then current rating of the Notes would not be reduced, qualified, adversely affected or withdrawn,

upon which confirmation from the Rating Agencies or the Issuer Certificate and Seller Certificate, the Trustee shall be entitled to rely absolutely without liability to any person for so doing. In being entitled to take into account any such confirmation from the Rating Agencies, it is agreed and acknowledged by the Trustee that this does not impose or extend any actual or contingent liability for each of the Rating Agencies to the Trustee, the Noteholders or any other person or create any legal relations between each of the Rating Agencies and the Trustee, the Noteholders or any other person whether by way of contract or otherwise.

20. JURISDICTION AND GOVERNING LAW

(a) The Courts are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Notes, the Certificates and the Transaction Documents (including a dispute relating to non-contractual obligations or a dispute regarding the existence, validity or termination of any of the Notes, the Certificates or the Transaction Documents or the consequences of their nullity) and accordingly any legal action or proceedings arising out of or in connection with the Notes and/or the Certificates and/or the Transaction Documents may be brought in such Courts.

(b) The Transaction Documents, the Notes and these Conditions (and any non-contractual obligations arising out of or in connection with them) are governed by, and shall be construed in accordance with English law, except that, to the extent that the provisions of the Mortgage Sale Agreement, the Deed of Charge and any security documents supplemental thereto relate to the Scottish Loans, such provisions and documents shall be governed by Scots law, and the Scottish Declaration of Trust shall be governed by Scots law.

21. RIGHTS OF THIRD PARTIES

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes or these Conditions, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

TERMS AND CONDITIONS OF THE CERTIFICATES

The following are the terms and conditions of the Certificates in the form (subject to amendment) in which they will be set out in the Trust Deed (as defined below):

1. GENERAL

The 100 RC1 Certificates and the 100 RC2 Certificates and together with the RC1 Certificates of Ealbrook Mortgage Funding 2025-1 PLC (the "**Issuer**") are constituted by the Trust Deed. Any reference in these Certificate Conditions to a "**Class**" of Notes or of Noteholders or (as applicable) of Certificates or of Certificateholders shall be a reference to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes, the RC1 Certificates or the RC2 Certificates, as the case may be, or to the respective holders thereof. Any reference in these Certificate Conditions to the Certificate Conditions will be to these Certificate Conditions. Any reference in these Certificate Conditions to the Certificateholders means the registered holders for the time being of the Certificates, or if preceded by a particular Class designation of Certificates, the registered holders for the time being of such Class of Certificates. The security for the Certificates is constituted by and pursuant to the Deed of Charge.

Pursuant to the Agency Agreement, provision is made for, *inter alia*, the payment of amounts in respect of the Certificates.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Deed of Charge, the Agency Agreement, and an incorporated terms memorandum (the "**Incorporated Terms Memorandum**") entered into by, among others, the Issuer and the Trustee on the Closing Date and the other Transaction Documents (as defined therein).

Physical copies of the Trust Deed, the Deed of Charge, the Agency Agreement, the Incorporated Terms Memorandum and the other Transaction Documents are available for inspection during normal business hours at the specified office for the time being of each of the Paying Agents. The Certificateholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Transaction Documents applicable to them.

2. INTERPRETATION

2.1 Definitions

Capitalised terms not otherwise defined in these Certificate Conditions shall bear the meanings given to them in the master definitions schedule set out in the Incorporated Terms Memorandum available as described above.

2.2 Interpretation

These Certificate Conditions shall be construed in accordance with the principles of construction set out in the Incorporated Terms Memorandum.

3. FORM, DENOMINATION AND TITLE

3.1 Form and Denomination

The RC1 Certificates and the RC2 Certificates will initially be represented by a global residual certificate in registered form (a "**Global Certificate**").

For so long as any of the Certificates are represented by a Global Certificate, transfers and exchanges of beneficial interests in such Global Certificate and entitlement to payments thereunder will be effected subject to and in accordance with the rules and procedures from time to time of Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"), as appropriate. The Global Certificate will be deposited with and registered in the name of a common depositary (or a nominee thereof) for Euroclear and Clearstream, Luxembourg.

A Global Certificate will be exchanged for the relevant Certificate in definitive registered form (such exchanged Global Certificate in definitive registered form, the "**Definitive Certificates**") only if either of the following applies:

(a) both Euroclear and Clearstream, Luxembourg:

(i) are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise); or

(ii) announce an intention permanently to cease business or to cease to make their book-entry systems available for settlement of beneficial interests in the Global Certificate and do in fact do either of those things,

and in either case no alternative clearing system satisfactory to the Trustee is available; or

(b) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political subdivision thereof) or of any authority therein or thereof having power to tax, or in the interpretation or administration by a revenue authority or a court or in the application of such laws or regulations which become effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Certificates which would not be required were the relevant Certificates in definitive registered form.

If Definitive Certificates are issued in respect of Certificates originally represented by a Global Certificate, the beneficial interests represented by such Global Certificate shall be exchanged by the Issuer for the relevant Certificates in registered definitive form.

Definitive Certificates will be serially numbered and will be issued in registered form only.

References to "**Certificates**" in these Certificate Conditions shall include the Global Certificate and the Definitive Certificates.

3.2 **Title**

Title to the Global Certificate shall pass by and upon registration in the register (the "**Register**") which the Issuer shall procure to be kept by the Registrar. The registered holder of a Global Certificate may (to the fullest extent permitted by applicable laws) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Global Certificate regardless of any notice of ownership, theft or loss or any trust or other interest therein or of any writing thereon (other than the endorsed form of transfer).

Title to Definitive Certificates shall only pass by and upon registration of the transfer in the Register.

Definitive Certificates may be transferred upon the surrender of the relevant Definitive Certificate, with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar. All transfers of Definitive Certificates are subject to any restrictions on transfer set out on the Definitive Certificates and the detailed regulations concerning transfers in the Agency Agreement.

Each new Definitive Certificate to be issued upon transfer of such Definitive Certificate will, within five Business Days of receipt and surrender of such Definitive Certificate (duly completed and executed) for transfer, be available for delivery at the specified office of the Registrar or be mailed at the risk of the transferee entitled to such Definitive Certificate to such address as may be specified in the relevant form of transfer.

Registration of a Definitive Certificate on transfer will be effected without charge by the Registrar, but subject to payment of (or the giving of such indemnity as the Registrar may

require for) any tax, stamp duty or other government charges which may be imposed in relation to it.

4. STATUS AND SECURITY

4.1 Status of the Certificates

The Certificates constitute direct, secured and (subject to the limited recourse provision in Certificate Condition 11.3 (*Limited Recourse*)) unconditional Obligations of the Issuer, and represent the Issuer's obligation to pay deferred consideration for its purchase of the Portfolio, consisting of the RC1 Payments and the RC2 Payments. The RC1 Certificates rank *pro rata* and *pari passu* without preference or priority among themselves in relation to RC1 Payments and the RC2 Certificates rank *pro rata* and *pari passu* without preference or priority among themselves in relation to RC2 Payments. RC1 Payments and RC2 Payments will be made subject to and in accordance with the Pre-Enforcement Revenue Priority of Payments, Pre-Enforcement Redemption Priority of Payments and Post-Enforcement Priority of Payments.

The Trust Deed and the Deed of Charge contain provisions requiring the Trustee to have regard to the interests of the Noteholders for so long as the Notes are outstanding as regards all rights, powers, trusts, authorities, duties and discretions of the Trustee (except where expressly provided otherwise) and, if there are no Notes outstanding, to have regard (except as expressly provided otherwise) to the interests of the holders of each Class of Certificates but requiring the Trustee where there is any conflict of interests between the two classes of RC Certificates in any such case to have regard either (x) prior to (but excluding) the Optional Redemption Date, to the holders of the RC1 Certificates; or (y) on and from the Optional Redemption Date, to the holders of the RC2 Certificates.

4.2 Security

The security constituted by or pursuant to the Deed of Charge is granted to the Trustee for it to hold on trust for the Certificateholders and the other Secured Creditors, upon and subject to the terms and conditions of the Deed of Charge.

The Certificateholders and the other Secured Creditors will share in the benefit of the security constituted by or pursuant to the Deed of Charge, upon and subject to the terms and conditions of the Deed of Charge.

5. ISSUER COVENANTS

Save with the prior written consent of the Trustee or unless otherwise permitted under any of these Certificate Conditions or any of the Transaction Documents, the Issuer shall not, so long as any Certificate remains outstanding:

(a) **Negative pledge**: create or permit to subsist any encumbrance (unless arising by operation of law) or other security interest whatsoever over any of its assets or undertakings;

(b) **Restrictions on activities**: (i) engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage or (ii) have any subsidiaries, any subsidiary undertaking (as defined in the Companies Act 1985 and the Companies Act 2006 (as applicable)) or any employees (but shall procure that, at all times, it shall retain at least one independent director) or premises or, (iii) act as a director of any company;

(c) **Disposal of assets**: assign, transfer, sell, lend, lease, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire all or any of, its assets or undertakings or any interest, estate, right, title or benefit therein or attempt or purport to do any of the foregoing;

(d) **Equitable and Beneficial Interest**: permit any person, other than itself and the Trustee, to have any equitable or beneficial interest in any of its assets or undertakings or any interest, estate, right, title or benefit therein;

(e) **Dividends or distributions**: pay any dividend or make any other distribution to its shareholders except out of amounts of profit retained by the Issuer in accordance with the applicable Priority of Payments which are available for distribution in accordance with the Issuer's memorandum and articles of association and with applicable laws or issue any further shares;

(f) **Indebtedness**: incur any financial indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness or of any other obligation of any person;

(g) **Merger**: consolidate or merge with any other person or convey or transfer substantially all of its properties or assets to any other person;

(h) **No modification or waiver**: permit any of the Transaction Documents to which it is a party to become invalid or ineffective or permit the priority of the security interests created or evidenced thereby or pursuant thereto to be varied, modified, terminated, postponed, waived or agree to any modification of, or grant any consent, approval, authorisation or waiver pursuant to, or in connection with, any of the Transaction Documents to which it is a party or permit any party to any of the Transaction Documents to which it is a party to be released from its obligations or exercise any right to terminate any of the Transaction Documents to which it is a party;

(i) **Bank accounts**: have an interest in any bank account other than the Issuer Accounts, and the Issuer's interest in the Collection Account Sub-Trust, unless such account or interest therein is charged to the Trustee on terms acceptable to the Trustee;

(j) **Purchase Certificates**: purchase or otherwise acquire any Certificates; or

(k) **U.S. activities**: engage in any activities in the United States (directly or through agents), or derive any income from United States sources as determined under United States income tax principles, or hold any property if doing so would cause it to be engaged in a trade or business within the United States as determined under United States income tax principles.

6. RESIDUAL PAYMENTS

6.1 Right to RC1 Payments and RC2 Payments

Each RC1 Certificate represents a *pro rata* entitlement to receive RC1 Payments and each RC2 Certificate represents a *pro rata* entitlement to receive RC2 Payments, by way of deferred consideration for the purchase by the Issuer of the Portfolio.

6.2 Payment

A RC1 Payment and a RC2 Payment may be payable in respect of the Certificates on each Interest Payment Date, other than an Interest Payment Date falling within a Determination Period and each date on which amounts are to be applied in accordance with the Post-Enforcement Priority of Payments.

6.3 Determination of RC1 Payment and RC2 Payment

The Cash Manager shall on each Calculation Date determine the RC1 Payment and the RC2 Payment payable on the immediately following Interest Payment Date and the Residual Payment Amount payable in respect of each Certificate on such Interest Payment Date.

6.4 **Publication of RC1 Payment, RC2 Payment and Residual Payment Amount**

The Agent Bank shall cause the RC1 Payment, RC2 Payment and Residual Payment Amount (if any) for each Interest Payment Date to be notified to the Issuer, the Cash Manager, the Trustee, the Registrar and the Paying Agents (as applicable) and to any stock exchange or other relevant authority or which the Certificates are at the relevant time listed and to be published in accordance with Certificate Condition 15 (*Notice to Certificateholders*) as soon as possible after their determination and in no event later than two Business Days prior to the immediately succeeding Interest Payment Date.

6.5 **Notifications to be Final**

All notifications, opinions, determinations, certificates, calculations and decisions given, expressed, made or obtained for the purposes of the provisions of this Certificate Condition 6.5, whether by the Agent Bank or the Cash Manager, will (in the absence of wilful default, gross negligence, fraud or manifest error) be binding on the Issuer, the Cash Manager, the Trustee, the Agent Bank, the Registrar, the Paying Agents and all Certificateholders and (in the absence of wilful default, gross negligence, fraud or manifest error) no liability to the Issuer or the Certificateholders shall attach to the Cash Manager, the Agent Bank or the Registrar in connection with the exercise or non-exercise by any of them of their powers, duties and discretions under this Certificate Condition 6.5.

6.6 **Agent Bank**

The Issuer shall procure that, so long as any of the Certificates remain in issue, there is at all times an agent bank for the purposes of the Certificates. The Issuer may, subject to the prior written approval of the Trustee, terminate the appointment of the Agent Bank and shall, in the event of the appointed office of any bank being unable or unwilling to continue to act as the agent bank or failing duly to notify the Certificates Payment Amount in respect of any Class of Certificates for any Interest Period, subject to the prior written approval of the Trustee, appoint another major bank engaged in the relevant interbank market to act in its place. The Agent Bank may not resign its duties or be removed without a successor having been appointed on terms commercially acceptable in the market.

6.7 **Termination of Payments and Cancellation of Certificates**

Following the redemption in full of the Notes, the realisation of the Charged Assets and payment of the proceeds of realisation in accordance with the applicable Priority of Payments, no more RC1 Payments or RC2 Payments will be made by the Issuer and the Certificates shall be cancelled.

7. **PAYMENTS**

7.1 **Payment of Residual Payment Amounts**

Subject to Certificate Condition 3.1 (*Form and Denomination*), payments of Residual Payment Amounts shall be made by:

(a) (other than in the case of final cancellation) upon application by the relevant Certificateholder to the specified office of the Principal Paying Agent not later than the 15th day before the due date for any such payment, by transfer to a Sterling account maintained by the payee with a bank in London; and

(b) (in the case of final cancellation) upon surrender (or, in the case of part-payment only, endorsement) of the relevant Global Certificate or Definitive Certificate (as the case may be) at the specified office of any Paying Agent.

7.2 **Laws and Regulations**

Payments of any Residual Payment Amounts are subject, in all cases, to (i) any fiscal or other laws and regulations applicable thereto and (ii) any withholding or deduction required pursuant to an agreement described in section 1471(b) of the U.S. Internal Revenue Code of

1986 (the "**Code**") or otherwise imposed pursuant to sections 1471 to 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof or any law implementing an intergovernmental approach thereto ("**FATCA**"). Certificateholders will not be charged commissions or expenses on payments.

7.3 **Change of Paying Agents**

The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of the Principal Paying Agent or the Registrar and to appoint additional or other agents, **provided that**:

(a) there will at all times be a person appointed to perform the obligations of the Principal Paying Agent with a specified office in London, and a person appointed to perform the obligations of the Registrar with a specified office in Ireland or in London; and

(b) the Issuer undertakes that it will ensure that it maintains a Paying Agent in the EU or the United Kingdom.

Except where otherwise provided in the Trust Deed or the Agency Agreement, the Issuer will cause notice of no more than 30 days and no less than 15 days of any change in or addition to the Paying Agents or the Registrar or their specified offices to be given to the Certificateholders in accordance with Certificate Condition 15 (*Notice to Certificateholders*) and will notify the Rating Agencies of such change or addition.

7.4 **No Payment on non-Business Day**

If the date for payment of any amount in respect of a Certificate is not a Presentation Date, the Certificateholders shall not be entitled to payment until the next following Presentation Date and shall not be entitled to interest or other payment in respect of such delay. In this Certificate Condition 7.4, the expression "**Presentation Date**" means a day which is (a) a Business Day and (b) a day on which banks are generally open for business in the relevant place.

8. **TAXATION**

All payments of Residual Payment Amounts by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, all present and future taxes, levies, imposts, duties, fees, deductions, withholding or charges of any nature whatsoever and wheresoever imposed, including income tax, corporation tax, value added tax or other tax in respect of added value and any franchise, transfer, sales, gross receipts, use, business, occupation, excise, personal property, real property or other tax imposed by any national, local or supranational taxing or fiscal authority or agency together with any penalties, fines or interest thereon ("**Taxes**"), unless the withholding or deduction of the Taxes is required by applicable law. In that event, the Issuer or, as the case may be, the Paying Agent shall make such payment after the withholding or deduction has been made and shall account to the relevant authorities for the amount required to be withheld or deducted. Neither the Issuer nor any Paying Agent nor any other person shall be obliged to make any additional payments to Certificateholders in respect of such withholding or deduction.

9. **PRESCRIPTION**

Claims for principal in respect of Residual Payment Amounts shall become void where the application for payment is made more than ten years after the Relevant Date in respect of the relevant payment.

In this Certificate Condition 9, the "**Relevant Date**", in respect of a payment, is the date on which such payment first becomes due or (if the full amount of the monies payable on that date has not been duly received by the Principal Paying Agent or the Trustee on or prior to such date) the date on which, the full amount of such monies having been received, notice to that effect is duly given to the relevant Certificateholders in accordance with Certificate Condition 15 (*Notice to Certificateholders*).

10. EVENTS OF DEFAULT

10.1 Certificates

The Trustee at its absolute discretion may, and, provided all of the Notes have been redeemed in full, if so directed in writing by the holders of at least 25 per cent. of the Most Senior Class in number or if so directed by an Extraordinary Resolution of the holders of the Most Senior Class shall (subject to being indemnified and/or prefunded and/or secured to its satisfaction as more particularly described in the Trust Deed) (but, in the case of the occurrence of any of the events mentioned paragraphs (b) and (c) below, only if the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the holders of the Most Senior Class of Notes or, where there are no Notes outstanding, the Certificateholders) give a notice (an "**Enforcement Notice**") to the Issuer that any RC1 Payments or RC2 Payments pursuant to the Certificates are immediately due and payable in any of the following events (each, an "**Event of Default**") with a copy of such Enforcement Notice being sent simultaneously to the Seller, the Swap Provider, the Servicer, the Issuer Account Bank and the Cash Manager:

(a) if default is made in the payment of any amount due in respect of the Certificates and the default continues for a period of 14 Business Days; or

(b) if the Issuer fails to perform or observe any of its other Obligations under these Certificate Conditions or any Transaction Document to which it is a party and it continues for a period of 15 days (or such longer period as the Trustee may permit) (except that in any case where the Trustee considers the failure to be incapable of remedy, then no continuation or notice as is aforementioned will be required) following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or

(c) if any representation or warranty made by the Issuer under any Transaction Document is incorrect when made and the matters giving rise to such misrepresentation are not remedied within a period of 15 days (or such longer period as the Trustee may permit) (except that in any case where the Trustee considers the matters giving rise to such misrepresentation to be incapable of remedy, then no continuation or notice as is hereinafter mentioned will be required) following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or

(d) if any order is made by any competent court or any resolution is passed for the winding up or dissolution of the Issuer, save for the purposes of reorganisation on terms approved in writing by the Trustee or by Extraordinary Resolution of the Most Senior Class of Certificateholders; or

(e) if (i) the Issuer ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of reorganisation on terms approved in writing by the Trustee or by Extraordinary Resolution of the Most Senior Class of Certificateholders, or (ii) the Issuer stops or threatens to stop payment of, or is unable to, or admits inability to, pay its debts (or any class of its debts) as they fall due or the value of its assets falls to less than the amount of its liabilities (taking into account its contingent and prospective liabilities) or (iii) the Issuer is deemed unable to pay its debts pursuant to or for the purposes of any applicable law or is adjudicated or found bankrupt or insolvent; or

(f) if proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to the whole or any part of the undertaking or assets of the Issuer, and in any such case (other than the appointment of an administrator or an administrative receiver appointed following presentation of

a petition for an administration order) unless initiated by the Issuer, is not discharged within 30 days; or

(g) if the Issuer (or its directors or shareholders) initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or takes steps with a view to obtaining a moratorium in respect of any of its indebtedness or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors).

10.2 **General**

Upon the delivery of an Enforcement Notice by the Trustee in accordance with Certificate Condition 10.1 (*Certificates*), any RC1 Payments or RC2 Payments pursuant to the Certificates shall thereby immediately become due and payable.

11. **ENFORCEMENT**

11.1 **General**

The Trustee may, at any time, at its discretion and without notice, take such proceedings, actions or steps against the Issuer or any other party to any of the Transaction Documents as it may think fit to enforce the provisions of the Certificates or the Trust Deed (including these Certificate Conditions) or the Deed of Charge or any of the other Transaction Documents to which it is a party and, at any time after the delivery of an Enforcement Notice, the Trustee may, at its discretion and without notice, take such steps as it may think fit to enforce the Security, but the Trustee shall not be bound to take any such proceedings, action or steps unless, following redemption of the Notes in full:

(a) the Trustee shall have been so directed by an Extraordinary Resolution of the holders of the Most Senior Class or directed in writing by the holders of at least 25 per cent. of the Most Senior Class of Certificates in number; and

(b) in all cases, it shall have been indemnified and/or prefunded and/or secured to its satisfaction.

11.2 **Limitations on Enforcement**

No Certificateholder shall be entitled to proceed directly against the Issuer or any other party to any of the Transaction Documents to enforce the performance of any of the Certificate Conditions or any of the provisions of the Transaction Documents and/or to take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer unless the Trustee, having become bound so to do, fails to do so within a reasonable period and such failure shall be continuing, **provided that** no Certificateholder shall be entitled to take any steps or proceedings to procure the winding up, administration or liquidation of the Issuer.

11.3 **Limited Recourse**

Notwithstanding any other Certificate Condition or any provision of any Transaction Document, all Obligations of the Issuer to the Certificateholders are limited in recourse to the property, assets and undertakings of the Issuer the subject of any security created under and pursuant to the Security Documents (the "**Charged Assets**"). If:

(a) there are no Charged Assets remaining which are capable of being realised or otherwise converted into cash;

(b) all amounts available from the Charged Assets have been applied to meet or provide for the relevant obligations specified in, and in accordance with, the provisions of the Deed of Charge; and

(c) there are insufficient amounts available from the Charged Assets to pay, in accordance with the provisions of the Deed of Charge, any further amounts under the Certificates (including payments of Residual Payment Amounts),

then the Certificateholders shall have no further claim against the Issuer in respect of any further amounts due or to be paid in respect of the Certificates (including, for the avoidance of doubt, payments of Residual Payment Amounts in respect of the Certificates) and the Issuer shall be deemed to be discharged from making any further payments in respect of the Certificates and any further payment rights shall be extinguished.

12. MEETINGS OF CERTIFICATEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

12.1 The Trust Deed contains provisions for convening meetings of the Noteholders and/or Certificateholders of each Class and, in certain cases, more than one Class to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of these Certificate Conditions and the Conditions or the provisions of any of the Transaction Documents.

12.2 For the purposes of these Certificate Conditions:

"**Most Senior Class**" means:

(a) the Class A Notes; or

(b) if there are no Class A Notes then outstanding, the Class B Notes; or

(c) if there are no Class A Notes or Class B Notes then outstanding, the Class C Notes; or

(d) if there are no Class A Notes, Class B Notes or Class C Notes then outstanding, the Class D Notes; or

(e) if there are no Class A Notes, Class B Notes, Class C Notes or Class D Notes then outstanding, the Class E Notes; or

(f) if there are no Collateralised Notes then outstanding, the Class X Notes; or

(g) if there are no Notes then outstanding:

(i) prior to (but excluding) the Optional Redemption Date, the RC1 Certificates; or

(ii) on and from the Optional Redemption Date, the RC2 Certificates.

"**outstanding**" means, in relation to a Class of Notes or Certificates, all the Notes or Certificates of that Class which have been issued except:

(a) those which have been redeemed in full in accordance with the conditions;

(b) those in respect of which the date for redemption in full has occurred and the full amount of redemption moneys (including all interest accrued on such Notes or Certificates to the date for such redemption and any interest payable under the conditions after such date) have been duly paid to the Trustee or to the Principal Paying Agent as provided in clause 5 (*Covenant to Repay Principal*) of the Trust Deed (and, where appropriate, notice to that effect has been given to the Noteholders in accordance with Condition 16 (*Notice to Noteholders*) or to the Certificateholders in accordance with Certificate Condition 15 (*Notice to Certificateholders*)) and remain available for payment against presentation and surrender of Notes or Certificates;

(c) those which have become void or in respect of which claims have become prescribed;

(d) those mutilated or defaced Notes or Certificates which have been surrendered or cancelled and those Notes or Certificates which are alleged to have been lost, stolen or destroyed and in all cases in respect of which replacement Notes or Certificates have been issued pursuant to the conditions; and

(e) any Global Note or Global Certificate to the extent that it shall have been exchanged for the related Definitive Notes or Definitive Certificates pursuant to the provisions contained therein and the conditions,

provided that for each of the following purposes:

(i) ascertaining the right to attend and vote at any meeting of the Noteholders or Certificateholders;

(ii) the determination of how many Notes or Certificates are outstanding for the purposes of Condition 11 (*Events of Default*) or Certificate Condition 10 (*Events of Default*), Condition 12 (*Enforcement*) or Certificate Condition 11 (*Enforcement*) and Condition 13 (*Meetings of Noteholders, Modification, Waiver and Substitution*) or Certificate Condition 12 (*Meetings of Certificateholders, Modification, Waiver and Substitution*) and Schedule 7 (*Provisions for Meetings of Noteholders and Certificateholders*) to the Trust Deed;

(iii) the exercise of any discretion, power or authority which the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Noteholders or Certificateholders or any Class of them; and

(iv) the determination by the Trustee of whether any event or potential event is or would be materially prejudicial to the interests of the Noteholders or Certificateholders or any Class of them,

those Notes or Certificates which are beneficially held by, on behalf of or for the benefit of the Issuer, the Seller, any holding company as defined in section 1159 of the Companies Act 2006 ("**Holding Company**") of the Issuer or Seller or any other subsidiary as defined in section 1159 of the Companies Act 2006 ("**Subsidiary**") of either such Holding Company (each such entity a "**Relevant Person**"), in each case as beneficial owner, shall (unless and until ceasing to be so held) be deemed not to remain outstanding or in issue, except where all of the Notes or Certificates of any Classes are held by or on behalf of or for the benefit of one or more Relevant Persons, in which case such Classes of Notes or Certificates (the "**Relevant Class**") shall be deemed to remain outstanding or in issue (as the case may be) except that, if there is any other Class of Notes or Certificates ranking (with regard to the definition of Most Senior Class) *pari passu* with, or junior to, the Relevant Class and one or more Relevant Persons are not the beneficial owners of all the Notes of such Class, then the Relevant Class shall be deemed not to remain outstanding and **provided that** in relation to a matter relating to a Basic Terms Modification, any Notes or Certificates which are for the time being held by or on behalf of or for the benefit of a Relevant Person, in each case as beneficial owner, shall be deemed to remain outstanding or in issue, as applicable.

12.3 **Most Senior Class and Limitations on other Noteholders and Certificateholders**

(a) Other than in relation to a Basic Terms Modification, which additionally require an Extraordinary Resolution of the holders of the relevant affected Class or Classes of Notes and/or Certificates then in issue, as applicable:

(i) subject to Certificate Condition 12.3(a)(ii), an Extraordinary Resolution passed at any meeting of a relevant Class of Noteholders shall be binding on such Noteholders and (i) all other Classes of Noteholders ranking junior to such Class of Noteholders in the Post-Enforcement Priority of Payments in each case and (ii) the Certificateholders, irrespective of the effect it has upon them; and

(ii) no Extraordinary Resolution of any Class of Noteholders or Certificateholders shall take effect for any purpose while any Class of Noteholders or Certificateholders ranking senior to such Class of Noteholders or Certificateholders in the Post-Enforcement Priority of Payments (any such senior ranking Class of Notes or Certificates, a "**Senior Class**") remain outstanding or (in the case of the Certificates) remain in issue unless it shall have been sanctioned by an Extraordinary Resolution of the holders of each Senior Class or the Trustee is of the opinion that it would not be materially prejudicial to the interests of the holders of any Senior Class,

provided that, in respect of any Extraordinary Resolution of a Class or Classes of Noteholders and/ or Certificateholders relating to any amendment, waiver, modification, supplement or consent in respect of any of the Transaction Documents which would have the effect:

(i) that immediately thereafter, the Swap Provider would be required to pay more or to receive less from a third-party transferee if it were to transfer each of the Transaction(s) (as defined in the Swap Agreement) to such third-party transferee (subject to and in accordance with the terms of the Swap Agreement) than would otherwise be the case if such amendment, waiver, modification, supplement or consent were not made;

(ii) of altering the amount, timing or priority of any payments due from the Issuer to the Swap Provider or from the Swap Provider to the Issuer;

(iii) of altering any requirement (including pursuant to this Certificate Condition 12.3) to obtain the Swap Provider's prior consent (written or otherwise) in respect of any matter;

(iv) of altering the Swap Provider's status as a Secured Creditor; or

(v) of altering the rights of the Swap Provider in relation to the Security (however so described, and including as a result of changing the nature or the scope of, or releasing such Security) granted by the Issuer in favour of the Trustee on behalf of the Secured Creditors,

unless (x) the written consent of the Swap Provider has been obtained, or (y) the Trustee has determined that Swap Provider consent is not needed after taking into account all of the circumstances and information available to it (including for the avoidance of doubt any written notification from the Issuer to the Trustee (as determined by the Issuer in accordance with the Transaction Documents), that the Swap Provider's consent is not needed), prior to such amendments being effected.

(b) The Issuer shall procure that any amendment proposed to be made to any Transaction Document is notified to the Swap Provider, no later than the fifth Business Day prior to such amendment being effected (where such proposed amendment is not within the scope of the amendments described in Certificate Condition 12.3(a) above where prior written Swap Provider consent is required).

(c) No Extraordinary Resolution of the holders of a Class or Classes of Notes and/or Certificates which would have the effect of sanctioning a Basic Terms Modification in respect of any Class of Notes or Certificates shall take effect unless it has been sanctioned by an Extraordinary Resolution of the holders of each affected Class of Notes then outstanding and/or the holders of each affected Class of Certificates then in issue which are affected by such Basic Terms Modification.

(d) No Ordinary Resolution that is passed by the holders of any Class of Notes or Certificates shall take effect for any purpose while any Senior Class remain outstanding or (in the case of the Certificates) remain in issue unless it shall have been sanctioned by an Ordinary Resolution of the holders of each Senior Class or the

Trustee is of the opinion that it would not be materially prejudicial to the interests of the holders of each Senior Class.

12.4 **Quorum**

(a) Subject as provided below, the quorum at any meeting of any Class of Certificates for passing an Ordinary Resolution will be one or more persons holding or representing not less than 25 per cent. of each Class or Classes of Certificates then in issue.

(b) Subject as provided below, the quorum at any meeting of any Class of any Certificates for passing an Extraordinary Resolution will be one or more persons holding or representing not less than 50 per cent. of such Class of Certificates then in issue.

(c) Subject to the more detailed provisions set out in the Trust Deed, the quorum at any meeting of any holders of any Class or Classes of Notes or Certificates passing an Extraordinary Resolution to:

(i) sanction a modification of the date of maturity of the Notes;

(ii) sanction a modification of the date of payment of principal or interest (including any premium payable) in respect of the Notes, or where applicable, of the method of calculating the date of payment of principal or interest in respect of the Notes or of the method of calculating the date of payment in respect of any Class of Certificates, except in accordance with Conditions 13.6(g) or (h) or Certificate Conditions 12.6(g) or (h) in relation to any Base Rate Modification or Swap Rate Modification;

(iii) sanction a modification of the amount of principal or the rate of interest payable in respect of the Notes, or where applicable, of the method of calculating the amount payable of any principal or interest in respect of the Notes or of the method of calculating the amounts payable in respect of any Class of Certificates (including, if any such modification is proposed for any Class of Notes), except in accordance with Conditions 13.6(g) or (h) (*Additional Right of Modification*) or Certificate Conditions 12.6(g) or (h) (*Additional Right of Modification*) in relation to any Base Rate Modification or Swap Rate Modification;

(iv) alter the currency in which payments under any Class of Notes or any Class of Certificates are to be made;

(v) alter the quorum or majority required in relation to this exception;

(vi) sanction any scheme or proposal for the sale, conversion or cancellation of any Class of Notes or any Class of Certificates; or

(vii) any change to the definition of Basic Terms Modification,

(each a "**Basic Terms Modification**"), shall be one or more persons holding or representing in aggregate not less than three-quarters of the aggregate Principal Amount Outstanding of such Class of Notes then outstanding Any Extraordinary Resolution in respect of a Basic Terms Modification shall only be effective if duly passed at separate meetings (or by separate resolutions in writing or by separate resolutions passed by way of consents received through the relevant Clearing System(s)) of each relevant affected Class of Certificateholders.

(d) Subject as provided below, the quorum at any adjourned meeting of Certificateholders of any Class or Classes for passing an Ordinary Resolution will be one or more persons holding or representing not less than 10 per cent. of the aggregate Principal Amount Outstanding of such Class or Classes of Certificates in issue.

(e) Subject as provided below, the quorum at any adjourned meeting of Certificateholders of any Class or Classes for passing an Extraordinary Resolution will be one or more

persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of such Class or Classes of Certificates in issue.

(f) Subject to the more detailed provisions set out in the Trust Deed, the quorum at any adjourned meeting of any holders of any Class or Classes of Certificates passing an Extraordinary Resolution to sanction a Basic Terms Modification shall be one or more persons holding or representing in aggregate not less than 50 per cent. of the aggregate Principal Amount Outstanding of such Class of Certificates in issue. Any Extraordinary Resolution in respect of a Basic Terms Modification shall only be effective if duly passed at separate meetings (or by separate resolutions in writing or by separate resolutions passed by way of consents received through the relevant Clearing System(s)) of each relevant affected Class of Noteholders and by a meeting of each relevant affected Class of Certificates.

12.5 **Modification to the Transaction Documents**

(a) The Trustee may (or in the case of paragraph (iii), (iv) or (v) below, shall) at any time and from time to time, with the written consent of the Secured Creditors which are a party to the relevant Transaction Document (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document) but without the consent or sanction of the Noteholders, the Certificateholders or any other Secured Creditors agree with the Issuer and any other parties in making or sanctioning any modification:

(i) other than in respect of a Basic Terms Modification, to the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document, which in the opinion of the Trustee (acting in accordance with the Trust Deed) will not be materially prejudicial to the interests of the Noteholders (or if there are no Notes outstanding, the interests of the Certificateholders) and, for the avoidance of doubt, any modification of the Collection Account Declaration of Trust which does not affect the manner in which the Issuer Share (as defined in the Collection Account Declaration of Trust) is calculated will not be materially prejudicial to the interests of the Noteholders (or if there are no Notes outstanding, the interests of the Certificateholders) or the interests of the Trustee;

(ii) to the Conditions, the Certificate Conditions, the Trust Deed or any other Transaction Document if in the opinion of the Trustee (acting in accordance with the Trust Deed) such modification is of a formal, minor or technical nature or to correct a manifest error; or

(iii) to the Transaction Documents, the Conditions and/or the Certificate Conditions that are requested in writing by the Issuer (acting in its own discretion or at the direction of any transaction party) in order to enable the Issuer to comply with any requirements which apply to it under EU EMIR and/or under UK EMIR, irrespective of whether such modifications are (i) materially prejudicial to the interests of the holders of any Class of Notes or Certificates or any other Secured Creditor or (ii) in respect of a Basic Terms Modification (any such modification, an "**EMIR Amendment**") and subject to receipt by the Trustee of a certificate of (i) the Issuer signed by two directors or (ii) the Servicer on behalf of the Issuer, certifying to the Trustee that the amendments requested by the Issuer are to be made solely for the purpose of enabling the Issuer to satisfy its requirements under EU EMIR and/or under UK EMIR and (v) have been drafted solely to such effect:

(iv) to the Transaction Documents or the Conditions and/or the Certificate Conditions that are requested in writing by the Issuer (acting in its own discretion or at the direction of any transaction party) for the purpose of enabling the Issuer (or the Servicer on its behalf) to (x) transfer the Collection Account from the Collection Account Bank to another bank or (y) transfer the role of the Servicer and/or the Legal Title Holder to the Replacement Servicer

and the Replacement Legal Title Holder or, as the case may be, to the Successor Servicer and the Successor Legal Title Holder, in each case in circumstances where the Servicer's and Legal Title Holder's appointment is terminated pursuant to clause 25 (*Appointment following Termination*) of the Servicing Agreement, irrespective of whether such modifications are (i) materially prejudicial to the interests of the holders of any Class of Notes or Certificates or any other Secured Creditor or (ii) in respect of a Basic Terms Modification **provided that** the Issuer (or Servicer on its behalf) certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect and that the conditions stipulated in clause 30.2 or 25, respectively, of the Servicing Agreement have been satisfied; or

(v) to the Transaction Documents or the Conditions and/or the Certificate Conditions that are requested in writing by the Issuer (acting in its own discretion or at the direction of any transaction party) for the purpose of enabling the Issuer to open any custody account for the receipt of any collateral posted by the Swap Provider under the Swap Agreement in the form of securities, irrespective of whether such modifications are (i) materially prejudicial to the interests of the holders of any Class of Notes or Certificates or any other Secured Creditor or (ii) in respect of a Basic Terms Modification **provided that** the Issuer (or the Seller on its behalf) certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect.

(b) Notwithstanding anything to the contrary in the Trust Deed or the other Transaction Documents, when implementing any of the amendments specified in (a)(iii), (a)(iv), (a)(v) pursuant to this Certificate Condition 12.5, the Trustee shall not consider the interests of the Noteholders, the Certificateholders, any other Secured Creditor or any other person, but shall act and rely solely and without further investigation on any certificate and notification (as applicable) provided to it by (or on behalf of) the Issuer pursuant to this Certificate Condition 12.5 and shall not be liable to any Noteholder, Certificateholder or other Secured Creditor for so acting or relying.

(c) The Trustee shall not be obliged to agree to any modification pursuant to Certificate Conditions 12.6 (a)(iii), (a)(iv) or (a)(v) above which (in the sole opinion of the Trustee) would have the effect of:

(i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction; or

(ii) increasing the obligations or duties, or decreasing the protections of the Trustee in the Transaction Documents and/or the Conditions and or Certificate Conditions of the Notes or Certificates.

12.6 **Additional Right of Modification**

Notwithstanding the provisions of Certificate Condition 12.5 (*Modification to the Transaction Documents*), the Trustee shall be obliged, without any consent or sanction of the Noteholders, the Certificateholders, or any other Secured Creditor, subject to written consent of the Secured Creditors which are party to the relevant Transaction Documents (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document), to concur with the Issuer in making any modification (other than in respect of a Basic Terms Modification) to these Certificate Conditions, the Certificates, the Conditions, the Notes, the Trust Deed or any other Transaction Document to which it is a party or in relation to which it holds security or to enter into any new, supplemental or additional documents that the Issuer (in each case) considers necessary:

(a) for the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, **provided that**:

(i) the Issuer certifies in writing to the Trustee that such modification is necessary to comply with such criteria or, as the case may be, is solely to implement and reflect such criteria; and

(ii) in the case of any modification to a Transaction Document proposed by any of the Seller, the Servicer, the Swap Provider, the Cash Manager, the Agent Bank, the Principal Paying Agent and the Issuer Account Bank (for the purpose of this Certificate Condition 12.6 only, each a "**Relevant Party**"), in order (x) to remain eligible to perform its role in such capacity in conformity with such criteria and/or (y) to avoid taking action which it would otherwise be required to take to enable it to continue performing such role (including, without limitation, posting collateral or advancing funds):

(A) the Relevant Party certifies in writing to the Issuer and the Trustee that such modification is necessary for the purposes described in paragraph (ii)(x) and/or (y) above; and

(B) either:

(1) the Issuer, the Relevant Party or the Seller (on behalf of the Issuer) obtains from each of the Rating Agencies, a Rating Agency Confirmation (or certifies in writing to the Issuer (in the case of the Relevant Party or the Seller) and the Trustee that no Rating Agency Confirmation has been received within 30 days of a written request for such Rating Agency Confirmation) that such modification would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes or Certificates by such Rating Agency and would not result in any Rating Agency placing any Notes on rating watch negative (or equivalent) and, if relevant, delivers a copy of each such confirmation to the Issuer (in the case of the Relevant Party or the Seller), and the Trustee; or

(2) the Issuer, the Relevant Party or the Seller (on behalf of the Issuer) certifies in writing to the Trustee that the Rating Agencies have been informed of the proposed modification and none of the Rating Agencies has indicated that such modification would result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such Rating Agency or (y) such Rating Agency placing any Notes on rating watch negative (or equivalent),

and the Relevant Party pays all costs and expenses (including legal fees) incurred by the Issuer and the Trustee in connection with such modification;

(b) for the purpose of complying with any changes in the requirements of the EU Securitisation Regulation, including as a result of the adoption of regulatory technical standards in relation to the EU Securitisation Regulation or any other risk retention legislation or regulations or official guidance in relation thereto, **provided that** the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(c) for the purpose of complying with any changes in the requirements of the UK Securitisation Framework, including as a result of the adoption of regulatory technical

standards in relation to the UK Securitisation Framework or any other risk retention legislation or regulations or official guidance in relation thereto **provided that** the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(d) for the purpose of enabling the Notes to be (or to remain) listed on Euronext Dublin, **provided that** the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(e) for the purpose of enabling the Issuer or any of the other Transaction Parties to comply with FATCA, **provided that** the Issuer or the relevant Transaction Party, as applicable, certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(f) for the purpose of complying with any changes in the requirements of the UK CRA Regulation after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the UK CRA Regulation and the Commission Delegated Regulation 2015/3 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA (including, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators), as amended from time to time (the "**UK CRA3 Requirements**"), including any requirements imposed by the UK Securitisation Framework and/or any new regulations or official guidance in relation thereto, **provided that** the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(the certificate to be provided by the Issuer, the Seller (on behalf of the Issuer), and/or the Relevant Party, as the case may be, pursuant to Certificate Conditions 12.6(a) to (f) above being a "**Modification Certificate**"); or

(g) for the purpose of changing the SONIA Reference Rate or the base rate that then applies in respect of the Notes to an alternative base rate (including where such base rate may remain linked to SONIA but may be calculated in a different manner) (any such rate, an "**Alternative Base Rate**") and making such other amendments as are necessary or advisable in the commercially reasonable judgment of the Issuer (or the Seller on its behalf) to facilitate such change (a "**Base Rate Modification**"), **provided that** the Issuer (or the Seller on its behalf), certifies to the Trustee in writing (such certificate, a "**Base Rate Modification Certificate**") that:

(i) such Base Rate Modification is being undertaken due to:

(A) an alternative manner of calculating a SONIA-based base rate is introduced and becomes a standard means of calculating interest for similar transactions;

(B) a material disruption to SONIA, or any other relevant interest rate benchmark applicable to the Notes, an adverse change in the methodology of calculating SONIA or any other relevant interest rate benchmark or SONIA or any other relevant interest rate benchmark ceasing to exist or be published;

(C) the insolvency or cessation of business of the SONIA administrator or the administrator of any other relevant interest rate benchmark applicable to the Notes (in circumstances where no successor SONIA administrator (or administrator of any other relevant interest rate benchmark applicable to the Notes) has been appointed);

(D) a public statement by the SONIA administrator or administrator of any other relevant interest rate benchmark applicable to the Notes that it will cease publishing SONIA (or any other relevant interest rate benchmark applicable to the Notes) permanently or indefinitely (in

circumstances where no successor administrator has been appointed that will continue publication of such interest rate benchmark);

(E) a public statement by the supervisor of the SONIA administrator or the administrator of any other relevant interest rate benchmark applicable to the Notes that SONIA or any other relevant interest rate benchmark applicable to the Notes has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;

(F) a public announcement by the supervisor of the SONIA administrator or the administrator of any other relevant interest rate benchmark applicable to the Notes of the permanent or indefinite discontinuation of the SONIA Reference Rate or base rate that applies to the Notes;

(G) a public statement by the supervisor of the SONIA administrator or the administrator of any other relevant interest rate benchmark applicable to the Notes that means SONIA or any other relevant interest rate benchmark applicable to the Notes may no longer be used or that its use is subject to restrictions or adverse consequences; or

(H) the reasonable expectation of the Issuer (or the Seller on its behalf) that any of the events specified in sub-paragraphs (A) to (G) above will occur or exist within six months of the proposed effective date of such Base Rate Modification;

and, in each case, has been drafted solely to such effect; and

(ii) such Alternative Base Rate is:

(A) a base rate published, endorsed, approved or recognised by the Federal Reserve or the Bank of England, any regulator in the United States, the United Kingdom or the EU or any stock exchange on which the Notes are listed (or any relevant committee or other body established, sponsored or approved by any of the foregoing);

(B) the Sterling Over Night Index Average or the Broad Treasuries Repo Financing Rate (or any rate which is derived from, based upon or otherwise similar to either of the foregoing);

(C) a base rate utilised in a material number of publicly-listed new issues of Sterling-denominated asset backed floating rate notes prior to the effective date of such Base Rate Modification;

(D) a base rate utilised in a publicly-listed new issue of Sterling-denominated asset backed floating rate notes where the originator of the relevant assets is Shawbrook Bank Limited or an affiliate thereof; or

(E) such other base rate as the Seller (on behalf of the Issuer) reasonably determines,

For the avoidance of doubt, the Issuer (or the Seller on its behalf) may propose an Alternative Base Rate on more than one occasion **provided that** the conditions set out in this Certificate Condition 12.6(g) are satisfied;

(h) for the purpose of changing the base rate that then applies in respect of the Swap Agreement to an alternative base rate as is necessary or advisable in the commercially reasonable judgment of the Issuer (or the Seller on its behalf) and (in the case of the Swap Agreement) the Swap Provider solely as a consequence of a Base Rate Modification and solely for the purpose of aligning the base rate of the Swap Agreement to the base rate of the Notes following such Base Rate Modification (a "**Swap Rate Modification**"), **provided that** the Seller, on behalf of the Issuer, certifies to the Trustee in writing that such modification is required solely for such

purpose and it has been drafted solely to such effect (such certificate being a "**Swap Rate Modification Certificate**");

provided that, in the case of any modification made pursuant to paragraphs (a) to (h)above:

(i) at least 30 calendar days' prior written notice of any such proposed modification has been given to the Trustee;

(ii) the Modification Certificate, Base Rate Modification Certificate or Swap Rate Modification Certificate, as applicable, in relation to such modification shall be provided to the Trustee both at the time the Trustee is notified of the proposed modification and on the date that such modification takes effect;

(iii) the consent of each Secured Creditor which is party to the relevant Transaction Document has been obtained (such consent to be conclusively demonstrated by such Secured Creditor entering into any deed or document purporting to modify such Transaction Document);

(iv) the Trustee is satisfied that it has been or will be reimbursed for all costs, fees and expenses (including properly incurred legal fees) incurred by it in connection with such modification;

(v) other than in the case of a modification pursuant to Certificate Condition 12.6(a)(ii), either:

(A) the Issuer or the Seller (on behalf of the Issuer) obtains from each of the Rating Agencies a Rating Agency Confirmation (or certifies in the Modification Certificate, Base Rate Modification Certificate or Swap Rate Modification Certificate, as applicable, that no such Rating Agency Confirmation has been received within 30 days of a written request for such Rating Agency Confirmation) that such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such Rating Agency or (y) such Rating Agency placing any Notes on rating watch negative (or equivalent); or

(B) the Issuer or the Seller (on behalf of the Issuer) certifies in the Modification Certificate, Base Rate Modification Certificate or Swap Rate Modification Certificate, as applicable, that it has informed the Rating Agencies of the proposed modification and none of the Rating Agencies has indicated that such modification would result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such Rating Agency or (y) such Rating Agency placing any Notes on rating watch negative (or equivalent); and

(vi) the Issuer certifies (upon which certification the Trustee shall be entitled to rely absolutely and without further enquiry or liability) in writing to the Trustee (which certification may be in the Modification Certificate, Base Rate Modification Certificate or Swap Rate Modification Certificate, as applicable) that (I) the Issuer has provided at least 30 calendar days' notice to the Certificateholders of each Class of the proposed modification in accordance with Certificate Condition 15 (*Notice to Certificateholders*) and by publication on Bloomberg on the "Company News" screen relating to the Certificates, and (II) Noteholders or Certificateholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes (or if no Notes are outstanding, the Certificates) then outstanding or in issue have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes or Certificates may be held) within such

notification period notifying the Issuer that such Noteholders or Certificateholders do not consent to the modification;

If no Notes remain outstanding and Certificateholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Certificates then in issue have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Certificates may be held) within the notification period referred to above that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Certificateholders of the Most Senior Class of Certificates then in issue is passed in favour of such modification in accordance with Certificate Condition 12 (*Meetings of Certificateholders, Modification, Waiver and Substitution*).

Objections made in writing other than through the applicable clearing system must be accompanied by evidence to the Issuer's satisfaction (having regard to prevailing market practices) of the relevant Certificateholder's holding of the Certificates.

Other than where specifically provided in this Certificate Condition 12.6 or any Transaction Document:

(a) when implementing any modification pursuant to this Certificate Condition 12.6 (save to the extent the Trustee considers that the proposed modification would constitute a Basic Terms Modification), the Trustee shall not consider the interests of the Noteholders, Certificateholders, any other Secured Creditor or any other person but shall act and rely solely and without further investigation on any certificate or evidence provided to it by the Issuer or the relevant Transaction Party, as the case may be, pursuant to this Certificate Condition 12.6 and shall not be liable to the Noteholders, the Certificateholders or any other Secured Creditor for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person; and

(b) the Trustee shall not be obliged to agree to any modification which, in the sole opinion of the Trustee would have the effect of (i) exposing the Trustee to any liability against which is has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Trustee in the Transaction Documents and/or these Certificate Conditions.

Any such modification shall be binding on all Certificateholders and shall be notified by the Issuer as soon as reasonably practicable to:

(a) so long as any of the Certificates rated by the Rating Agencies remains outstanding, each Rating Agency;

(b) the Secured Creditors; and

(c) the Certificateholders in accordance with Certificate Condition 15 (*Notice to Certificateholders*).

12.7 **Authorisation or Waiver of Breach**

Other than in relation to a Basic Terms Modification, the Trustee may, without the consent or sanction of the Noteholders, the Certificateholders or the other Secured Creditors and without prejudice to its rights in respect of any further or other breach, from time to time and at any time, authorise or waive any proposed or actual breach of any of the covenants or provisions contained in or arising pursuant to the Conditions, the Certificate Conditions or any of the Transaction Documents by any party thereto or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default shall not be treated as such (**provided that**, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders (or, if there are no Notes outstanding, the interests of the Certificateholders)) **provided that** the Trustee shall not exercise any powers conferred on it by this Certificate Condition 12.7 in contravention of any express direction given by Extraordinary Resolution of the holders of the Most Senior Class or by a direction under

Certificate Condition 10 (*Events of Default*) but so that no such direction or request shall affect any waiver, authorisation or determination previously given or made.

12.8 **Notification of modifications, waivers, authorisations or determinations**

Any such modification, waiver, authorisation or determination by the Trustee in accordance with the Conditions, these Certificate Conditions or the Transaction Documents shall be binding on the Certificateholders and, unless the Trustee agrees otherwise, any such modification shall be notified by the Issuer to the Certificateholders in accordance with Certificate Condition 15 (*Notice to Certificateholders*), the Rating Agencies (while any Notes remain outstanding) and the Secured Creditors as soon as practicable thereafter.

12.9 In connection with any such substitution of principal debtor referred to in Condition 8.4 (*Redemption of the Notes pursuant to Taxation call*), the Trustee may also agree, without the consent of the Certificateholders or the other Secured Creditors, to a change of the laws governing the Certificates, these Certificate Conditions and/or any of the Transaction Documents, **provided that** such change would not, in the opinion of the Trustee be materially prejudicial to the interests of the Certificateholders or the other Secured Creditors.

12.10 In determining whether a proposed action will not be materially prejudicial to the Certificateholders or any Class thereof, the Trustee may, among other things, have regard to whether the Rating Agencies have confirmed in writing to the Issuer or any other party to the Transaction Documents that any proposed action will not result in the withdrawal or reduction of, or entail any other adverse action with respect to, the then current ratings of the Certificates. It is agreed and acknowledged by the Trustee that, notwithstanding the foregoing, a credit rating is an assessment of credit and does not address other matters that may be of relevance to the Certificateholders. In being entitled to take into account that each of the Rating Agencies has confirmed that the then current ratings of the Certificates would not be adversely affected, it is agreed and acknowledged by the Trustee this does not impose or extend any actual or contingent liability for each of the Rating Agencies to the Trustee, the Certificateholders or any other person, or create any legal relations between each of the Rating Agencies and the Trustee, the Certificateholders or any other person, whether by way of contract or otherwise.

12.11 Where, in connection with the exercise or performance by the Trustee of any right, power, trust, authority, duty or discretion under or in relation to these Certificate Conditions or any of the Transaction Documents (including in relation to any modification, waiver, authorisation, determination, substitution or change of laws as referred to above), the Trustee is required to have regard to the interests of the Certificateholders of any Class or Classes, it shall (A) have regard to the general interests of the Certificateholders of such Class or Classes but shall not have regard to any interests arising from circumstances particular to individual Certificateholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise or performance for individual Certificateholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof, and the Trustee shall not be entitled to require, nor shall any Certificateholders be entitled to claim from the Issuer, the Trustee or any other person, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Certificateholders and (B) subject to the more detailed provisions of the Trust Deed and the Deed of Charge, as applicable, have regard to the interests of holders of each Class of Certificates (except where expressly provided otherwise) but requiring the Trustee where there is a conflict of interests between one or more Classes of Certificates in any such case to have regard (except as expressly provided otherwise) prior to (but excluding) the Optional Redemption Date, to the holders of the RC1 Certificates and thereafter, to the holders of the RC2 Certificates.

12.12 Other than in respect of any matter requiring an Extraordinary Resolution, Certificateholders are required to vote by way of an Ordinary Resolution.

12.13 Details of any Extraordinary Resolution and any Ordinary Resolution passed in accordance with the provisions of the Trust Deed shall be notified to each of the Rating Agencies by the Principal Paying Agent on behalf of the Issuer.

12.14 **Issuer Substitution Condition**

The Trustee may agree, subject to such amendment of these Certificate Conditions and of any of the Transaction Documents, and to such other conditions as the Trustee may require and subject to the terms of the Trust Deed, but without the consent of the Certificateholders, to the substitution of another body corporate in place of the Issuer as principal debtor under the Trust Deed, the Notes and the Certificates and in respect of the other Secured Obligations, **provided that** the conditions set out in the Trust Deed are satisfied including, *inter alia*, that the Certificates are unconditionally and irrevocably guaranteed by the Issuer (unless all of the assets of the Issuer are transferred to such body corporate) and that such body corporate is a single purpose vehicle and undertakes itself to be bound by provisions corresponding to those set out in Certificate Condition 5 (*Issuer Covenants*). In the case of a substitution pursuant to this Certificate Condition 12.14, the Trustee may in their absolute discretion agree, without the consent of the Certificateholders, to a change in law governing the Certificates and/or any of the Transaction Documents unless such change would, in the opinion of the Trustee be materially prejudicial to the interests of the Certificateholders.

13. INDEMNIFICATION AND EXONERATION OF THE TRUSTEE

The Trust Deed and the Deed of Charge contain provisions governing the responsibility (and relief from responsibility) of the Trustee and providing for its indemnification in certain circumstances, including provisions relieving it from taking action or, enforcing the Security, unless indemnified and/or prefunded or secured to its satisfaction.

The Trust Deed and the Deed of Charge also contain provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or any other party to any of the Transaction Documents and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any other party to any of the Transaction Documents, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, individual Certificateholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

14. REPLACEMENT OF CERTIFICATES

If any Certificate is mutilated, defaced, lost, stolen or destroyed, it may be replaced at the specified office of the Registrar subject to all applicable laws. Replacement of any mutilated, defaced, lost, stolen or destroyed Certificate will only be made on payment of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. A mutilated or defaced Certificate must be surrendered before a new one will be issued.

If Certificate Condition 12.14 (*Issuer Substitution Condition*) is satisfied, the Issuer may, without the consent of the Certificateholders, issue replacement residual certificates to replace the Certificates, which shall have terms and conditions which may differ from the terms and conditions of the Certificates which it replaces.

15. NOTICE TO CERTIFICATEHOLDERS

15.1 Publication of Notice

(a) Subject to Condition 16.1(d), any notice to Certificateholders shall be validly given if published in the *Financial Times* or, if such newspaper shall cease to be published or if timely publication therein is not practicable, in such other English newspaper or newspapers as the Trustee shall approve in advance having a general circulation in the United Kingdom, **provided that** if, at any time, (i) the Issuer procures that the information concerned in such notice shall appear on a page of the Reuters screen, the Bloomberg screen or any other medium for electronic display of data as may be previously approved in writing by the Trustee and notified to Certificateholders (in each case a "**Relevant Screen**"), or (ii) paragraph 16.1(c) applies and the Issuer has

so elected, publication in the newspaper set out above or such other newspaper or newspapers shall not be required with respect to such notice. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication shall have been made in the newspaper or newspapers in which (or on the Relevant Screen) publication is required.

(b) In respect of Certificates in definitive form, notices to Certificateholders will be sent to them by first class post (or its equivalent) or (if posted to an address outside the United Kingdom) by airmail at the respective addresses on the Register. Any such notice will be deemed to have been given on the fourth day after the date of posting.

(c) While the Certificates are represented by Global Certificate, notices to Certificateholders will be valid if published as described above or, at the option of the Issuer, if submitted to Euroclear and/or Clearstream, Luxembourg for communication by them to Certificateholders. Any notice delivered to Euroclear and/or Clearstream, Luxembourg, as aforesaid shall be deemed to have been given on the day of such delivery.

15.2 **Trustee's Discretion to Select Alternative Method**

The Trustee shall be at liberty to sanction some other method of giving notice to the Certificateholders or category of them if, in its sole opinion, such other method is reasonable having regard to market practice then prevailing and to the requirements of the quotation systems on or by which the Certificates are then quoted and/or traded and **provided that** notice of such other method is given to the Certificateholders in such manner as the Trustee shall require.

16. **REPLACEMENT CERTIFICATES**

If Certificate Condition 12.14 (*Issuer Substitution Condition*) is satisfied in accordance with these Certificate Conditions and the Trust Deed, the Issuer may, without the consent of the Certificateholders, issue one or more classes of Replacement Certificates to replace one or more Classes of Certificates, which shall have terms and conditions which may differ from the terms and conditions of the Certificates which they replace.

17. **NON-RESPONSIVE RATING AGENCY**

(a) In respect of the exercise of any power, duty, trust, authority or discretion as contemplated hereunder or in relation to the Notes, Certificates and any of the Transaction Documents, the Trustee shall be entitled but not obliged to take into account any written confirmation or affirmation (in any form acceptable to the Trustee) from the relevant Rating Agencies that the then current ratings of the Notes will not be reduced, qualified, adversely affected or withdrawn thereby (a "**Rating Agency Confirmation**").

(b) If a Rating Agency Confirmation or other response by a Rating Agency is a condition to any action or step under any Transaction Document and a written request for such Rating Agency Confirmation or response is delivered to each Rating Agency by or on behalf of the Issuer (copied to the Trustee) and:

(i) (A) one Rating Agency (such Rating Agency, a "**Non-Responsive Rating Agency**") indicates that it does not consider such Rating Agency Confirmation or response necessary in the circumstances or that it does not, as a matter of practice or policy, provide such Rating Agency Confirmation or response or (B) within 30 days of delivery of such request, no Rating Agency Confirmation or response is received and/or such request elicits no statement by such Rating Agency that such Rating Agency Confirmation or response could not be given; and

(ii) one Rating Agency gives such Rating Agency Confirmation or response based on the same facts,

then such condition to receive a Rating Agency Confirmation or response from each Rating Agency shall be modified so that there shall be no requirement for the Rating Agency Confirmation or response from the Non-Responsive Rating Agency if the Issuer provides to the Trustee a certificate signed by two directors certifying and confirming that each of the events in paragraphs (i)(A) or (B) and (ii) above has occurred, the Issuer having sent a written request to each Rating Agency.

If no such Rating Agency Confirmation is forthcoming within 30 days of such a request and two directors of the Issuer have certified the same in writing to the Trustee (an "**Issuer Certificate**"), the Trustee shall be entitled (but not obliged) to assume from a written certificate of the Seller to the Trustee (a "**Seller Certificate**") that such proposed action:

(a) (while any of the Notes remain outstanding) has been notified to the Rating Agencies;

(b) would not adversely impact on the Issuer's ability to make payment when due in respect of the Notes;

(c) would not affect the legality, validity and enforceability of any of the Transaction Documents or any Security; and

(d) (while any of the Notes remain outstanding) the then current rating of the Notes would not be reduced, qualified, adversely affected or withdrawn,

upon which confirmation from the Rating Agencies and/or Seller Certificate, the Trustee shall be entitled to rely absolutely without liability to any person for so doing. In being entitled to take into account any such confirmation from the Rating Agencies, it is agreed and acknowledged by the Trustee that this does not impose or extend any actual or contingent liability for each of the Rating Agencies to the Trustee, the Noteholders or any other person or create any legal relations between each of the Rating Agencies and the Trustee, the Noteholders or any other person whether by way of contract or otherwise.

18. JURISDICTION AND GOVERNING LAW

(a) The Courts are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Notes, the Certificates and the Transaction Documents (including a dispute relating to non-contractual obligations or a dispute regarding the existence, validity or termination of any of the Notes, the Certificates or the Transaction Documents or the consequences of their nullity) and accordingly any legal action or proceedings arising out of or in connection with the Notes and/or the Certificates and/or the Transaction Documents may be brought in such Courts.

(b) The Transaction Documents, the Notes, the Certificates and these Certificate Conditions (and any non-contractual obligations arising out of or in connection with them) are governed by, and shall be construed in accordance with, English Law, except that, to the extent that the provisions of the Mortgage Sale Agreement, the Deed of Charge and any security documents supplemental thereto relate to the Scottish Loans, such provisions and documents shall be governed by Scots law, and the Scottish Declaration of Trust shall be governed by Scots law.

19. RIGHTS OF THIRD PARTIES

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Certificates or these Certificate Conditions, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

TAXATION

United Kingdom Taxation

The following applies only to persons who are the beneficial owners of the Notes and is a summary of the Issuer's understanding of current United Kingdom law and published HMRC practice relating only to the United Kingdom withholding tax treatment of payments of interest (as that term is understood for tax purposes) in respect of the Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of the Notes. The United Kingdom tax treatment of prospective Noteholders and Certificateholders depends on their individual circumstances and may be subject to change in the future (possibly with retrospective effect). Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek professional advice.

Interest on the Notes

Payments of interest on the Notes may be made without deduction of or withholding on account of United Kingdom income tax **provided that** the Notes carry a right to interest and are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007 (the "**Act**") for the purposes of section 987 of the Act. Euronext Dublin is a recognised stock exchange for such purposes. The Notes will satisfy this requirement if they are officially listed in Ireland in accordance with provisions corresponding to those generally applicable in member states of the European Economic Area and are admitted to trading on the Regulated Market of Euronext Dublin. Provided, therefore, that the Notes carry a right to interest and are and remain so listed, interest on the Notes will be payable without withholding or deduction on account of United Kingdom income tax.

In other cases, an amount must generally be withheld from payments of interest on the Notes that has a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20 per cent), subject to any available exemptions or reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

The references to "interest" above mean "interest" as understood in United Kingdom tax law. The statements above do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation. However, if Notes are issued at a price of less than 100 per cent. of their principal amount then any such discount element will not generally be subject to any United Kingdom withholding tax pursuant to the provisions mentioned above.

The above description of the United Kingdom withholding tax position assumes that there will be no substitution of an Issuer pursuant to Condition 8.4 (*Redemption of the Notes pursuant to Taxation call*) or Condition 13.14 (*Issuer Substitution Condition*) of the Notes or otherwise and does not consider the tax consequences of any such substitution.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the United Kingdom) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would

not apply prior to the date that is two years after the final regulations defining "foreign passthru payment" and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

The proposed financial transactions tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU member states may decide to participate.

Prospective holders of the Notes and Certificates are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

Lloyds Bank Corporate Markets plc ("**Lloyds Bank**"), (the "**Arranger**") and (the "**Lead Manager**" in respect of the Notes and Certificates) has, pursuant to the Subscription Agreement, agreed with the Issuer (subject to certain conditions) to subscribe and pay for:

(a) £13,831,000 of the Class B Notes at the issue price of 99.2698 per cent. of the aggregate principal amount of the Class B Notes;

(b) £7,323,000 of the Class C Notes at the issue price of 98.9136 per cent. of the aggregate principal amount of the Class C Notes;

(c) £5,696,000 of the Class D Notes at the issue price of 98.7403 per cent. of the aggregate principal amount of the Class D Notes;

(d) £5,696,000 of the Class E Notes at the issue price of 96.4391 per cent. of the aggregate principal amount of the Class E Notes; and

(e) £6,509,000 of the Class X Notes at the issue price of 93.2700 per cent. of the aggregate principal amount of the Class X Notes;

as at the Closing Date.

The Seller has, pursuant to the Subscription Agreement, agreed with the Issuer (subject to certain conditions) to subscribe and pay for £292,909,000 of the Class A Notes at the issue price of 100.0000 per cent. of the aggregate principal amount of the Class A Notes as at the Closing Date.

The Issuer has agreed to indemnify the Seller, the Arranger and the Lead Manager against certain Liabilities in connection with the issue of the Notes and the Certificates.

Except with the express written consent of the Seller in the form of a U.S. Risk Retention Consent and where such sale falls within the exemption provided by Section 20 of the U.S. Risk Retention Rules, the Notes and Certificates offered and sold by the Issuer may not be purchased by any person except for persons that are not Risk Retention U.S. Persons.

This Prospectus does not constitute, and may not be used for the purpose of, an offer or a solicitation by anyone to subscribe for or purchase any of the Notes or Certificates in or from any country or jurisdiction where such an offer or solicitation is not authorised or is unlawful.

Prohibition of Sales to UK Retail Investors

The Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes or Certificates to any retail investor in the United Kingdom.

For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

  (i) a retail client as defined in point (8) of Article 2 of UK MiFIR;

  (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under FSMA which were relied on immediately before exit day to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of UK MiFIR; and

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe to the Notes.

Prohibition of Sales to European Economic Area Retail Investors

The Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes or Certificates to any retail investor in the European Economic Area.

For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II;

(ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; and

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Ireland

The Lead Manager has represented, warranted and agreed with the Issuer that:

(a) it will not underwrite the issue of, or place the Notes and Certificates, otherwise than in conformity with the provisions of S.I. No. 60 of 2007 the European Communities (Markets in Financial Instruments) Regulation 2007 (Nos. 1 to 3) (as amended) of Ireland, including, without limitation, Parts 6, 7 and 12 thereof and the provisions of the Investor Compensation Act 1998 (as amended);

(b) it will not underwrite the issue of, or place, the Notes and Certificates, otherwise than in conformity with the provisions of the Companies Act 2014, the Central Bank Acts 1942 to 2014 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989 (as amended);

(c) it will not underwrite the issue of, or place, or do anything in Ireland with respect to the Notes and Certificates otherwise than in conformity with the provisions of the Prospectus Regulation (EU) 2017/1129 and any rules issued under Section 1363 of the Companies Act 2014, by the Central Bank of Ireland; and

(d) it will not underwrite the issue of, place or otherwise act in Ireland with respect to the Notes and Certificates, otherwise than in conformity with the provisions of the European Union Market Abuse Regulations, 2016 and any rules issued under Section 1370 of the Companies Act 2014 by the Central Bank of Ireland.

United Kingdom

The Lead Manager has represented to and agreed with the Issuer that:

(a) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes and Certificates in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes and Certificates in, from or otherwise involving the United Kingdom.

The Lead Manager has acknowledged that, save for having obtained the approval of the Prospectus as a prospectus in accordance with the EU Prospectus Regulation, having applied for the admission of the Notes to the Official List of Euronext Dublin and admission of the Notes to trading on its Regulated

Market, no further action has been or will be taken in any jurisdiction by the Lead Manager that would, or is intended to, permit a public offering of the Notes or Certificates, or possession or distribution of the Prospectus or any other offering material in relation to the Notes or Certificates, in any country or jurisdiction where such further action for that purpose is required.

United States

The Lead Manager has represented to and agreed with the Issuer and the Seller that:

(a) The Notes and Certificates have not been and will not be registered under the Securities Act or the securities laws or "blue sky" laws of any state or any other relevant jurisdiction of the United States and therefore may not be offered, sold, resold or otherwise transferred, directly or indirectly within the United States or to, or for the account or benefit of, U.S. persons (as defined under Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. Accordingly, the Notes and Certificates are being offered only outside the United States to persons other than U.S. persons (as defined under Regulation S under the Securities Act).

(b) The Lead Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer or sell the Notes and Certificates as part of its distribution at any time or otherwise until 40 days after the later of the commencement of the offering of the Notes and Certificates and the Closing Date (the "**Distribution Compliance Period**") within the United States or to, or for the account or benefit of, U.S. persons (as defined under Regulation S under the Securities Act). The Lead Manager has further agreed that it will have sent to each affiliate or other person receiving a selling commission, fee or other remunerations that purchases Notes and Certificates from it during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes and Certificates within the United States or to, or for the account of, U.S. persons (as defined under Regulation S under the Securities Act).

(c) In addition, until the expiration of the Distribution Compliance Period, an offer or sale of the Notes and Certificates within the United States by the Lead Manager may violate the registration requirements of the Securities Act. Terms used in this section that are defined in Regulation S under the Securities Act are used herein as defined therein.

(d) The Class A Notes and the Class B Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, and Treasury regulations promulgated thereunder.

Except with the prior written consent of Shawbrook Bank Limited (a "**U.S. Risk Retention Consent**") and where such sale falls within the exemption provided by rule 20 of the U.S. Risk Retention Rules, the Notes and Certificates offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any Risk Retention U.S. Persons. Each purchaser of a Note or a Certificate or a beneficial interest therein acquired in the initial syndication of the Notes, by its acquisition of a Note or Certificate or a beneficial interest therein, will be deemed to represent to the Issuer, the Lead Manager and the Seller that it (1) is not a Risk Retention U.S. Person (unless it has obtained a U.S. Risk Retention Consent of Shawbrook Bank Limited), (2) is acquiring such Note or Certificate or a beneficial interest therein for its own account and not with a view to distribute such Note or Certificate, and (3) is not acquiring such Note or Certificate or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules. See "*Risk Factors – U.S. Risk Retention Requirements*".

General

Other than admission of the Notes to the Official List of Euronext Dublin and the admission of the Notes to trading on its Regulated Market, no action has been taken by the Issuer, the Arranger, the Lead Manager or the Seller that would, or is intended to, permit a public offer of the Notes or the Certificates in any country or jurisdiction where any such action for that purpose is required.

Accordingly, each of the Lead Manager and the Seller has undertaken that it will not, directly or indirectly, offer or sell any Notes or the Certificates or have in its possession, distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in respect of the Notes or the Certificates in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations and all offers and sales of Notes or Certificates by it will be made on the same terms.

TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS

Offers and Sales

The Notes (including interests therein represented by a Global Note, a Registered Definitive Note or a Book-Entry Interest) and the Certificates (including interests therein represented by a Global Certificate, a Definitive Certificate or a Book-Entry Interest) have not been and will not be registered under the Securities Act or any state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to such registration requirements. Accordingly, the Notes and Certificates are being offered and sold in offshore transactions pursuant to Regulation S.

Investor Representations

Each purchaser of the Notes and Certificates (which term for the purposes of this section will be deemed to include any interest in the Notes and Certificates, including Book-Entry Interests) during the initial syndication will be deemed to have represented and agreed as follows: it (1) either (i) is not a Risk Retention U.S. Person or (ii) has obtained a U.S. Risk Retention Consent, (2) is acquiring such Note or Certificate or a beneficial interest therein for its own account and not with a view to distribute such Notes and/or Certificates and (3) is not acquiring such Note or Certificate or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note or Certificate through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules).

Investor Representations and Restrictions on Resale

Each purchaser of the Notes and Certificates (which term for the purposes of this section will be deemed to include any interests in the Notes and Certificates, including Book-Entry Interests) will be deemed to have represented and agreed as follows:

(a) the Notes and Certificates have not been and will not be registered under the Securities Act and such Notes and Certificates are being offered only in a transaction that does not require registration under the Securities Act and, if such purchaser decides to resell or otherwise transfer such Notes and Certificates, then it agrees that it will offer, resell, pledge or transfer such Notes and Certificates only (i) to a purchaser who is not a U.S. person (as defined in Regulation S) or an affiliate of the Issuer or a person acting on behalf of such an affiliate, and who is not acquiring the Notes and Certificates for the account or benefit of a U.S. person and who is acquiring the Notes and Certificates in an offshore transaction pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S, or (ii) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state or other jurisdiction of the United States, **provided, that** the agreement of such purchaser is subject to any requirement of law that the disposition of the purchaser's property shall at all times be and remain within its control;

(b) unless the relevant legend set out below has been removed from the Notes and Certificates, such purchaser shall notify each transferee of Notes and Certificates (as applicable) from it that (i) such Notes and Certificates have not been registered under the Securities Act, (ii) the holder of such Notes and Certificates is subject to the restrictions on the resale or other transfer thereof described in paragraph (a) above, (iii) such transferee shall be deemed to have represented that such transferee is acquiring the Notes and Certificates in an offshore transaction and that such transfer is made pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S and (iv) such transferee shall be deemed to have agreed to notify its subsequent transferees as to the foregoing; and

(c) the Issuer, the Registrar, the Arranger, the Lead Manager and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

The Notes and Certificates bear a legend to the following effect:

"THIS [NOTE/CERTIFICATE] HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES OR ANY OTHER RELEVANT JURISDICTION AND IS SUBJECT TO UNITED STATES TAX LAW REQUIREMENTS, AND, AS A MATTER OF U.S. LAW, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) (1) AS PART OF THEIR DISTRIBUTION AT ANY TIME OR (2) OTHERWISE PRIOR TO THE DATE THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING OF THE [NOTES/CERTIFICATES] AND THE CLOSING OF THE OFFERING OF THE [NOTES/CERTIFICATES], EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND OTHERWISE IN ACCORDANCE WITH UNITED STATES TAX LAW REQUIREMENTS."

EACH PURCHASER OR HOLDER OF THIS [NOTE/CERTIFICATE] SHALL BE DEEMED TO HAVE REPRESENTED BY SUCH PURCHASE AND/OR HOLDING THAT (I) IT IS NOT AND IS NOT USING THE ASSETS OF A BENEFIT PLAN INVESTOR, AND SHALL NOT AT ANY TIME HOLD THIS [NOTE/CERTIFICATE] FOR OR ON BEHALF OF A BENEFIT PLAN INVESTOR AND (II) IT IS NOT AND IS NOT USING THE ASSETS OF A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO FEDERAL, STATE, LOCAL OR NON-U.S. LAWS WHICH ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED, ("**ERISA**") OR SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"). THE TERM "**BENEFIT PLAN INVESTOR**" SHALL MEAN (1) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF ERISA), WHICH IS SUBJECT TO TITLE I OF ERISA, (II) A PLAN DESCRIBED IN AND SUBJECT TO SECTION 4975 OF THE CODE, OR (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF A PLAN'S INVESTMENT IN THE ENTITY UNDER U.S. DEPARTMENT OF LABOR REGULATIONS § 2510.3-101 (29 C.F.R. § 2510-101) AS MODIFIED BY SECTION 3(42) OF ERISA.

Because of the foregoing restrictions, purchasers of Notes and Certificates are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of such securities offered and sold

GENERAL INFORMATION

1. It is expected that the admission of the Notes to the Official List of Euronext Dublin and the admission of the Notes to trading on Euronext Dublin's Regulated Market will be granted on or around the Closing Date.

2. The Issuer's LEI number is 213800TN3U2YQHC1LN05.

3. None of the Issuer or Holdings is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or Holdings respectively is aware) since 26 August 2025 and 26 August 2025 (being the date of incorporation of each of the Issuer and Holdings, respectively) which may have, or have had in the recent past, significant effects upon the financial position or profitability of the Issuer or Holdings (as the case may be).

4. No statutory or non-statutory accounts within the meaning of sections 434 and 435 of the Companies Act 2006 (as amended) in respect of any financial year of the Issuer have been prepared. The accounting reference date of the Issuer is 31 December and the first statutory accounts of the Issuer will be drawn up to 31 December 2026. So long as the Notes and Certificates are admitted to trading on Euronext Dublin's Regulated Market, the most recently published audited annual accounts of the Issuer from time to time shall be available at the specified office of the Principal Paying Agent in London. The Issuer does not publish interim accounts.

5. For so long as the Notes are admitted to the Official List of Euronext Dublin and admitted to trading on Euronext Dublin's Regulated Market, the Issuer shall maintain a Paying Agent in the United Kingdom.

6. Since the date of its incorporation, the Issuer has not entered into any contracts or arrangements not being in the ordinary course of business.

7. Since 26 August 2025 (being the date of incorporation of the Issuer) there has been (a) no material adverse change in the financial position or prospects of the Issuer and (b) no significant change in the financial or trading position of the Issuer.

8. Since 26 August 2025 (being the date of incorporation of Holdings) there has been (a) no material adverse change in the financial position or prospects of Holdings and (b) no significant change in the financial or trading position of Holdings.

9. The issue of the Notes and the Certificates was authorised pursuant to a resolution of the board of directors of the Issuer passed on or about 28 November 2025.

10. The Notes and Certificates have been accepted for clearance through Euroclear and Clearstream, Luxembourg under the following ISINs and Common Codes:

Class	ISIN	Common Code
Class A Notes	XS3215522189	321552218
Class B Notes	XS3215522346	321552234
Class C Notes	XS3215522429	321552242
Class D Notes	XS3215522692	321552269
Class E Notes	XS3215522858	321552285
Class X Notes	XS3215522932	321552293
RC1 Certificates	XS3215523153	321552315
RC2 Certificates	XS3215523237	321552323

11. The Notes and Certificates have the following CFIs and FISN codes:

Class	CFI	FISN
Class A Notes	DAVNFR	EALBROOKMORTGA/VARASST BKD 2067121
Class B Notes	DAVNFR	EALBROOKMORTGA/VARASST BKD 2067121
Class C Notes	DAVNFR	EALBROOKMORTGA/VARASST BKD 2067121
Class D Notes	DAVNFR	EALBROOKMORTGA/VARASST BKD 2067121
Class E Notes	DAVNFR	EALBROOKMORTGA/VARASST BKD 2067121
Class X Notes	DAZNFR	EALBROOKMORTGA/ZERO CPNASST BKD 20
RC1 Certificates	DAZNFR	EALBROOKMORTGA/ZERO CPNASST BKD 20
RC2 Certificates	DAZXFR	EALBROOKMORTGA/ZERO CPNASST BKD 20

12. From the Closing Date and for so long as the Notes and Certificates are listed on Euronext Dublin and admitted to trading on its Regulated Market, physical copies of the following documents may be inspected upon reasonable notice at the registered office of the Issuer (and, with the exception of (a) below, at the specified office of the Paying Agents) during usual business hours, on any weekday (public holidays excepted) and electronic copies of such documents can be inspected in electronic form online at: https://www.euroabs.com/IH.aspx?d=28650.

(a) the memorandum and articles of association of each of the Issuer and Holdings;

(b) physical copies of the following documents:

(i) the Agency Agreement;

(ii) the Deed of Charge;

(iii) the Cash Management Agreement;

(iv) the Incorporated Terms Memorandum;

(v) the Mortgage Sale Agreement;

(vi) the Corporate Services Agreement;

(vii) the Bank Account Agreement;

(viii) the Collection Account Declaration of Trust;

(ix) the Servicing Agreement;

(x) the Share Trust Deed;

(xi) the Trust Deed;

(xii) the Deed Poll; and

(xiii) the Swap Agreement.

13. Reporting under the UK Securitisation Framework and the EU Securitisation Regulation

(a) The Issuer in its capacity as the designated entity pursuant to SECN 6.3.1R(1), Article 7(2) of Chapter 2 of the PRA Securitisation Rules and Article 7(2) of the EU Securitisation Regulation (as in force on the Closing Date), will appoint the Seller as its delegate in respect of certain of its reporting obligations pursuant to SECN 6, Article 7 of Chapter 2 of the PRA Securitisation Rules and Article 7 of the EU Securitisation Regulation (as in force on the Closing Date). The Seller will undertake to the Issuer that, for so long as any Notes and the Certificates remain outstanding, it will, on behalf of the Issuer in its capacity as designated entity pursuant to SECN 6.3.1R(1), Article 7(2) of Chapter 2 of the PRA Securitisation Rules and Article 7(2) of the EU Securitisation Regulation (as in force on the Closing Date):

(i) procure that the Cash Manager (with the assistance of the Servicer) will prepare and deliver to the Seller, the Issuer, the Servicer and the Trustee each of the Investor Reports;

(ii) procure that the Servicer will promptly provide sufficient data in order for the Seller to meet its obligations to prepare and deliver to the Issuer, the Cash Manager and the Trustee each of the Loan Level Reports in accordance with the timings set out in the Servicing Agreement;

(iii) (with the assistance of the Servicer) prepare and deliver to the Issuer, the Trustee and the Cash Manager each of the Loan Level Reports;

(iv) on or around each Interest Payment Date, procure that the Cash Manager will publish on the Citibank Website (or such other website as may be available for such purpose and notified by the Cash Manager to the relevant parties) each of the Cash Manager Investor Reports;

(v) publish the Investor Reports and the Loan Level Reports to the SR Website no later than one month following the Interest Payment Date;

(vi) publish on the SR Website any significant event information required to be reported pursuant to SECN 6.2.1R(5), SECN 6.2.1R(6), SECN 6.2.1R(7), Articles 7(1)(e), 7(1)(f) and 7(1)(g) of Chapter 2 of the PRA Securitisation Rules and Articles 7(1)(e), 7(1)(f) and 7(1)(g) of the EU Securitisation Regulation (as in force on the Closing Date) without delay;

(vii) make available the documents as required by and in accordance with: (x) SECN 6.2.1R(1), SECN 6.2.1R(2), SECN 6.2.1R(3), Articles 7(1)(a), 7(1)(b) and 7(1)(c) of Chapter 2 of the PRA Securitisation Rules prior to the pricing date of the Notes; and (y) Articles 7(1)(a) and 7(1)(b) of the EU Securitisation Regulation prior to the pricing date of the Notes; and

(viii) make the information set out in paragraphs (i) to (vii) above available to the relevant competent authority and investors in the Notes as required pursuant to the UK Securitisation Framework and, upon request, to potential investors,

provided that the Seller will not be in breach of the undertakings set out in paragraphs (i) to (viii) (inclusive) if it fails to so comply due to events, actions or circumstances beyond the Seller's control after having used reasonable efforts to comply with the relevant requirements applicable to it under the UK Securitisation Framework and the EU Securitisation Regulation (as in force on the Closing Date).

It is to be agreed and acknowledged that, for so long as the content of the required reporting under the PRA Securitisation Rules and SECN remains identical, the production of such information by the Seller under the PRA Securitisation Rules shall satisfy the requirement to produce such information under SECN.

14. For the purposes of SECN 2.2.10 and Article 8(1) and Article 20(9) of the EU Securitisation Regulation (as in force on the Closing Date), the assets of the Issuer do not and shall not include securitisation positions.

15. The Issuer confirms that the Loans backing the issue of the Notes and Certificates have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes and the Certificates. Investors are advised that this confirmation is based on the information available to the Issuer at the date of this Prospectus and may be affected by the future performance of such assets backing the issue of the Notes and the Certificates. Investors are advised to review carefully any disclosure in the Prospectus together with any amendments or supplements thereto.

16. The Issuer intends to appoint the Issuer's Auditor following the Closing Date.

17. Walkers Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on the Regulated Market of Euronext Dublin.

18. Any website referred to in this document does not form part of the Prospectus.

GLOSSARY

"**£**", "**GBP**" or "**Sterling**"	means the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland.
"**2012 Act**"	The Land Registration etc. (Scotland) Act 2012.
"**Accrued Interest**"	means in respect of a Loan as at any date the aggregate of all interest accrued but not yet due and payable on the Loan from (and including) the Monthly Payment Date immediately preceding the relevant date to (but excluding) the relevant date.
"**Additional Account**"	means each additional Issuer Account which may be opened by the Issuer pursuant to clause 5 (*Additional Accounts*) of the Bank Account Agreement or any additional or replacement accounts that the Issuer may from time to time open with the consent of the Trustee (including, if applicable, any securities accounts).
"**Additional Interest**"	means any amounts of Deferred Interest in respect of a Class of Notes (other than in respect of the Class X Notes) shall accrue interest at the same rate and on the same basis as scheduled interest in respect of the corresponding Class of Notes, but shall not be capitalised.
"**Agency Agreement**"	means the agreement so named dated on or prior to the Closing Date and made between the Issuer and the Trustee, the Principal Paying Agent, the Registrar and the Agent Bank.
"**Agent Bank**"	means Citibank, N.A., London Branch, in its capacity as agent bank in accordance with the terms of the Agency Agreement.
"**Agents**"	means the Agent Bank, the Paying Agents (which for the avoidance of doubt, shall include the Principal Paying Agent) and the Registrar and "**Agent**" means any one of them.
"**Agreed Form**"	means in relation to any document, the form of that document agreed between the Parties.
"**Alternative Base Rate**"	means any other alternative base rate determined by the Issuer (or the Seller on its behalf) for the purpose of changing the SONIA Reference Rate or the base rate that then applies in respect of the Notes (including where such alternative base rate may remain linked to SONIA but may be calculated in a different manner).
"**Applicable Laws**"	means all laws, rules, regulations (including, without limitation (a) any domestic or foreign statute or regulation; (b) any agreement entered into by a Transaction Party and any Authority or between any two or more Authorities and (c) the rules of the regulatory system and obligations imposed by the FCA for the purposes of the Consumer Duty and, as applicable, TCF) and applicable guidance published by regulators of the Transaction Parties.
"**Appointee**"	means any attorney, manager, agent, delegate, nominee, custodian, financial adviser, co-trustee or other professional adviser or other person properly appointed or employed by the Trustee under the Trust Deed or the Deed of Charge (as applicable) to discharge any of its functions.
"**Arranger** "	means Lloyds Bank Corporate Markets plc.
"**Arrears**"	means, in relation to a Loan, as at any given date, the aggregate amount of any of the sums which are due and payable but have not been paid by

the relevant Borrower in accordance with the terms of that Loan as at that given date including any:

(a) Arrears of Interest;

(b) arrears of any repayment of principal;

(c) rent and service charge paid by the Seller to an applicable Borrower's reversioner or landlord in relation to leasehold properties and not reimbursed by the applicable Borrower; and

(d) Borrower Fees,

excluding, for the avoidance of doubt, Capitalised Amounts and any forbearance granted in accordance with Applicable Laws resulting in a change to the date due for payment.

"**Arrears of Interest**" means as at any date in respect of any Loan, the aggregate of all interest (other than Capitalised Amounts) on that Loan which is currently due and payable but remains unpaid on that date.

"**Authorisation**" means any authorisation, permission, consent, approval, resolution, licence, exemption, filing, notification, notarisation or registration.

"**Authorised Denomination**" means the Notes have a denomination consisting of a minimum authorised denomination of £100,000 plus higher integral multiples of £1,000. Accordingly, it is possible that the Notes may be traded in amounts in excess of the minimum authorised denomination that are not integral multiples of such denomination.

"**Authorised Investments**" means:

(a) Sterling gilt-edged securities;

(b) Investments in money market funds that maintain:

(i) a rating of at least Aaa-mf by Moody's; and

(ii) a rating of at least AAAmf by Fitch;

(c) Sterling demand or time deposits, certificates of deposit and short-term debt obligations (including commercial paper),

provided that, in all cases, such investments will only be made such that there is no withholding or deduction for or on account of taxes applicable thereto and such investments:

(i) have a maturity date on or before the immediately following Interest Payment Date;

(ii) may be broken or demanded by the Issuer (at no cost to the Issuer) on or before the next following Interest Payment Date; and

(iii) (other than in the case of paragraph (b) above) are rated at least (A) P-1 by Moody's (if the time to maturity of such investments is 60 days or less) or A-1+ (if the time to maturity of such investments is more than 60 days) and (B) A2 (long-term) if the investments have a long-term rating by Moody's and (C) have a long-term issuer

default rating by Fitch of at least AA- or a short-term issuer default rating by Fitch of at least F1+,

save that where such investments would result in the recharacterisation of the programme, the Notes or any transaction under the Transaction Documents as a "re-securitisation" or a "synthetic securitisation" as defined in Articles 4(63) and 242(11) of UK CRR respectively, such investments shall not qualify as Authorised Investments.

"**Authority**" means any competent regulatory, tax, prosecuting or governmental authority.

"**Available Redemption Receipts**" means for any Interest Payment Date an amount equal to the aggregate of (without double counting):

(a) all Redemption Receipts or, if in a Determination Period, any Calculated Redemption Receipts, in each case excluding an amount equal to any Reconciliation Amounts to be applied as Available Revenue Receipts on that Interest Payment Date, received by the Issuer during the immediately preceding Collection Period;

(b) the amounts (if any) calculated on the Calculation Date preceding that Interest Payment Date pursuant to the Pre-Enforcement Revenue Priority of Payments, to be the amount by which the debit balance of each of the Class A Principal Deficiency Sub-Ledger and/or the Class B Principal Deficiency Sub-Ledger and/or the Class C Principal Deficiency Sub-Ledger and/or the Class D Principal Deficiency Sub-Ledger and/or the Class E Principal Deficiency Sub-Ledger is to be reduced on that Interest Payment Date;

(c) any Enhanced Amortisation Amounts;

(d) on each Interest Payment Date following the Initial Reserve Funding Date up to but excluding the Class B Redemption Date, the Class A and Class B Liquidity Reserve Fund Excess Amount;

(e) on each Interest Payment Date following the Initial Reserve Funding Date up to and excluding the Final Collateralised Notes Redemption Date, the General Reserve Fund Excess Amount;

(f) on the Final Collateralised Notes Redemption Date only, all amounts standing to the credit of the General Reserve Fund Ledger (after first having applied any Class A and Class B Liquidity Reserve Fund Release Amounts in meeting any Class A and Class B Liquidity Deficit and then any General Reserve Fund Release Amount in meeting any Revenue Deficit against the relevant item in the Pre-Enforcement Revenue Priority of Payments in the order in which they appear in the Pre-Enforcement Revenue Priority of Payments and debiting such amounts from the Class A and Class B Liquidity Reserve Fund Ledger and/or the General Reserve Fund Ledger in accordance with the Pre-Enforcement Revenue Priority of Payments, in each case on such Final Collateralised Notes Redemption Date);

(g) on each Interest Payment Date following a Determination Period, any Reconciliation Amounts deemed to be Available Redemption Receipts in accordance with Condition 6.9(c) (*Determinations and Reconciliation*); and

(h) (in respect of the first Interest Payment Date only) the amount paid into the Deposit Account on the Closing Date from the excess of the proceeds of the Rated Notes over the Initial Consideration.

"**Available Revenue Receipts**" means, for each Interest Payment Date, an amount equal to the aggregate of (without double counting):

(a) all Revenue Receipts or, if in a Determination Period, any Calculated Revenue Receipts, in each case excluding any Reconciliation Amounts to be applied as Available Redemption Receipts on that Interest Payment Date, received by the Issuer during the immediately preceding Collection Period;

(b) interest payable to the Issuer on the Issuer Accounts and received in the immediately preceding Collection Period (other than any amount of interest or income received in respect of any Swap Collateral) and income from any Authorised Investments to be received on or prior to the Interest Payment Date (other than any amount of income received in respect of the Swap Collateral);

(c) amounts received or to be received by the Issuer under or in connection with the Swap Agreement (other than (i) any early termination amount received by the Issuer under the Swap Agreement, (ii) Swap Collateral, (iii) any Replacement Swap Premium paid to the Issuer, and (iv) amounts in respect of Swap Tax Credits on such Interest Payment Date excluding, in each case, any Swap Collateral Account Surplus which is to be applied as Available Revenue Receipts in accordance with the Swap Collateral Account Priority of Payments);

(d) on the Class B Redemption Date only, all amounts standing to the credit of the Class A and Class B Liquidity Reserve Fund Ledger (after first having applied any Class A and Class B Liquidity Reserve Fund Release Amount in meeting any Class A and Class B Liquidity Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order they appear in the Pre-Enforcement Revenue Priority of Payments and debiting such amount from the Class A and Class B Liquidity Reserve Fund Ledger);

(e) on each Interest Payment Date following a Determination Period, any Reconciliation Amounts deemed to be Available Revenue Receipts in accordance with Condition 6.9(c) (*Determinations and Reconciliation*);

(f) amounts credited to the Deposit Account on the previous Interest Payment Date in accordance with item (w) of the Pre-Enforcement Revenue Priority of Payments;

(g) other net income of the Issuer received during the immediately preceding Collection Period, excluding any Redemption Receipts;

(h) amounts determined to be applied as Available Revenue Receipts in accordance with item (h) of the Pre-Enforcement Redemption Priority of Payment;

(i) any Consideration Rebate Amounts;

less:

(j) any Third Party Amounts applied from time to time during the immediately preceding Collection Period;

(k) any tax payments paid or payable by the Issuer during the immediately preceding Collection Period to the extent not funded from amounts standing to the credit of the Issuer Profit Ledger; and

(l) (taking into account any amount paid by way of Third Party Amounts) amounts to remedy any overdraft in relation to the Collection Account or to pay any amounts due to the Collection Account Bank.

"Back-Up Servicer Facilitator" means CSC Capital Markets UK Limited, a private limited company incorporated under the laws of England and Wales with company number 10780001, having its registered office at 10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU.

"Bank Account Agreement" means the agreement so named dated on or prior to the Closing Date and made between the Issuer, the Issuer Account Bank, the Cash Manager, the Servicer, the Seller and the Trustee.

"Bank Rate" means the rate announced from time to time by the Monetary Policy Committee of the Bank of England as the official published dealing rate, being the rate at which the Bank of England is willing to enter into transactions for providing short-term liquidity in the money markets.

"Banking Act" means The Banking Act 2009, as amended.

"Base Fee" means a fee of an amount equal to 0.20 per cent. per annum of the average of (i) the aggregate of the Principal Balance of all Loans other than those Loans subject to the Special Services Fee as at the first day of the immediately preceding Collection Period (or in respect of the first Interest Payment Date only, the Closing Date) and (ii) the aggregate of the Principal Balance of all Loans other than those Loans subject to the Special Services Fee as at the last day of the immediately preceding Collection Period.

"Base Rate Modification" means changing the base rate in respect of the Notes to an alternative base rate and make such other amendments as are necessary or advisable in the reasonable commercial judgment of the Issuer (or the Servicer on its behalf) to facilitate such change.

"Base Rate Modification Certificate" has the meaning given to it in clause 17.2 (*Additional Right of Modification*) of the Trust Deed.

"Basel Committee" means the Basel Committee on Banking Supervision.

"Basic Terms Modification" means each of:

(a) the modification of the date of maturity of the Notes;

(b) the modification of the date of payment of principal or interest (including any premium payable) in respect of the Notes, or

where applicable, of the method of calculating the date of payment of principal or interest in respect of the Notes or of the method of calculating the date of payment in respect of any Class of Certificates, except in accordance with Condition 13.6(g) or (h) (Additional Right of Modification), Certificates Condition 12.6(f) or (g) (Additional Right of Modification) in relation to any Base Rate Modification or Swap Rate Modification;

(c) the modification of the amount of principal or the rate of interest payable in respect of the Notes, or where applicable, of the method of calculating the amount payable of any principal or interest in respect of the Notes or of the method of calculating the amounts payable in respect of any Class of Certificates (including, if any such modification is proposed for any Class of Notes), except in accordance with Condition 13.6(g) or (h) (Additional Right of Modification), Certificates Condition 12.6(f) or (g) (Additional Right of Modification) in relation to any Base Rate Modification or Swap Rate Modification;

(d) alter the currency in which payments under any Class of Notes or any Class of Certificates are to be made;

(e) alter the quorum or majority required in relation to this exception;

(f) sanction any scheme or proposal for the sale, conversion or cancellation of any Class of Notes or any Class of Certificates; or

(g) any change to this definition of Basic Terms Modification.

"**Benchmarks Regulation**" means Regulation (EU) 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the EUWA.

"**Block Voting Instruction**" means an English language document issued by a Paying Agent in which:

(a) it is certified that on the date thereof Notes and/or Certificates (not being Notes and/or Certificates (as applicable) in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction) are blocked in an account with a clearing system and that no such Notes and/or such Certificates will cease to be so blocked until the first to occur of:

(i) the conclusion of the meeting specified in such Block Voting Instruction; and

(ii) the Notes and/or the Certificates ceasing with the agreement of the Paying Agent to be so blocked and the giving of notice by the Paying Agent to the Issuer of the necessary amendment to the Block Voting Instruction;

(b) it is certified that each holder of such Notes and/or such Certificates has instructed such Paying Agent that the vote(s) attributable to the Notes and/or the Certificates so blocked should be cast in a particular way in relation to the resolution(s) to be put to such

meeting and that all such instructions are, during the period commencing 48 hours prior to the time for which such meeting is convened and ending at the conclusion or adjournment thereof, neither revocable nor capable of amendment;

(c) the aggregate principal amount or aggregate total amount of the Notes and/or the number of Certificates so blocked is listed distinguishing with regard to each such resolution between those in respect of which instructions have been given that the votes attributable thereto should be cast in favour of the resolution and those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution; and

(d) one or more persons named in such Block Voting Instruction (each hereinafter called a "**proxy**") is or are authorised and instructed by such Paying Agent to cast the votes attributable to the Notes and/or the Certificates so listed in accordance with the instructions referred to in paragraph (c) above as set out in such Block Voting Instruction, **provided that** no such person shall be named as a proxy:

(i) whose appointment has been revoked and in relation to whom the relevant Paying Agent has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such meeting; and

who was originally appointed to vote at a meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the meeting when it is resumed.

"**Bluestone**" means Bluestone Mortgages Limited (registered number 02305213) with its registered office at Floor 10, 40 Leadenhall Street, London, England, EC3A 2BJ.

"**Bluestone Cap Amount**" means the amount which is the lower of: (x) £1,000,000; and (y) the amount recovered from Bluestone pursuant to clause 32.1 (*Indemnification by the Servicer and the Legal Title Holder*) of the Servicing Agreement and clause 10.4.2 (*Remedies for breach of Legal Title Holder Warranties*) of the Mortgage Sale Agreement.

"**BoE Loan Level Report**" means each loan level report, in respect of each Collection Period in the format required by the Bank of England.

"**Book-Entry Interests**" means the record made by, Euroclear or Clearstream, Luxembourg, as the case may be, in book-entry form of interests representing interests in a Global Note that the Common Depositary has confirmed it has custody of.

"**Borrower Fees**" means each fee or charge designated as such in the relevant Tariff of Charges and payable by a Borrower in respect of a Loan pursuant to the relevant Mortgage Conditions.

"**Borrowers**" means, in relation to a Loan, the person or persons specified as such in the relevant Mortgage Deed together with the individual or individuals (if any) from time to time assuming an obligation to repay such Loan or any part of it.

"**Business Day**"	means a day (other than a Saturday or a Sunday or a public holiday) on which banks are open for business in London; and "**Business Days**" shall be construed accordingly.
"**Buy-to-Let Loan**"	means a Loan which is intended for a Borrower who wishes to use the Loan as a means to purchase a residential property for the purpose of letting to third parties.
"**Calculated Redemption Receipts**"	means, in respect of a Determination Period, the product of: (a) one minus the Interest Determination Ratio; and (b) all collections received by the Issuer during such Determination Period.
"**Calculated Revenue Receipts**"	means, in respect of a Determination Period, the product of: (a) the Interest Determination Ratio; and (b) all collections received by the Issuer during such Determination Period.
"**Calculation Date**"	means, in relation to a Collection Period, the day falling five Business Days prior to the first Interest Payment Date to occur following the end of that Collection Period.
"**Capitalisation**"	means following the accrual of Arrears representing amounts other than principal repayments on a Loan, the relevant Borrowers may be given the option to capitalise such Arrears.
"**Capitalisation Policy**"	means the capitalisation policy that the Servicer shall assess and service any Capitalisation in accordance with.
"**Capitalised Amounts**"	means, in relation to a Loan, at any date, amounts which are due or overdue in respect of that Loan (other than any principal amounts) and which as at that date have been capitalised in accordance with the Mortgage Conditions or otherwise by arrangement with the relevant Borrower and any other amounts (including fees and expenses), capitalised in accordance with the Capitalisation Policy.
"**Cash Management Agreement**"	means the cash management agreement entered into on or about the Closing Date between the Cash Manager, the Issuer, the Seller, the Servicer and the Trustee
"**Cash Manager**"	means Citibank, N.A., London Branch and/or any replacement cash manager appointed pursuant to the terms of the Cash Management Agreement from time to time.
"**Cash Manager Investor Report**"	means the quarterly investor report relating to the immediately preceding Collection Period in PDF form prepared by the Cash Manager and made available on or around each Interest Payment Date.
"**Cash Manager Services**"	means those services which the Cash Manager has agreed to perform pursuant to the Cash Management Agreement (including, without limitation, schedules to the Cash Management Agreement and in particular schedule 1 (*Cash Manager Services*) to the Cash Management Agreement).
"**Cash Manager Termination Event**"	means any of the events described in clause 19 (*Cash Manager Termination Events*) of the Cash Management Agreement.

"CCA"	means the Consumer Credit Act 1974 (as amended from time to time by various statutory instruments and by the Consumer Credit Act 2006).
"Central Bank"	means the Central Bank of Ireland.
"Certificate Conditions"	means the terms and conditions to be endorsed in respect of the Certificates in, or substantially in, the form set out in Schedule 6 (*Terms and Conditions of the Certificates*) of the Trust Deed as any of the same may from time to time be modified in accordance with the Trust Deed and any reference to a particular numbered condition shall be construed accordingly.
"Certificate of Title"	means, in respect of a Property, a solicitor's or licensed conveyancer's report or certificate of title obtained by or on behalf of the Legal Title Holder in respect of such Property substantially in the form of the *pro forma* set out in the Standard Documentation.
"Certificateholders"	means the RC1 Certificateholders and the RC2 Certificateholders or, where the context otherwise requires, the holders of Certificates of a particular Class or Classes.
"Certificates"	means the RC1 Certificates and the RC2 Certificates.
"Charged Assets "	means the property, assets and undertakings of the Issuer the subject of any security created under and pursuant to the Deed of Charge.
"CIGA"	means the Corporate Insolvency and Governance Act 2020.
"Class A and Class B Liquidity Deficit"	means, on any Interest Payment Date, an amount equal to any shortfall in Available Revenue Receipts to pay: (a) items (a) to (f) of the Pre-Enforcement Revenue Priority of Payments; and (b) if (i) the Class B Notes are the Most Senior Class of Notes outstanding or (ii) prior to the application of Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments on the relevant Interest Payment Date, the outstanding debit balance of the Class B Principal Deficiency Sub-Ledger is less than 10 per cent of the Principal Amount Outstanding of the Class B Notes on the Calculation Date immediately preceding such Interest Payment Date, item (h) of the Pre-Enforcement Revenue Priority of Payments, on such Interest Payment Date, as determined by the Cash Manager on the immediately preceding Calculation Date.
"Class A and Class B Liquidity Reserve Fund"	means the liquidity reserve fund established in the Deposit Account and recorded on the Class A and Class B Liquidity Reserve Fund Ledger, and made available to meet any Class A and Class B Liquidity Deficit.
"Class A and Class B Liquidity Reserve Fund Excess Amount"	means: (a) on each Interest Payment Date up to but excluding the Class B Redemption Date , all amounts standing to the credit of the Class A and Class B Liquidity Reserve Fund, in excess of the Class A and Class B Liquidity Reserve Fund Required Amount on such Interest Payment Date (after any amounts being debited from

or credited to the Class A and Class B Liquidity Reserve Fund Ledger on such date); and

(b) on each other Interest Payment Date, zero.

"Class A and Class B Liquidity Reserve Fund Ledger" means the ledger to record amounts credited to, and debited from, the Class A and Class B Liquidity Reserve Fund.

"Class A and Class B Liquidity Reserve Fund Release Amount" means, on any Calculation Date up to and including the Calculation Date immediately preceding the Class B Redemption Date (prior to the delivery of an Enforcement Notice), if the Cash Manager determines that on the immediately following Interest Payment Date, there would be a Class A and Class B Liquidity Deficit, the amount to be released from the Class A and Class B Liquidity Reserve Fund by the Cash Manager, being an amount equal to the lesser of:

(a) the amount standing to the credit of the Class A and Class B Liquidity Reserve Fund Ledger on such Interest Payment Date (for the avoidance of doubt, prior to any amounts being debited from the Class A and Class B Liquidity Reserve Fund Ledger on such Interest Payment Date); and

(b) the amount of such Class A and Class B Liquidity Deficit.

"Class A and Class B Liquidity Reserve Fund Required Amount" means:

(a) on any Interest Payment Date falling prior to the Class B Redemption Date:

(i) if a Reserve Fund Amortising Trigger Event has not occurred prior to the Calculation Date immediately preceding such Interest Payment Date, an amount equal to 1.40 per cent. of the aggregate current Principal Amount Outstanding of the Class A Notes and the Class B Notes prior to the application of Available Redemption Receipts on such Interest Payment Date; and

(ii) if a Reserve Fund Amortising Trigger Event has occurred prior to the Calculation Date immediately preceding such Interest Payment Date, an amount equal to 1.40 per cent. of the aggregate current Principal Amount Outstanding of the Class A Notes and the Class B Notes on the Interest Payment Date immediately preceding the date on which the Reserve Fund Amortising Trigger Event occurred (following the application of Available Redemption Receipts on such Interest Payment Date immediately preceding the date on which the Reserve Fund Amortising Trigger Event occurred); and

(b) on any Interest Payment Date falling on or after the Class B Redemption Date, zero.

"Class A Noteholders"	means the persons who for the time being are registered in the Register as holders of the Class A Notes.
"Class A Notes"	means the £292,909,000 Class A mortgage backed floating rate notes due September 2067 issued or due to be issued by the Issuer on the Closing Date.
"Class A Principal Deficiency Sub-Ledger"	means the Principal Deficiency Ledger relating to the Class A Notes.
"Class B Noteholders"	means the persons who for the time being are registered in the Register as holders of the Class B Notes.
"Class B Notes"	means the £13,831,000 Class B mortgage backed floating rate notes due September 2067 issued or due to be issued by the Issuer on the Closing Date.
"Class B Principal Deficiency Sub-Ledger"	means the Principal Deficiency Ledger relating to the Class B Notes.
"Class B Redemption Date"	means the Interest Payment Date in respect of which the Cash Manager determines on the immediately preceding Calculation Date that, following the application on such Interest Payment Date of (i) Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments, and (ii) any Class A and Class B Liquidity Reserve Fund Release Amounts in meeting any Class A and Class B Liquidity Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order that they appear in the Pre-Enforcement Revenue Priority of Payments, the sum of the Available Redemption Receipts would be sufficient to redeem in full the Class B Notes on such Interest Payment Date.
"Class C Noteholders"	means the persons who for the time being are registered in the Register as holders of the Class C Notes.
"Class C Notes"	means the £7,323,000 Class C mortgage backed floating rate notes due September 2067 issued or due to be issued by the Issuer on the Closing Date.
"Class C Principal Deficiency Sub-Ledger"	means the Principal Deficiency Ledger relating to the Class C Notes.
"Class D Noteholders"	means the persons who for the time being are registered in the Register as holders of the Class D Notes.
"Class D Notes"	means the £5,696,000 Class D mortgage backed floating rate notes due September 2067 issued or due to be issued by the Issuer on the Closing Date.
"Class D Principal Deficiency Sub-Ledger"	means the Principal Deficiency Ledger relating to the Class D Notes.
"Class E Noteholders"	means the persons who for the time being are registered in the Register as holders of the Class E Notes.
"Class E Notes"	means the £5,696,000 Class E mortgage backed floating rate notes due September 2067 issued or due to be issued by the Issuer on the Closing Date.
"Class E Principal Deficiency Sub-Ledger"	means the Principal Deficiency Ledger relating to the Class E Notes.

"**Class of Notes**", "**Class of Certificates**", "**Class**" or "**Classes**"	means a reference to any of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class X Notes, the Class RC1 Certificates and the Class RC2 Certificates, as the case may be and "**sub-class**" shall be a reference to any sub-class of such class of Notes.
"**Class X Noteholders**"	means the persons who for the time being are registered in the Register as holders of the Class X Notes.
"**Class X Notes**"	means the £6,509,000 Class X fixed rate notes due September 2067 issued or due to be issued by the Issuer on the Closing Date.
"**Clearing System**"	means Euroclear and/or Clearstream, Luxembourg and includes in respect of any Note and/or Certificate any clearing system on behalf of which such Note and/or Certificate is held or which is the holder or (directly or through a nominee) registered owner of a Note and/or Certificate, in either case whether alone or jointly with any other Clearing System(s).
"**Clearstream, Luxembourg**"	means Clearstream Banking, *société anonyme*.
"**Closing Date**"	means on or about 4 December 2025.
"**COBS**"	means the FCA Handbook Conduct of Business Sourcebook.
"**Code**"	means the US Internal Revenue Code of 1986 (as amended).
"**Collateralised Notes**"	means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.
"**Collection Account**"	means the account held in the name of the Legal Title Holder with the Collection Account Bank into which the Servicer directs payment of principal collections and revenue collections in respect of the Loans.
"**Collection Account Bank**"	means National Westminster Bank.
"**Collection Account Declaration of Trust**"	means the collection account declaration of trust entered into on or about the Closing Date pursuant to which the Seller declared a sub-trust in favour of the Issuer and itself.
"**Collection Account Sub-Trust**"	means the sub-trust created by the Seller over its beneficial interest in the Collection Account in favour of itself and the Issuer pursuant to the Collection Account Declaration of Trust.
"**Collection Period**"	means the quarterly period commencing on (and including) a Collection Period Start Date and ending on (but excluding) the immediately following Collection Period Start Date, except that the first Collection Period will commence on (and include) the date immediately following the Cut-Off Date and end on (and exclude) the Collection Period Start Date falling in March 2026.
"**Collection Period Start Date**"	means the first calendar day of March, June, September and December, **provided that**, the first Collection Period Start Date will be the date immediately following the Cut-Off Date.
"**Collections**"	means, in relation to a Loan, all payments (including principal, interest, fees and any other recoveries) received by or on behalf of the Legal Title Holder in payment of any amount payable under such Loan from or on behalf of any Borrower whether in the form of cash, cheques, electronic payments and direct debits, bank giros or

otherwise, including any recoveries on enforcement of any Related Security securing such Loan (but excluding (i) any payment subsequently reclaimed from or repaid by the Legal Title Holder and (ii) the Cut-off Period Interest Amounts).

"**Common Depositary**" means a nominee for the common depositary for Euroclear and Clearstream, Luxembourg.

"**Companies Act**" has the meaning given to it in section 2 of the Companies Act 2006.

"**Companies House**" means the United Kingdom's registrar of companies.

"**Compounded Daily SONIA**" means the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest) on the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_{i-5LB}\ \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Interest Period;

"**do**" is the number of Business Days in the relevant Interest Period;

"**i**" is a series of whole numbers from one to d0, each representing the relevant Business Day in chronological order from, and including, the first Business Day in the relevant Interest Period;

"**LBD**" means a Business Day;

"**ni**", for any day "**i**", means the number of calendar days from and including such day "i" up to but excluding the following Business Day; and

"**SONIAi-5LBD**" means, in respect of any Business Day falling in the relevant Interest Period, the SONIA Reference Rate for the Business Day falling five Business Days prior to the relevant Business Day "i".

In the event that the Compounded Daily SONIA cannot be determined by the Agent Bank, the Compounded Daily SONIA shall be (i) that determined as at the last preceding Interest Determination Date; or (ii) if there is no such preceding Interest Determination Date, the initial Compounded Daily SONIA applicable for the first Interest Period had

	the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Closing Date.
"**Conditions**"	means the terms and conditions to be endorsed on the Notes in, or substantially in, the form set out in Schedule 3 (*Terms and Conditions of The Notes*) to the Trust Deed as any of the same may from time to time be modified in accordance with the Trust Deed and any reference to a particular numbered condition shall be construed accordingly.
"**Consideration Rebate Amounts**"	means certain amounts payable as rebate of the Initial Consideration payable by the Seller in accordance with the Mortgage Sale Agreement.
"**Consumer Buy-to-Let Loan**"	means a consumer Buy-to-Let mortgage contract under the consumer Buy-to-Let regime -as defined by the Mortgage Credit Directive Order 2015.
"**Consumer Duty**"	means the duty for regulated firms to deliver good outcomes for retail customers as set out in Principle 12 of the FCA's Principles for Businesses sourcebook of the FCA Handbook and related FCA rules and guidance set out in Chapter 2A of the FCA's Principles for Businesses sourcebook of the FCA Handbook.
"**Consumer Duty Matters**"	means supplementary steps to ensure effective management oversight and governance in respect of Consumer Duty implementation, including the provision of adequate management information; the need for further review of compliance with customer support requirements; the need for further review of some customer communications; the need for an update of the credit policy to ensure alignment with the Consumer Duty; the need for further work on the assessment of fair value (in particular, as to the scope of costs to be included in the assessment) and the development of plans to monitor lending and servicing operations to ensure compliance.
"**Corporate Services Agreement**"	means the corporate services agreement dated on or about the Closing Date between the Issuer, the Seller, the Corporate Services Provider, the Share Trustee and Holdings.
"**Corporate Services Provider**"	means CSC Capital Markets UK Limited (registered number 10780001), a company incorporated under the laws of England and Wales.
"**Courts**"	means the Courts of England.
"**CPR**"	means, on any Calculation Date, the annualised principal prepayment rate of all the Loans during the previous Collection Period calculated as follows $$1 - \left((1 - R)\text{^}(4)\right)$$ where R equals the result (expressed as a percentage) of the total principal prepayments received by the Issuer during the immediately preceding Collection Period divided by the aggregate outstanding principal balance of the Loans as at the first day of that Collection Period.
"**CRA**"	means the Consumer Rights Act 2015.
"**Cross-collateral Rights**"	means conditions which allows the Legal Title Holder (in its capacity as the lender of record under the Loans): (a) to declare immediately due and repayable each loan in the name of the same Borrower and to exercise the statutory power of sale

in respect of each property charged by such Borrower as security for the amount secured in respect of such Borrower if such Borrower is in breach of its obligations in respect of any one of such loans; and

(b) to apply the proceeds of enforcement in respect of any property charged by a Borrower against the amount secured in respect of such Borrower.

"**Cumulative Defaults**" means, at any time, the Current Balance of all Loans in respect of which the relevant Property has been repossessed calculated at the point when the relevant Property was repossessed.

"**Current Balance**" of a Loan means, on any date, the aggregate balance of the Loan at such date (but without double counting) including:

(a) the original principal amount advanced to the relevant Borrower secured or intended to be secured by the related Mortgage and which has not been paid, repaid or prepaid by the relevant Borrower;

(b) any interest, disbursement, legal expense, fee, charge, rent, service charge, premium or payment which has not been paid by the relevant Borrower and which has been properly capitalised in accordance with the relevant Mortgage Conditions or with the relevant Borrower's consent and added to the amounts secured or intended to be secured by the related Mortgage; and

(c) any other amount (including, for the avoidance of doubt, Accrued Interest and Arrears of Interest) which is due or accrued (whether or not due) and which has not been paid by the relevant Borrower and has not been capitalised in accordance with the relevant Mortgage Conditions or with the relevant Borrower's consent but which is secured or intended to be secured by the related Mortgage other than any administrative fee that is paid by the Borrower for the benefit of any third-party and/or retained by the Servicer in accordance with the terms of the Servicing Agreement,

on the basis of the start-of-day position on such date (which for the avoidance of doubt is inclusive of any interest rate accrual amount relating to the previous month or otherwise that has been applied on such day but is exclusive of any other payments or postings on such date) and any reference to the Current Balance of a Loan contained in the Provisional Portfolio shall be construed as if it were a Loan contained in the Portfolio..

"**Custodian**" means Citibank, N.A., London Branch, in its capacity as custodian in accordance with the terms of the Custody Agreement between Citibank, N.A. London Branch and the Issuer entered into on or about the Closing Date, or any other custodian in terms of any subsequent Custody Agreement entered into by the Issuer.

"**Custody Agreement**" means the securities custody agreement entered into on or about the Closing Date between Citibank, N.A. London Branch as custodian and the Issuer, and any other securities custody agreement opened from time to time by the Issuer, with the consent of the Trustee.

"**Cut-Off Date**" means close of business on 31 October 2025.

"**Cut-off Period Interest Amounts**"	means Revenue Receipts received in respect of the Portfolio in respect of the period from the date immediately following the Cut-Off Date to but including 30 November 2025.
"**Data Protection Legislation**"	means the following legislation to the extent applicable from time to time: (a) the DPA, (b) national laws implementing the UK GDPR; (c) the UK GDPR; and (d) any other applicable laws, binding regulations, binding orders and binding codes of practice in force and as amended or replaced from time to time relating to data protection in any jurisdiction where personal data is being processed.
"**Data Tape**"	means a data tape substantially in the form set out in exhibit 1 (*The Mortgage Portfolio*) of the Mortgage Sale Agreement containing certain information on the Mortgage Portfolio including the information relating to the Loans and their Related Security.
"**Day Count Fraction**"	means in respect of an Interest Period the actual number of days in such period divided by 365.
"**Deed of Charge**"	means the deed of charge and assignment dated on the Closing Date and made between, among others, the Issuer and the Trustee.
"**Deed Poll**"	means the deed poll dated on the Closing Date granted by the Issuer in favour of the Portfolio Purchase Option Holder relating to the Portfolio Purchase Option.
"**Deferred Consideration**"	means the consideration due and payable to the Seller pursuant to the Mortgage Sale Agreement in respect of the sale of the Portfolio, which shall be an amount equal to, the amounts payable as RC1 Payment Amounts and RC2 Payment Amounts.
"**Deferred Interest**"	means on any Interest Payment Date that the Issuer has insufficient funds to make payment in full of all amounts of interest payable in respect of the Notes other than the Most Senior Class of Notes (which shall include any interest previously deferred under Condition 18.1 (Interest) and accrued interest thereon), the amount of interest that the Issuer is entitled to defer to the next Interest Payment Date **provided that** the interest being deferred solely relates to amounts of interest that accrued on the Notes whilst the Notes were not the Most Senior Class of Notes (other than where the Most Senior Class of Notes is the Class X Notes) after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments and it being understood that any amounts of interest deferred on previous Interest Payment Dates prior to a Class of Notes becoming the Most Senior Class may continue to be deferred regardless of whether such Class is the then Most Senior Class.
"**Definitive Certificates**"	means any Class of Certificates issued in a definitive registered form in, or substantially in, the form set out in schedule 5 (*Form of Definitive Certificates*) to the Trust Deed.
"**Definitive Notes**"	means any Class of Notes issued in a definitive registered form or substantially in, the form set out in schedule 2 (*Form of the Definitive Notes*) to the Trust Deed.
"**Deposit Account**"	means the Sterling account opened on or prior to the Closing Date in the name of the Issuer with SWIFT number CITIGB2L and sort code 18-50-08 with the Issuer Account Bank and designated as such.
"**Determination Period**"	means a period consisting of one or more Collection Periods in which the Cash Manager does not receive Servicer Reports that it is due to receive during such period.

"**Direct Debit**"	means a written instruction of a Borrower authorising its bank to honour a request of the Legal Title Holder to debit a sum of money on specified dates from the account of the Borrower into the Collection Account.
"**Direct Debiting Scheme**"	means the scheme for the manual or automated debiting of bank accounts by Direct Debit operated in accordance with the principal rules of certain members of the Association for Payment Clearing Services.
"**Dispute**""	means a dispute arising out of or in connection with any Transaction Document (including a dispute regarding the existence, validity or termination of any Transaction Document).
"**Distributor**"	means any person subsequently offering, selling or recommending the Notes.
"**DM Regulations**"	means the Financial Services (Distance Marketing) Regulations 2004.
"**DPA**"	means the Data Protection Act 2018.
"**Ealbrook 2022-1 Collection Account Declaration of Trust**"	means the collection account declaration of trust entered into on 30 June 2022 by the Legal Title Holder pursuant to which the Legal Title Holder declared a trust in favour of (amongst others) the Seller over the Collection Account.
"**Ealbrook 2024-1 Collection Account Declaration of Trust**"	means the collection account declaration of trust entered into on 30 October 2024 by the Legal Title Holder and Seller pursuant to which the Seller declared a sub-trust in favour of (amongst others) itself over the Collection Account.
"**Early Repayment Charge**"	means any charge (other than a Redemption Fee) which a Borrower is required to pay in the event that he or she repays all or any part of the relevant Loan before a specified date in the Mortgage Conditions.
"**Early Termination Date**"	has the meaning as defined in the Swap Agreement.
"**EEA**"	means the European Economic Area.
"**Eligible Person**"	means any one of the following persons who shall be entitled to attend and vote at a meeting: (a) a bearer of any Voting Certificate; and (b) a proxy specified in any Block Voting Instruction.
"**Energy Efficiency Regulations 2015**"	means the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015.
"**Enforced Loan**"	means a Loan in respect of which the Related Security has been enforced and the related Property has been sold.
"**Enforcement Notice**"	means, following the occurrence of an Event of Default, a notice delivered by Trustee to the Issuer in accordance with clause 13 (*Enforcement Notice*) of the Deed of Charge Condition 11 (*Events of Default*), Condition 12 (*Enforcement*), Certificate Condition 10 (*Events of Default*) and Certificate Condition 11 (*Enforcement*) (as applicable), which declares that all Classes of the Notes and Certificates (as applicable) are immediately due and repayable at their respective Principal Amount Outstanding, together with accrued (but unpaid) interest as provided in the Trust Deed (with a copy of such Enforcement Notice being sent

	simultaneously to the Seller, the Swap Provider, the Servicer, the Back-up Servicer Facilitator, the Issuer Account Bank and the Cash Manager).
"**Enforcement Procedures**"	means the procedures for the enforcement of Mortgages undertaken by the Servicer from time to time in accordance with the Mortgage Servicing and Arrears Management Policy, which is part of the Legal Title Holder's Policies.
"**English Loan**"	means a Loan secured by an English Mortgage.
"**English Mortgage**"	means a first ranking legal mortgage or charge over English Property which is security for an English Loan.
"**English Property** "	means, in relation to a Loan, the freehold or long leasehold residential property situated in England or Wales upon which the obligations of the Borrower are secured.
"**Enhanced Amortisation Amounts**"	means any amounts applied in accordance with item (r) of the Pre-Enforcement Revenue Priority of Payments.
"**ERISA**"	means the U.S. Employee Retirement Income Security Act of 1974, as amended.
"**ESMA**"	means the European Securities and Markets Authority.
"**EU**"	means the European Union.
"**EU CRA Regulation**"	means Regulation (EU) No. 1060/2009 (as amended).
"**EU CRD**"	means the Capital Requirements Directive.
"**EU CRD IV**"	means the EU CRR and the EU CRD.
"**EU CRD V**"	means Directive 2019/878.
"**EU CRR**"	means the Regulation of the European Parliament and of the Council (EU) No 575/2013, as amended.
"**EU CRR Amending Regulation**"	means Regulation (EU) 2020/873 which contains targeted amendments to the Capital Requirements Regulation (575/2013) (CRR) and the CRR II Regulation ((EU) 2019/876) in response to the COVID-19 pandemic.
"**EU CRR2**"	means Regulation (EU) 2019/876.
"**EU Disclosure Templates**"	means the technical standards published under the EU Securitisation Regulation (as in force on the Closing Date) as such technical standards and legislation is in force as at the Closing Date, such relevant regulatory and implementing technical standards, including the standardised templates adopted by ESMA which set out the form in which the relevant reporting entity is required to comply with certain of the periodic reporting requirements.
"**EU EMIR**"	means the European Market Infrastructures Regulation (EU) No. 648/2012.
"**EU MIFD II**"	means Directive 2014/65/EU, as amended.
"**EU PRIIPs Regulation**"	means Regulation (EU) No 1286/2014, as amended.
"**EU Prospectus Regulation**"	means Regulation (EU) 2017/1129/EC (as amended).

"**EU Securitisation Regulation**"	means Regulation (EU) 2017/2042, as amended.
"**Euroclear**"	means Euroclear Bank S.A./N.V..
"**Euronext Dublin**"	means the Irish Stock Exchange plc trading as Euronext Dublin.
"**Eurosystem**"	means the monetary authority of the eurozone including the collective of EU member states that have adopted the euro as their sole official currency.
"**EUWA**"	means the European Union (Withdrawal) Act 2018, as amended.
"**Event of Default**"	means any of the events specified in Condition 11 (*Events of Default*) or Certificate Condition 10 (*Events of Default*).
"**Exchange Event**"	means either: (a) both Euroclear and Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business and do so cease to do business; or (b) as a result of any amendment to, or change in (A) the laws or regulations of the United Kingdom or any political sub-division therein or thereof having power to tax or (B) the interpretation or administration of such legislation which becomes effective on or after the Closing Date, the Issuer or the Principal Paying Agent is, or will be required to make any deduction or withholding for or on account of Tax from any payment in respect of the Notes or the Certificates which would not be required if the Notes or the Certificates (as applicable) were in definitive form.
"**Exercise Notice**"	means the meaning given to the term in Clause 4 (*Exercise of Portfolio Purchase Option*) of the Deed Poll.
"**Existing Collection Account Declarations of Trust**"	means: (a) the Ealbrook 2022-1 Collection Account Declaration of Trust; and (b) the Ealbrook 2024-1 Collection Account Declaration of Trust.
"**Existing Scottish Trust**"	means the existing Scots law trusts created by the Legal Title Holder in favour of the Seller pursuant to various asset purchase agreements.
"**Extraordinary Resolution**"	means, in respect of the holders of any of the Classes of Notes or Certificateholders: (a) a resolution passed at a meeting of Noteholders or Certificateholders duly convened and held in accordance with the Trust Deed and the Conditions or Certificate Conditions by a majority consisting of not less than three-quarters of Eligible Persons voting at such meeting upon a show of hands or, if a poll is duly demanded, by a majority consisting of not less than three-quarters of the votes cast on such poll; (b) a resolution in writing signed by or on behalf of the Noteholders or Certificateholders of not less than three quarters in aggregate Principal Amount Outstanding of the relevant Class of Notes then outstanding or Certificates, which resolution may be contained in one document or in several documents in like form each signed

by or on behalf of one or more of the Noteholders of the relevant Class of Notes or Certificateholders of the relevant Class; or

(c) consent given by way of electronic consents through the relevant Clearing System(s) (in the form prescribed under the Trust Deed) by or on behalf of the Noteholders or Certificateholders holding not less than three quarters in aggregate Principal Amount Outstanding of the relevant Class of Notes then outstanding or the relevant Class of Certificates then in issue.

"**FATF**"	means the Financial Action Task Force.
"**FCA**"	means the United Kingdom Financial Conduct Authority and any replacement thereof with powers and authority to regulate and/or supervise persons carrying on Regulated Mortgage Activities.
"**FCA Handbook**"	means the Financial Conduct Authority Handbook of rules and guidance published by the FCA.
"**FCA Transparency Rules**"	means SECN 6, SECN 11 (including its Annexes) and SECN 12 (including its Annexes).
"**Final Collateralised Notes Redemption Date**"	means the Interest Payment Date in respect of which the Cash Manager determines on the immediately preceding Calculation Date that, following the application on such Interest Payment Date of (i) Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments, (ii) any Class A and Class B Liquidity Reserve Fund Release Amounts in meeting any Class A and Class B Liquidity Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order that they appear in the Pre-Enforcement Revenue Priority of Payments and (iii) any General Reserve Fund Release Amounts in meeting any Revenue Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order that they appear in the Pre-Enforcement Revenue Priority of Payments, the sum of the Available Redemption Receipts (other than, where such Interest Payment Date falls prior to the Optional Redemption Date, item (c) of the definition thereof), all amounts standing to the credit of the General Reserve Fund and all amounts which (but for the occurrence of the Final Collateralised Notes Redemption Date) would have been available for application pursuant to items (a) to (q) (inclusive) of the Pre-Enforcement Revenue Priority of Payments would be sufficient to redeem in full the Collateralised Notes on such Interest Payment Date, including, as the case may be, as a result of the mandatory redemption of the Collateralised Notes pursuant to Conditions 8.2 (*Mandatory Redemption prior to the delivery of an Enforcement Notice or prior to the Optional Redemption Date or prior to exercise of the Portfolio Purchase Option*), Condition 8.3 (*Redemption of the Notes in full pursuant to 10 per cent. clean-up call*), Condition 8.4 (*Redemption of the Notes pursuant to Taxation call*) or Condition 8.5 (*Mandatory Redemption in full pursuant to the exercise of the Portfolio Purchase Option*).
"**Final Maturity Date**"	means the Interest Payment Date falling in September 2067.
"**Fitch**"	means Fitch Ratings Ltd, or any successor to its ratings business.
"**Fixed Rate Loan**"	means a Loan in respect of which the interest rate payable by the relevant Borrower on the Loan:

(i) is fixed for a specified period of time and does not vary during such period; and

(ii) following such specified period, will be a reversionary rate based on SVR,

For the avoidance of doubt, such Loan will still be a "Fixed Rate Loan" following the expiry of such specified period in which the interest rate was fixed.

"Flexible Loan" means any Loan where the maturity date or loan amount can be changed at the election of the Borrower (for the avoidance of doubt, excluding any Loan where the maturity date or loan amount is changed as a result of forbearance in response to the COVID-19 pandemic).

"FSA" means the Financial Services Authority.

"FSCS" means the Financial Services Compensation Scheme of the United Kingdom.

"FSMA 2023" means the Financial Services and Markets Act 2023.

"FSMA" means the Financial Services and Markets Act 2000, as amended.

"Further Advance" means, in relation to a Loan, any advance of further money to the relevant Borrower following the advance of the Initial Advance which is secured by the same Mortgage as the Initial Advance, but does not include the amount of any retention advanced to the relevant Borrower as part of the Initial Advance after completion of the Mortgage.

"General Register of Sasines" means the General Register of Sasines of Scotland.

"General Reserve Fund" means the reserve fund established in the Deposit Account and recorded on the General Reserve Fund Ledger, and made available to meet any Revenue Deficit.

"General Reserve Fund Excess Amount" means on any Interest Payment Date, an amount equal to the greater of:

(a) zero; and

(b) the amount standing to the credit of the General Reserve Fund Ledger on such Interest Payment Date, *less* the General Reserve Fund Required Amount on such Interest Payment Date.

"General Reserve Fund Ledger" means the ledger of such name created and maintained by the Cash Manager in the Deposit Account which will record amounts credited to, and debited from, the General Reserve Fund.

"General Reserve Fund Release Amount" means, on any Calculation Date up to and including the Calculation Date immediately preceding the Final Collateralised Notes Redemption Date (prior to the delivery of an Enforcement Notice), if the Cash Manager determines that on the immediately following Interest Payment Date, there would be a Revenue Deficit, the amount to be released from the General Reserve Fund by the Cash Manager, being an amount equal to the lesser of:

(a) the amount standing to the credit of the General Reserve Fund Ledger on such Interest Payment Date; and

(b) the amount of such Revenue Deficit.

"General Reserve Fund Required Amount" means:

(a) on any Interest Payment Date up to but excluding the Final Collateralised Notes Redemption Date:

(i) if a Reserve Fund Amortising Trigger Event has not occurred prior to the Calculation Date immediately preceding such Interest Payment Date, an amount equal to 1.40 per cent. of the aggregate current Principal Amount Outstanding of the Collateralised Notes prior to the application of Available Redemption Receipts on such Interest Payment Date, minus the Class A and Class B Liquidity Reserve Fund Required Amount; and

(ii) if a Reserve Fund Amortising Trigger Event has occurred prior to the Calculation Date immediately preceding such Interest Payment Date, an amount equal to 1.40 per cent. of the aggregate current Principal Amount Outstanding of the Collateralised Notes on the Interest Payment Date immediately preceding the date on which the Reserve Fund Amortising Trigger Event occurred (following the application of Available Redemption Receipts on such Interest Payment Date immediately preceding the date on which the Reserve Fund Amortising Trigger Event occurred), minus the Class A and Class B Liquidity Reserve Fund Required Amount; and

(b) on each Interest Payment Date on and following the Final Collateralised Notes Redemption Date, zero.

"Global Certificate" means the RC1 Certificates and the RC2 Certificates will each be represented on issue by a global certificate in registered form.

"Global Note" means a global note certificate representing a Class of Notes, the form of which is set out in schedule 1 (*Form of Global Notes*) to the Trust Deed.

"HA 1988 " means the Housing Act 1988.

"Help to Buy" means the help to buy scheme provided by the UK Government to assist home buyers by the UK Government (through Homes England) providing a shared equity loan made to borrowers secured by way of a second charge mortgage on the relevant property.

"Help to Buy Loans" means any such Loan that benefits from Help to Buy (which are contractually binding with full recourse to the relevant Borrowers and, where applicable, guarantors).

"HMO" means House in Multiple Occupation.

"HMRC" means HM Revenue & Customs.

"Holding Company" means, any holding company as defined in section 1159 of the Companies Act 2006, and in relation to a person, any other person in respect of which it is a Subsidiary.

"Holdings" means Ealbrook Mortgage Funding 2025-1 Holdings Limited, incorporated under the laws of England and Wales on 26 August 2025 (company number 16673275) as a private limited company with its

registered address at 10th Floor, 5 Churchill Place, London, England, E14 5HU, United Kingdom.

"**IGAs**" means the intergovernmental agreements with the United States to implement the FATCA.

"**Incorporated Terms Memorandum**" means the incorporated terms memorandum made between, among others, the Issuer, the Seller and the Trustee.

"**Indirect Participants**" means persons that hold interests in the Book-Entry Interests through Participants or through other Indirect Participants.

"**Initial Advance**" means the initial principal amount advanced by the Legal Title Holder to the relevant Borrower under a Loan.

"**Initial Consideration**" means £335,386,864.07.

"**Initial Principal Amount**" means, in relation to any Note, the Principal Amount Outstanding of such Note on the Closing Date.

"**Initial Reserve Funding Date**" means the Interest Payment Date on which the cumulative amount of Available Redemption Receipts previously transferred pursuant to item (a) of the Pre-Enforcement Redemption Priority of Payments on all prior Interest Payment Dates to: (x) the General Reserve Fund is equal to the General Reserve Fund Required Amount; and (y) the Class A and Class B Liquidity Reserve Fund is equal to the Class A and Class B Liquidity Reserve Fund Required Amount, in each case disregarding for these purposes any debit from the General Reserve Fund or the Class A and Class B Liquidity Reserve Fund during such period.

"**Insolvency Act**" means the Insolvency Act 1986, as amended.

"**Insolvency Event**" means an event that will occur in respect of an entity in the following circumstances:

(a) an order is made or an effective resolution passed for the winding up of the relevant entity (or it proposes or makes any composition or arrangement with its creditors (whether including, without limitation, by way of voluntary arrangement, scheme of arrangement, restructuring plan under Part 26A of the Companies Act 2006 or otherwise)); or

(b) the relevant entity stops or threatens to stop payment to its creditors generally or the relevant entity ceases or threatens to cease to carry on its business or substantially the whole of its business; or

(c) an encumbrancer takes possession or a Receiver is appointed to the whole or any material part of the undertaking, property and assets of the relevant entity or a distress, diligence or execution is levied or enforced upon or sued out against the whole or any material part of the chattels or property of the relevant entity and, in the case of any of the foregoing events, is not discharged within 30 days; or

(d) the relevant entity is unable to pay its debts as they fall due or it is deemed under section 123 of the Insolvency Act 1986 to be unable to pay its debts or announces an intention to suspend making payments with respect to any class of undisputed debts; or

	if proceedings are initiated against the relevant entity under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the relevant entity or, as the case may be, in relation to the whole or any part of the undertaking or assets of any relevant entity, and in any such case (other than the appointment of an administrator or an administrative receiver appointed following presentation of a petition for an administration order), unless initiated by the relevant entity, is not discharged within 30 days.
"**Insolvency Official**"	means, in respect of any company, a liquidator, provisional liquidator, administrator (whether appointed by the court or otherwise), administrative receiver, receiver or manager, nominee, supervisor, trustee in bankruptcy, conservator, guardian or other similar official in respect of such company or in respect of all (or substantially all) of the company's assets or in respect of any arrangement or composition with creditors or any equivalent or analogous officer under the law of any jurisdiction.
"**Insurance Distribution Directive**"	means Directive (EU) 2016/97 as it forms part of UK domestic law by virtue of the EUWA (as amended).
"**Interest Amount**"	means in respect of a Class of Notes, for any Interest Period, the Sterling amount payable in respect of interest on the Principal Amount Outstanding of each Class of the Notes for the relevant Interest Period calculated as soon as practicable after 11.00 a.m. (London time) on the related Interest Determination Date, but in no event later than the third Business Day thereafter by applying the relevant Rate of Interest to the Principal Amount Outstanding of such Class of Notes and multiplying the sum by the actual number of days in the Interest Period concerned divided by 365 and rounding the figure downwards to the nearest penny.
"**Interest Commencement Date**"	means the Closing Date.
"**Interest Determination Date**"	means the fifth Business Day before the Interest Payment Date for which the rate will apply.
"**Interest Determination Ratio**"	means, on any Interest Payment Date, (a) the aggregate Revenue Receipts calculated in the three preceding Servicer Reports (or, where there are not at least three previous Servicer Reports, any previous Servicer Reports) divided by (b) the aggregate of all Revenue Receipts and all Redemption Receipts calculated in such Servicer Reports.
"**Interest-only Loan**"	means a Loan under the terms of which the Borrower is only obliged to pay monthly interest but not principal during the term of that Loan so that, when the Loan matures, the entire principal amount of the Loan is still outstanding and is payable in one lump sum.
"**Interest Payment Date**"	means the 18th day of March, June, September and December in each year or, if such day is not a Business Day, the immediately following Business Day with the first Interest Payment Date falling in March 2026.
"**Interest Period**"	means each period from (and including) an Interest Payment Date (except in the case of the first Interest Period, which shall commence on (and include) the Closing Date) to (but excluding) the next following Interest Payment Date.

"**Investment Company Act**"	means the United States Investment Company Act of 1940, as amended.
"**Investor Reports**"	means each quarterly investor report relating to the immediately preceding Collection Period detailing, among other things, certain aggregated loan file data in relation to the Portfolio prepared on the basis of information provided to the Cash Manager by the Seller in each Servicer Report and the Loan Level Report, to be provided to investors pursuant to SECN 6.2.1R(5), Article 7(1)(e) of Chapter 2 of the PRA Securitisation Rules and Article 7(1)(e) of the EU Securitisation Regulation (as in force on the Closing Date), and in the form contained in the UK Disclosure Templates or the EU Disclosure Templates or such other form as may be prescribed under the UK Securitisation Framework and/or the EU Securitisation Regulation (as in force on the Closing Date).
"**ISDA Master Agreement**"	means the 2002 ISDA Master Agreement, as published by ISDA.
"**Issuer**"	means Ealbrook Mortgage Funding 2025-1 PLC, a limited liability company incorporated under the laws of England and Wales, registered under company number 16673338 and with its registered office at 10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU.
"**Issuer Account Bank**"	means Citibank, N.A., London Branch or any other bank appointed as the issuer account bank for the purposes of the Transaction Documents in accordance with the terms of the Bank Account Agreement.
"**Issuer Accounts**"	means the bank accounts which the Issuer agrees to maintain, pursuant to the terms of the Bank Account Agreement and the Transaction Documents, including the Deposit Account, any Swap Collateral Account, any Additional Account and any other bank account of the Issuer or in respect of which the Issuer at any time has an interest or, where the context requires, any of them.
"**Issuer's Auditor**"	means the independent auditor appointed as auditor of the Issuer as notified by the Issuer to the Transaction Parties from time to time.
"**Issuer Certificate**"	has the meaning given to it in paragraph 7 (*Rating Agencies*) of Part 4 (*Covenants of the Issuer in respect of the Notes*) of Schedule 3 (*Issuer Covenants*) of the Incorporated Terms Memorandum.
"**Issuer Covenants**"	means the covenants of the Issuer set out in Schedule 3 (*Issuer Covenants*) to the Incorporated Terms Memorandum.
"**Issuer Profit Amount**"	means (i) £3,833 on each of the Interest Payment Dates falling after the Closing Date up to (and including) the Interest Payment Date falling in June 2027 and (ii) £250 on each Interest Payment Date falling thereafter, which shall be credited to the Issuer Profit Ledger for the Issuer to retain as a profit for entering into the transaction.
"**Issuer Profit Ledger**"	means the ledger so named opened in the books of the Issuer by the Cash Manager in accordance with the Cash Management Agreement and which shall record as a credit any amounts retained by the Issuer as profit in accordance with the Pre-Enforcement Revenue Priority of Payments and the Post-Enforcement Priority of Payments and as a debit any amount used to discharge any tax liability of the Issuer.
"**Issuer Security Power of Attorney**"	means the power of attorney contained in clause 25 (*Power of Attorney*) of the Deed of Charge.

"**Issuer Share**"	means an amount equal to amounts from time to time standing to the credit of the Collection Account to the extent that such amounts represent payments into the Collection Account derived from or resulting from the Loans and Related Security purchased by the Issuer (but excluding any interest arising in respect of amounts standing to the credit of the Collection Account).
"**Issuer Swap Amount**"	means on each Interest Payment Date (subject to being paid net of the Swap Provider Swap Amount), the amount the Issuer will pay to the Swap Provider pursuant to the Swap Agreement which shall be equal to the product of: (i) notional amount of the Swap Transaction for the related calculation period thereunder; (ii) a fixed rate; and (iii) the Day Count Fraction, *provided that* in the event the fixed rate under the Swap Transaction is negative such that the amount due and payable by the Issuer to the Swap Provider on an Interest Payment Date would be a negative sum, the Swap Provider shall instead pay to the Issuer the absolute value of such amount as part of the Swap Provider Swap Amount.
"**IVA**"	means an individual voluntary arrangement governed by the Insolvency Act 1986 and the Insolvency Rules 1986.
"**Land Register of Scotland**"	means the public register of rights in land in Scotland, as defined in the Land Registration etc. (Scotland) Act 2012.
"**Land Registry**"	means the body responsible for recording details of land in England and Wales.
"**Lead Manager**"	means Lloyds Bank Corporate Markets plc acting through its investment bank or through its affiliates.
"**Ledger**"	means each ledger opened and maintained in the books of the Issuer by the Cash Manager in accordance with the Cash Management Agreement, including the Redemption Ledger, the Revenue Ledger, the General Reserve Fund Ledger, the Principal Deficiency Ledger, the Class A and Class B Liquidity Reserve Fund Ledger, the Issuer Profit Ledger and the Swap Collateral Ledger.
"**Legal Title Holder**"	means Bluestone Mortgages Limited.
"**Legal Title Holder Insurance Policies**"	means any Title Insurance Policies (which are in favour of the Legal Title Holder) and/or any other insurance contracts in place in the name of the Legal Title Holder in respect of the Loans from time to time, and "**Legal Title Holder Insurance Policy**" means any one of them.
"**Legal Title Holder's Policies**"	means the originating, underwriting, administration, collections, arrears, exception and enforcement policies for repayment of the Loans and their Related Security and the Lending Criteria, as appended to Schedule 4 (*Legal Title Holder's Policies*) of the Servicing Agreement, each as amended and/or replaced from time to time, and "Legal Title Holder's Policy" means any one of them.
"**Legal Title Holder Power of Attorney**"	means a power of attorney granted by the Legal Title Holder in favour of the Issuer and Trustee under the Mortgage Sale Agreement, substantially

	in the form set out in Schedule 5 (*Legal Title Holder Power of Attorney*) of the Mortgage Sale Agreement.
"**Legal Title Transfer Date**"	means the date falling no later than the 20th Business Day after the occurrence of a Perfection Event or as otherwise agreed between the Issuer and the Legal Title Holder.
"**Lending Criteria**"	means in respect of a Loan, the lending criteria of the Legal Title Holder as at the date such Loan was granted.
"**Liabilities**"	means, in respect of any person, any loss, damage, charge, award, claim, demand, judgment, decree, action, proceedings, fine, penalty, cost, expense or other liability (including properly incurred legal and other professional fees and expenses), any taxes and penalties incurred by that person and "**Liability**" shall be construed accordingly.
"**Loan**"	means an Owner-Occupied Loan, including Help to Buy Loans and Right-to-Buy Loans or a Buy-to-Let Loan (including the aggregate of the outstanding balance of any mortgage loan, any Accrued Interest, Arrears and any fees, costs and other amounts owing to the Seller from the Borrower (including all capitalised sums)) which is secured or intended to be secured by the related Mortgage comprised in the Portfolio, and "**Loans**" means all of them.
"**Loan Files**"	means the file or files relating to each Loan (including files kept in microfiche format or similar electronic data retrieval system or the substance of which is transcribed and held on an electronic data retrieval system) containing *inter alia* correspondence between the Borrower, the Legal Title Holder (as relevant) and including mortgage documentation applicable to each Loan, each letter of offer for that Loan, the Valuation Report (if applicable) and, to the extent available, the solicitor's or licensed conveyancer's Certificate of Title.
"**Loan Level Report**"	means each at least quarterly loan level report in respect of each Collection Period, of loan-by-loan information in the format required to be provided pursuant to: (x) SECN 6.2.1R(1), Article 7(1)(a) of Chapter 2 the PRA Securitisation Rules, containing the information required pursuant to SECN 6.2.1R(1), SECN 6.2.1R(5)(a), Article 7(1)(a) and Article 7(1)(e)(i) of Chapter 2 the PRA Securitisation Rules; and (y) Article 7(1)(a) of the EU Securitisation Regulation (as in force on the Closing Date), and containing the information required pursuant to Article 7(1)(a) and Article 7(1)(e)(i) of the EU Securitisation Regulation (as in force on the Closing Date), relating to the immediately preceding Collection Period and in the form contained in the UK Disclosure Templates or the EU Disclosure Templates or such other form as may be prescribed under the UK Securitisation Framework and/or the EU Securitisation Regulation (as in force on the Closing Date).
"**Loan Payment Report**"	means each of the at least quarterly loan payment reports in respect of each Collection Period, of loan payment data, in the form agreed between the Servicer, the Issuer and the Seller from time to time.
"**Loan Repurchase Notice**"	means a notice for the repurchase of a Loan and its Related Security, substantially in the form set out in Schedule 6 (*Loan Repurchase Notice*) of the Mortgage Sale Agreement.
"**Loan Warranties**"	means the loan warranties set out on pages 140 to 143.
"**London Help to Buy Scheme**"	"London Help to Buy Scheme"

"**LTV**"	means loan to value in relation to purchases of properties is calculated net of any fees that are added to the loan.
"**Material Adverse Effect**"	means, as the context specifies: (a) a material adverse effect on the validity or enforceability of any of the Transaction Documents; or (b) in respect of a Transaction Party, a material adverse effect on: (i) the business, operations, financial condition or prospects of such Transaction Party; or (ii) the ability of such Transaction Party to perform its obligations under any of the Transaction Documents; or (iii) the rights or remedies of such Transaction Party under any of the Transaction Documents; or (c) in respect of the Loans, in the context of any Loan and/or its Related Security, a material adverse effect on: (i) the value of the Loan; (ii) the value of the Property secured by the related Mortgage which therefore materially adversely affects the value of the Loan; (iii) the rights available to a mortgagee in respect of the repayment of that Loan (including, without limitation, the enforceability of rights against third parties) which therefore materially adversely affects the value of the Loan; or (iv) the amount likely to be received upon a sale or likely to be financed against the security of that Loan; or (d) a material adverse effect on the validity or enforceability of the Notes and the Certificates.
"**MCD**"	means the Mortgage Credit Directive (2014/17/EU).
"**MCDO**"	means the Mortgage Credit Direction Order 2015.
"**Member State**"	means a member state of the European Union.
"**Minimum Denomination**"	means £100,000 and for so long as Euroclear and Clearstream, Luxembourg so permit, any amount in excess thereof in integral multiples of £1,000.
"**Modification Certificate**"	has the meaning given to it in clause 17.2 (*Additional Right of Modification*) of the Trust Deed.
"**Monthly Payment**"	means the amount which the relevant Mortgage Conditions require a Borrower to pay on each Monthly Payment Date in respect of that Borrower's Loan.
"**Monthly Payment Date**"	in respect of each Borrower, has the meaning given to it in the relevant Mortgage Conditions in respect of that Borrower's Loan.
"**Monthly Product Switch Repurchase Date**"	means, on or after receipt of a Product Switch Notification, any day designated by the Seller and notified to the Issuer as the date on which the relevant Product Switch Loans will be repurchased, with such date

occurring at any time from and including the 1st day of each month (or if such day is not a Business Day, on the immediately succeeding Business Day) up to and including the day falling two (2) Business Days before the last Business Day of each calendar month (or, where such day is not a Business Day, the immediately succeeding Business Day).

"**Moody's**"	means Moody's Investors Service Limited, or any successor to its ratings business.
"**Mortgage**"	means an English Mortgage or a Scottish Mortgage (as applicable), and "**Mortgages**" means all of them.
"**Mortgage Account Principal Debt**"	means at any time in relation to a Loan the aggregate principal amount which has been advanced to the relevant Borrower as at that time secured or intended to be secured by the related Mortgage (excluding any retentions made but not released) less the aggregate amount of such principal which no longer remains outstanding at that time.
"**Mortgage Conditions**"	means, in relation to each Loan and the Mortgage relating thereto, the terms and conditions subject to which the Loan and Mortgage are made including, for the avoidance of doubt, the terms and conditions incorporated into any letter or letters of offer or agreement to make such Loan.
"**Mortgage Deed**"	means, in respect of any Mortgage, the deed in written form creating that Mortgage.
"**Mortgage Offer**"	means the offer letter sent to the relevant Borrower setting out details of the specific terms of the mortgage loan including, but not limited to, the interest rate, term, repayment terms and product type.
"**Mortgage Sale Agreement**"	means the mortgage sale agreement to be entered into on or around the Closing Date between, among others, the Seller, the Issuer, the Trustee and the Servicer.
"**Mortgage Servicing and Arrears Management Policy**""	means the mortgage servicing and arrears management policy applicable to each Loan as at the Closing Date, in the Agreed Form approved by the Lead Manager, as may be amended from time to time consistent with the standard applicable to a Reasonable, Prudent Mortgage Servicer.
"**Most Senior Class**"	means:

(a) the Class A Notes; or

(b) if there are no Class A Notes then outstanding, the Class B Notes; or

(c) if there are no Class A Notes or Class B Notes then outstanding, the Class C Notes; or

(d) if there are no Class A Notes, Class B Notes or Class C Notes then outstanding, the Class D Notes; or

(e) if there are no Class A Notes, Class B Notes, Class C Notes or Class D Notes then outstanding, the Class E Notes; or

(f) if there are no Collateralised Notes then outstanding, the Class X Notes; or

(g) if there are no Notes then outstanding:

(i) prior to (but excluding) the Optional Redemption Date, the RC1 Certificates; or

(ii) on and from the Optional Redemption Date, the RC2 Certificates

"**Non-Responsive Rating Agency**"	has the meaning given to it in paragraph 7 (*Rating Agencies*) of Part 4 (*Covenants of the Issuer in respect of the Notes*) of Schedule 3 (*Issuer Covenants*) of the Incorporated Terms Memorandum.
"**Note Factor**"	means with respect to each Note of a particular Class (on (or as soon as practicable after) each Calculation Date, the Issuer shall determine (or cause the Cash Manager to determine): (a) the amount of any Note Principal Payment due on the Interest Payment Date next following such Calculation Date, (b) the Principal Amount Outstanding of each such Note, and (c) the fraction expressed as a decimal to the sixth decimal point.
"**Note Principal Payment**"	means the principal amount to be redeemed in respect of a particular Class of Notes on any Interest Payment Date which shall be, prior to the delivery of an Enforcement Notice, Available Redemption Receipts available for such purpose on such Interest Payment Date in accordance with the relevant Pre-Enforcement Redemption Priority of Payments, as calculated on the Calculation Date immediately preceding such Interest Payment Date, rounded down to the nearest penny. (a) the amount of any Note Principal Payment due on the Interest Payment Date next following such Calculation Date, (b) the Principal Amount Outstanding of each such Note, and (c) the fraction expressed as a decimal to the sixth decimal point; of which the numerator is the Principal Amount Outstanding of that Note (as referred to in (b) above) and the denominator is the Principal Amount Outstanding of the relevant Class of Notes.
"**Noteholder**"	means the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class X Noteholders or, where the context otherwise requires, the holders of Notes of a particular Class or Classes.
"**Notes**"	means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes.
"**Obligations**"	means all of the obligations of the Issuer created by or arising under the Notes and the Certificates and the Transaction Documents.
"**Observation Period**"	has the meaning given to it in Condition 6.3(b) (*Rate of Interest*).
"**Official List**"	means the official list of the Stock Exchange.
"**Optional Redemption Date**"	means the Interest Payment Date falling in December 2029.
"**Ordinary Resolution**"	means, in respect of the holders of any of the Classes of Notes or Certificates:

(a) a resolution passed at a meeting of Noteholders or Certificateholders duly convened and held in accordance with the Trust Deed and the Conditions or Certificate Conditions by a clear majority of the Eligible Persons voting thereat on a show of hands or, if a poll is duly demanded, by a clear majority of the votes cast on such poll;

(b) a resolution in writing signed by or on behalf of the Noteholders or Certificateholders of not less than a clear majority in aggregate Principal Amount Outstanding of the relevant Class of Notes or number of the holders of the relevant Class of Certificates then in issue, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Noteholders or Certificateholders of the relevant Class; or

(c) consent given by way of electronic consents through the relevant Clearing System(s) (in a form satisfactory to the Trustee) by or on behalf of the Noteholders or Certificateholders of not less than a clear majority in aggregate Principal Amount Outstanding of the relevant Class of Notes or number of the relevant Class of Certificates then in issue.

"**Original Loan to Value Ratio**" means the ratio, expressed as a percentage, which the amount of a Loan (exclusive of any arrangement fee) bears to the valuation of the relevant Property at origination of the Loan or, in some cases as set out in the Lending Criteria, the lower of such valuation and the sale price of such Property.

"**outstanding**" means, in relation to a Class of Notes or Certificates, all the Notes or Certificates of that Class which have been issued except:

(a) those which have been redeemed in full in accordance with the conditions;

(b) those in respect of which the date for redemption in full has occurred and the full amount of redemption monies (including all interest accrued on such Notes or Certificates to the date for such redemption and any interest payable under the conditions after such date) have been duly paid to the Trustee or to the Principal Paying Agent as provided in clause 5 (*Covenant to Repay Principal*) of the Trust Deed (and, where appropriate, notice to that effect has been given to the Noteholders in accordance with Condition 16 (*Notice to Noteholders*) or to the Certificateholders in accordance with Certificate Condition 15 (*Notice to Certificateholders*)) and remain available for payment against presentation and surrender of Notes or Certificates;

(c) those which have become void or in respect of which claims have become prescribed;

(d) those mutilated or defaced Notes or Certificates which have been surrendered or cancelled and those Notes or Certificates which are alleged to have been lost, stolen or destroyed and in all cases in respect of which

replacement Notes or Certificates have been issued pursuant to the conditions; and

(e) any Global Note or Global Certificate to the extent that it shall have been exchanged for the related Definitive Notes or Definitive Certificates pursuant to the provisions contained therein and the conditions,

provided that for each of the following purposes:

(i) ascertaining the right to attend and vote at any meeting of the Noteholders or Certificateholders;

(ii) the determination of how many Notes or Certificates are outstanding for the purposes of Condition 11 (*Events of Default*) or Certificate Condition 10 (*Events of Default*), Condition 12 (*Enforcement*) or Certificate Condition 11 (*Enforcement*) and Condition 13 (*Meetings of Noteholders, Modification, Waiver and Substitution*) or Certificate Condition 12 (*Meetings of Certificateholders, Modification, Waiver and Substitution*) and schedule 7 (*Provisions for Meetings of Noteholders and Certificateholders*) to the Trust Deed;

(iii) the exercise of any discretion, power or authority which the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Noteholders or Certificateholders or any Class of them; and

(iv) the determination by the Trustee of whether any event or potential event is or would be materially prejudicial to the interests of the Noteholders or Certificateholders or any Class of them,

those Notes or Certificates which are beneficially held by, on behalf of or for the benefit of the Issuer, the Seller, or any Relevant Person, in each case as beneficial owner, shall (unless and until ceasing to be so held) be deemed not to remain outstanding or in issue, except where all of the Notes or Certificates of any Classes are held by or on behalf of or for the benefit of one or more Relevant Persons, in which case such Classes of Notes or Certificates (the "**Relevant Class**") shall be deemed to remain outstanding or in issue (as the case may be) except that, if there is any other Class of Notes or Certificates ranking (with regard to the definition of Most Senior Class) *pari passu* with, or junior to, the Relevant Class and one or more Relevant Persons are not the beneficial owners of all the Notes of such Class, then the Relevant Class shall be deemed not to remain outstanding and **provided that** in relation to a matter relating to a Basic Terms Modification, any Notes or Certificates which are for the time being held by or on behalf of or for the benefit of a Relevant Person, in each case as beneficial owner, shall be deemed to remain outstanding or in issue, as applicable.

"**Overpayment**"	means any amount received from a Borrower in excess of any amount (including, without limitation, principal, interest or fees under the relevant Loan) then due by such Borrower.
"**Owner-Occupied Loan**"	means a Loan which is intended for a Borrower who wishes to use the Loan as a means to purchase a residential property for the purpose of using the property as their primary residence.
"**Participant**"	means a person that has an account with Euroclear or Clearstream, Luxembourg.
"**Paying Agents**"	means the paying agents named in the Agency Agreement (including, for the avoidance of doubt, the Principal Paying Agent) together with any successor or additional paying agents appointed from time to time in connection with the Notes under the Agency Agreement and "**Paying Agent**" means any of them.
"**Perfection Event**"	means the occurrence of one or more of the following: (a) the Legal Title Holder being required to perfect legal title to the Loans (i) by law, (ii) by an order or decree of a court of competent jurisdiction, (iii) by a regulatory authority which has jurisdiction over the Legal Title Holder or (iv) by any organisation of which the Legal Title Holder is a member, or whose members comprise (but are not necessarily limited to) mortgage lenders and with whose instructions it is customary for the Legal Title Holder to comply, to perfect legal title to the Loans; (b) the occurrence of an Insolvency Event in relation to the Legal Title Holder; (c) the occurrence of an Insolvency Event in relation to the Seller; (d) the security created under or pursuant to the Deed of Charge or any material part of that security being, in the opinion of the Trustee, in jeopardy; (e) it becoming unlawful in any applicable jurisdiction for the Legal Title Holder to hold legal title in respect of any Loan or its Related Security in the Portfolio; or (f) the occurrence of a Servicer Termination Event or a Voluntary Termination.
"**Port**"	means the transfer of the Mortgage in respect of a Loan from an existing Property to a new Property where the new Property provides replacement security for the repayment by the Borrower of the relevant Loan.
"**Portfolio**"	means the Loans and their Related Security sold by the Seller to the Issuer on the Closing Date and listed, for the purposes of identification, in Exhibit 1 (*The Mortgage Portfolio*) of the Mortgage Sale Agreement, but excluding any Loan and its Related Security which is repurchased by the Seller pursuant to the Mortgage Sale Agreement and no longer beneficially owned by the Issuer.
"**Portfolio Purchase Option**"	means the option of the Portfolio Purchase Option Holder pursuant to the Deed Poll on and from the Interest Payment Date falling immediately prior to the Optional Redemption Date to require the Issuer to:

(a) sell and transfer to the Portfolio Purchase Option Holder (or its nominee) the beneficial title to the Portfolio Purchase Option Loans;

(b) transfer to the Portfolio Purchase Option Holder (or its nominee) the right to legal title to the Portfolio Purchase Option Loans and their Related Security;

(c) direct that the Legal Title Holder transfer legal title to the Portfolio Purchase Option Holder or its nominee specified as such in the Exercise Notice; and

(d) serve all relevant notices and take all steps (including carrying out requisite registrations and recordings) in order to vest or transfer legal title in and to the Portfolio Purchase Option Loans in or to its legal title transferee or its nominee, in each case subject to the terms of the Deed Poll.

"Portfolio Purchase Option Completion Date" means the Interest Payment Date on which the sale and transfer of the Portfolio Purchase Option Loans and their Related Security pursuant to the exercise of the Portfolio Purchase Option is expected to be completed pursuant to the terms of the Deed Poll.

"Portfolio Purchase Option Holder" means the holder of the majority of the RC2 Certificates (for the avoidance of doubt excluding those RC2 Certificates held directly or indirectly by the Seller, unless the Seller holds 100 per cent of the RC2 Certificates), or its representative and nominee.

"Portfolio Purchase Option Loans" has the meaning given to it in Recital (B) of the Deed Poll.

"Portfolio Purchase Option Purchase Price" means the sum of:

(a) the aggregate Principal Amount Outstanding of the Notes plus accrued and unpaid interest thereon calculated as at the Interest Payment Date on which purchase pursuant to the Portfolio Purchase Option, Condition 8.3 (*Redemption of the Notes in full pursuant to 10 per cent. clean-up call*) or Condition 8.4 (*Redemption of the Notes pursuant to Taxation call*) (as applicable) is expected to be completed (other than any RC1 Payments or RC2 Payments); *plus*

(b) any fees, costs, amounts and expenses of the Issuer that are, or are expected to become payable in the Post-Enforcement Priority of Payments; *less*

(c) any amounts standing to the credit of the Deposit Account (but disregarding any amounts standing to the credit of the Issuer Profit Ledger) as at the Portfolio Purchase Option Completion Date.

"Portfolio Reference Date" means 30 September 2025.

"Post-Enforcement Priority of Payments" means the priority of payments pursuant to which any available amounts are applied following the enforcement of any Security Documents, and as set out in the section titled "*Distributions following the delivery of an Enforcement Notice on the Issuer*".

"**Potential Event of Default**"	means any event which may become (with the passage of time, the giving of notice, the making of any determination or any combination thereof) an Event of Default.
"**Power of Attorney**"	means the power of attorney in the form as set out in Schedule 4 (*Seller Power of Attorney*) and 5 (*Legal Title Holder Power of Attorney*) of the Mortgage Sale Agreement.
"**PRA**"	means the United Kingdom Prudential Regulation Authority.
"**PRA Risk Retention Rules**"	means Article 6 of Chapter 2 of the PRASR together with Chapter 4 of the PRASR
"**PRA Rulebook**"	means the rulebook of published policy of the PRA.
"**PRA Securitisation Rules**" or "**PRASR**"	means the securitisation part of the PRA Rulebook.
"**PRA Transparency Rules**"	means Article 7 of Chapter 2 of the PRA Securitisation Rules, Chapter 5 of the PRA Securitisation Rules (including its Annexes) and Chapter 6 of the PRA Securitisation Rules (including its Annexes).
"**Pre-Enforcement Priority of Payment**"	means each of the Pre-Enforcement Revenue Priority of Payments and the Pre-Enforcement Redemption Priority of Payments.
"**Pre-Enforcement Redemption Priority of Payments**"	means the priority of payments pursuant to which Available Redemption Receipts are applied prior to enforcement of any Security Documents, as set out in the section titled "*Application of Available Redemption Receipts prior to the delivery of an Enforcement Notice on the Issuer*".
"**Pre-Enforcement Revenue Priority of Payments**"	means the priority of payments pursuant to which Available Revenue Receipts are applied prior to the delivery of an Enforcement Notice as set out in the section titled "*Application of Available Revenue Receipts prior to the delivery of an Enforcement Notice on the Issuer*".
	.
"**Presentation Date**"	means a day which is (a) a Business Day and (b) a day on which banks are generally open for business in the relevant place.
"**Principal Addition Amounts**"	means the amount of Available Redemption Receipts equal to the lesser of: (a) the amount of Available Redemption Receipts available for application pursuant to the Pre-Enforcement Redemption Priority of Payments on such Interest Payment Date; and (b) the amount of such Senior Expenses Deficit, used in meeting the Senior Expenses Deficit against the relevant items in the Pre-Enforcement Revenue Priority of Payments in the order that they appear in the Pre-Enforcement Revenue Priority of Payments.
"**Principal Amount Outstanding**"	means, on any day: (a) in relation to a Note, the original principal amount of that Note on the Closing Date less the aggregate amount of all principal payments in respect of such Note which have been made since the Closing Date; (b) in relation to a Class of each Class of Notes on any date shall be, in each case, their original principal

amount, in respect of the Class A Notes of £292,909,000, in respect of the Class B Notes of £13,831,000, in respect of the Class C Notes of £7,323,000, in respect of the Class D Notes of £5,696,000, in respect of the Class E Notes of £5,696,000 and in respect of the Class X Notes of £6,509,000, in each case less the aggregate amount of all principal payments in respect of such Class of Notes which have been made since the Closing Date;

(c) in relation to the Notes outstanding at any time, the aggregate of the amount in paragraph (a) above in respect of all Notes outstanding, regardless of Class; and

(d) in relation to the Certificates, for the purposes of the voting and quorum provisions set out in the Conditions, the Certificate Conditions and the Trust Deed any reference to the Principal Amount Outstanding of the RC1 Certificates and the RC2 Certificates shall each be deemed to be a reference at all times to £500,000.

"**Principal Balance**" means, in relation to a Loan, on any date, the aggregate balance of that Loan at such date (but avoiding double counting) including:

(a) the original amount advanced to the relevant Borrower and any further amount advanced on or before the given date to the relevant Borrower secured by the related Mortgage and Related Security; and

(b) any interest, disbursement, legal expense, fee, charge, rent, service charge, premium or payment which has been properly and lawfully capitalised in accordance with the relevant Mortgage Conditions, or with the relevant Borrower's consent and added to the amounts secured or intended to be secured by the related Mortgage and Related Security,

as at the end of the Business Day immediately preceding that given date less any repayment or payment of any of the foregoing made on or before the end of the Business Day immediately preceding that given date and excluding any retentions made but not released.

"**Principal Deficiency Ledger**" means the ledger so named opened in the books of the Issuer by the Cash Manager in accordance with the Cash Management Agreement which will record on the appropriate sub-ledger as a debit deficiencies arising from Losses on the Portfolio (on the date the Cash Manager is informed of such Losses by the Servicer) and Principal Addition Amounts (on the Calculation Date on which such Principal Addition Amounts are determined by the Cash Manager) and record as a credit Available Revenue Receipts applied as Available Redemption Receipts (including any amounts in respect of Enhanced Amortisation Amounts) pursuant to the Pre-Enforcement Revenue Priority of Payments (if any) on each Interest Payment Date.

"**Principal Deficiency Sub-Ledger**" means each of the following sub-ledgers:

(a) the principal deficiency sub-ledger relating to the Class A Notes (the "**Class A Principal Deficiency Sub-Ledger**");

(b) the principal deficiency sub-ledger relating to the Class B Notes (the "**Class B Principal Deficiency Sub-Ledger**");

(c) the principal deficiency sub-ledger relating to the Class C Notes (the "**Class C Principal Deficiency Sub-Ledger**");

(d) the principal deficiency sub-ledger relating to the Class D Notes (the "**Class D Principal Deficiency Sub-Ledger**"); and

(e) the principal deficiency sub-ledger relating to the Class E Notes (the "**Class E Principal Deficiency Sub-Ledger**"),

and together "Principal Deficiency Sub-Ledgers".

"**Principal Paying Agent**" means Citibank, N.A., London Branch, in its capacity as principal paying agent or any successor principal paying agent appointed in accordance with the Agency Agreement.

"**Priorities of Payments**" means the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as the context requires (each a "**Priority of Payments**").

"**Product Switch**" means any variation in the financial terms and conditions applicable to a Loan other than any variation:

(a) agreed with a Borrower to control or manage actual or anticipated arrears on the Loan;

(b) agreed with a Borrower to extend the maturity date of the Loan (unless the maturity date would be extended to a date later than two years before the Final Maturity Date of the Notes in which case such variation will constitute a Product Switch);

(c) imposed by Applicable Law or Regulatory Direction, other than product switches granted to Borrowers in respect of a Loan which are offered in compliance with the general requirements of Applicable Law to offer customers product switches (including, but not limited to TCF and Consumer Duty principles);

(d) in the rate of interest payable in respect of a Loan; or

(e) agreed with a Borrower to change the Loan from an Interest-only Loan to a Repayment Loan,

provided that with respect to limb (d) above:

(i) any variation in the rate of interest payable in respect of a Loan (A) as a result of any variation in the Standard Variable Rate or (B) where the terms of the Mortgage change the rate of interest payable by a Borrower or the terms of the Loan otherwise change the interest rate payable shall not be considered a Product Switch; and

(ii) any variation in the rate of interest payable in respect of a Loan not permitted or otherwise contemplated by

the relevant Mortgage Conditions shall be considered a Product Switch.

"**Product Switch Collections**"	means all Collections relating to any Product Switch Loans that have been credited to the Collection Account from (but excluding) the Product Switch Cut-Off Date to (but excluding) the immediately succeeding Monthly Product Switch Repurchase Date.
"**Product Switch Cut-Off Date**"	means, in connection with the purchase of any Product Switch Loan, the last calendar day of each calendar month (or in respect of the first Product Switch Notification, the Closing Date).
"**Product Switch Loan**"	means each Loan in the Portfolio which has been subject to a Product Switch during the immediately preceding calendar month as at and including each Product Switch Cut-Off Date.
"**Property**"	means, in relation to a Loan and its related Mortgage(s), the freehold or leasehold property situated in England or Wales or the Scottish Property charged or intended to be charged as security for the repayment of such Loan.
"**Proposed Amendment**"	means a Base Rate Modification or a Swap Rate Modification (as applicable).
"**Prospectus**"	means the prospectus published by the Issuer on or about 3 December 2025 in relation to the Notes and Certificates.
"**Provisional Portfolio**"	means the statistical and other information contained in the Prospectus which have been compiled by reference to loans originated by the Legal Title Holder in a provisional portfolio.
"**Provisions for Meetings of Noteholders**""	means the provisions contained in schedule 7 (*Provisions for Meetings of Noteholders and Certificateholders*) to the Trust Deed.
"**Proxy**"	means, in relation to any Meeting, a person named in a Block Voting Instruction who is authorised and instructed by such Paying Agent to cast the votes attributable to the Notes so listed in accordance with the instructions as set out in such Block Voting Instruction, **provided that** no such person shall be named as a Proxy: (a) whose appointment has been revoked and in relation to whom the relevant Paying Agent has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such meeting; and (b) who was originally appointed to vote at a meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the meeting when it is resumed.
"**Quarterly Servicer Report Date**"	means 7 Business Days prior to each Interest Payment Date.
"**RAO**"	means the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544) (as amended).
"**Rate of Interest**"	means the rate of interest payable from time to time in respect of each class of Notes in accordance with the Conditions.
"**Rated Notes**"	means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class X Notes.

"**Rating Agencies**"	means Moody's and Fitch and "**Rating Agency**" shall mean any one of them.
"**Rating Agency Confirmation**"	means any written confirmation or affirmation (in any form acceptable to the Trustee) from the relevant Rating Agencies that the then current ratings of the Notes will not be reduced, qualified, adversely affected or withdrawn.
"**RC1 Certificateholders**"	means the persons who for the time being are holders of the RC1 Certificates.
"**RC1 Certificates**"	means the Class RC1 Certificates representing the right to receive RC1 Payments.
"**RC1 Payment**"	means: (a) prior to (but excluding) the Optional Redemption Date, an amount equal to the Residual Payment; and (b) thereafter, zero.
"**RC1 Payment Amount**"	means for a RC1 Certificate on any date on which amounts are to be applied in accordance with the applicable Priority of Payments, the RC1 Payment for that date, divided by the number of RC1 Certificates then in issue.
"**RC2 Certificateholders**"	means the persons who for the time being are holders of the RC2 Certificates.
"**RC2 Certificates**"	means the Class RC2 Certificates representing the right to receive RC2 Payments.
"**RC2 Payment**"	means: (a) on and following the Optional Redemption Date, an amount equal to the Residual Payment; and (b) at all other times, zero.
"**RC2 Payment Amount**"	means for a RC2 Certificate on any date on which amounts are to be applied in accordance with the applicable Priority of Payments, the RC2 Payment for that date, divided by the number of RC2 Certificates then in issue.
"**Reasonable, Prudent Mortgage Lender**"	means a reasonably prudent mortgage lender lending to borrowers in England and Wales and Scotland of the type contemplated in the Lending Criteria from time to time on terms similar to those set out in the Lending Criteria in the Prospectus.
"**Reasonable, Prudent Mortgage Servicer**"	means a reasonably prudent residential mortgage servicer who is servicing residential mortgage loans and their related security in respect of residential property in England, Wales or Scotland and which have in all material respects the same or similar characteristics to the Loans in the Portfolio and are originated, administered and held to maturity according to lending standards, lending criteria and procedures as ought to have been applied in relation to the Portfolio or, if the relevant context relates to a specific Loan, as ought to have been applied in relation to such Loan.
"**Receipts**"	means, in relation to a period (without double counting), the Revenue Receipts and the Redemption Receipts.

"**Receiver**"	means any person or persons appointed (and any additional person or persons appointed or substituted) as an administrative receiver, receiver, manager, or receiver and manager of the Charged Assets by the Trustee pursuant to the Deed of Charge.
"**Reconciliation Amount**"	means in respect of any Collection Period (a) the actual Redemption Receipts as determined in accordance with the available Servicer Reports, less (b) the Calculated Redemption Receipts in respect of such Collection Period, plus (c) any Reconciliation Amount not applied in previous Collection Periods.
"**Record Date**"	means each date on which Euroclear and Clearstream, Luxembourg will determine the identity of the Participants for the purposes of making payments under the Certificates.
"**Redemption Fee**"	means the standard redemption fee charged to the Borrower by the Servicer where the Borrower makes a repayment of the full outstanding principal of a Loan on the maturity date of such Loan.
"**Redemption Ledger**"	means the Ledger that will record all Redemption Receipts received by the Issuer and the distribution of the Redemption Receipts in accordance with the Pre-Enforcement Redemption Priority of Payments or the Post-Enforcement Priority of Payments (as applicable).
"**Redemption Receipts**"	means (a) principal repayments under the Loans (including payments of arrears of principal and Capitalised Amounts), (b) recoveries of principal from defaulting Borrowers under Loans being enforced, (c) net recoveries of principal from defaulting Borrowers under Loans in respect of which enforcement procedures relating to the sale of the property have been completed (including the proceeds of sale of the relevant Property, to the extent such proceeds of sale are deemed to be principal but excluding all amounts received following a sale of the relevant Property and such fees and expenses which the Servicer (on behalf of the Legal Title Holder) or the Servicer is entitled to deduct in connection with such enforcement), (d) any payment pursuant to any insurance policy in respect of a Property in connection with a Loan in the Portfolio, to the extent such payment is deemed to be principal, (e) proceeds of the repurchase of any Loan by the Seller from the Issuer pursuant to the Mortgage Sale Agreement (but, for the avoidance of doubt, excluding amounts attributable to Accrued Interest and Arrears of Interest thereon as at the relevant purchase date, and (f) any other payment received by the Issuer in the nature of principal.
"**Reference Banks**"	means the banks selected by the Issuer as a reference bank for the purposes of determining the rate of interest on the Floating Rate Notes.
"**Register**"	means the register kept by the Registrar in which title to the Global Notes is registered.
"**Registers of Scotland**"	means the Land Register of Scotland and/or the General Register of Sasines (as applicable).
"**Registrar**"	means Citibank, N.A., London Branch or any other entity appointed as the registrar for the purposes of the Transaction Documents in accordance with the terms of the Agency Agreement.
"**Regulated Credit Agreement**"	means Owner-Occupied Loans and Buy-to-Let Loans regulated by the CCA as a regulated credit agreement – as defined by article 60B of the RAO.
"**Regulated Market**"	means a regulated market for the purpose of Directive 2014/65/EU (as amended).

"**Regulated Mortgage Activities**"	means each any of the activities falling within articles 25A, 53A, 61 and 64 of the Regulated Activities Order to the extent that it is a regulated activity for the purposes of FSMA.
"**Regulated Mortgage Contract**"	means a credit agreement which constitutes a "regulated mortgage contract" as defined in Article 61 of the RAO.
"**Regulation S**"	means Regulation S under the United States Securities Act of 1993.
"**Related Security**"	means, in relation to a Loan, the security granted for the repayment of that Loan by the relevant Borrower including the relevant Mortgage and all rights, remedies or benefits related thereto including: (a) the benefit of all deeds of priority or postponement, and all affidavits, declarations, consents, renunciations, waivers and any deed of consent, deeds of postponement, ranking agreements and any rights against any person or persons in connection with the origination and completion of such Loan and Related Security; (b) the benefit of (including notations of interest on) any Third Party Building Policy, life policies, life policy assignments or assignations, priority letters, pension policies, Legal Title Holder's Policies, deposited, charged, obtained or held in connection with the relevant Loan and Related Security; (c) to the extent assignable (without the consent of the relevant counterparty), all causes and rights of action (whether assigned to the Issuer or otherwise) against Valuers, relevant solicitors, the Land Registry or the Registers of Scotland or any other person in connection with any report (including a report on title), Valuation Report, opinion, certificate, consent or other statement of fact or opinion given in connection with the relevant Loan or Related Security); and (d) any assignments, assignations, searches, indemnities and related documentation and any other deed or document providing ancillary security or indemnity for repayment of any sums due from time to time under the relevant Loan.
"**Relevant Date**"	has the meaning given to it in Condition 10 (*Prescription*)
"**Relevant Margin**"	means: (a) in respect of the Class A Notes, 0.86 per cent. per annum; (b) in respect of the Class B Notes, 1.10 per cent. per annum; (c) in respect of the Class C Notes, 1.40 per cent. per annum; (d) in respect of the Class D Notes, 1.65 per cent. per annum; and (e) in respect of the Class E Notes, 2.48 per cent. per annum.
"**Relevant Parties**"	means the Seller, the Swap Provider, the Arranger, the Lead Manager, the Servicer, the Cash Manager, the Issuer Account Bank, the Collection Account Bank, Holdings, the Corporate Services Provider, the Back-Up Servicer Facilitator, the Agent Bank, the Custodian, the Registrar, the Trustee (each as defined herein), any company in the

	same group of companies as any such entities or any other party to the transaction documents.
"**Relevant Person**"	has the meaning given to it in (*Transaction Overview – Rights of Noteholders and Relationship with Other Secured Creditors*).
"**Relevant Screen**"	has the meaning given to it in (*Transaction Overview – Rights of Noteholders and Relationship with Other Secured Creditors*).
"**Relevant Screen Page**"	has the meaning given to it in Condition 6.3(b) (Rate of Interest).
"**Relevant Step-Up Margin**"	means: (a) in respect of the Class A Notes, 1.29 per cent. per annum; (b) in respect of the Class B Notes, 1.65 per cent. per annum; (c) in respect of the Class C Notes, 2.10 per cent. per annum; (d) in respect of the Class D Notes, 2.48 per cent. per annum; and (e) in respect of the Class E Notes, 3.48 per cent. per annum.
"**Renting Homes Act**"	means the Renting Homes (Wales) Act 2016.
"**Repayment Loan**"	means a Loan where the Borrower makes monthly payments of both interest and principal so that, when the Loan matures, the full amount of the principal of the Loan will have been repaid.
"**Replacement Cash Manager**"	means an entity identified and appointed in accordance with clause 25 (*Appointment of Replacement Cash Manager*) of the Cash Management Agreement to perform the Cash Manager Services.
"**Replacement Certificates**"	means any Certificates issued without the consent of the Certificateholders, in accordance with Certificate Condition 13.19 (Issuer Substitution Condition), Certificate Condition 12.19 (Issuer Substitution Condition) or clause 18 (Substitution) of the Trust Deed, as a replacement for any one or more Class or Classes of Certificates, each class of which shall have terms and conditions which may differ from the terms and conditions of the Class of Certificates which it replaces and "**Replacement Certificate**" means any one of them.
"**Replacement Legal Title Holder**".	means Shawbrook in its capacity as replacement legal title holder or such other legal title holder nominee nominated by Shawbrook.
"**Replacement Notes**"	means any Notes issued without the consent of the Noteholders, in accordance with Certificate Condition 13.19 (*Issuer Substitution Condition*), Certificate Condition 12.19 (*Issuer Substitution Condition*) or clause 18 (*Substitution*) of the Trust Deed, as a replacement for any one or more Class or Classes of Notes, each class of which shall have terms and conditions which may differ from the terms and conditions of the Class of Notes which it replaces, and "**Replacement Note**" means any one of them.
"**Replacement Servicer**"	means Shawbrook in its capacity as replacement servicer or such other servicer nominee nominated by Shawbrook.
"**Replacement Swap Agreement**"	means an agreement between the Issuer and a replacement swap provider to replace the Swap Transaction.

"**Replacement Swap Premium**"	means an amount received by the Issuer from a replacement swap provider, or an amount paid by the Issuer to a replacement swap provider, upon entry by the Issuer into a Replacement Swap Agreement.
"**Repurchase Price**"	means: (a) in respect of a Product Switch Loan, a cash payment in an amount equal to the Current Balance of such Product Switch Loan or Product Switch Loans as at the Product Switch Cut-Off Date (subject to any exercise of set-off by the Seller); or (b) a cash payment amount in an amount equal to the Current Balance of the Repurchase Loan(s) as at the date of such repurchase (disregarding for the purposes of any such calculation, to the extent to which the Current Balance of such Repurchase Loan(s) has been reduced as a result of the exercise of any set-off right which the relevant Borrower has against the Seller, the amount of any such reduction in the Current Balance) as at the relevant date of any such repurchase.
"**Reserve Fund Amortising Trigger Event**"	occurs if: (a) the Collateralised Notes are not redeemed in full on the Optional Redemption Date; or (b) Cumulative Defaults in respect of the Loans comprising the Portfolio are greater than 5 per cent. of the aggregate Current Balance of the Loans comprised in the Portfolio as at the Cut-Off Date.
"**Residual Payment**"	means payment, by way of Deferred Consideration for the Issuer's purchase of the Portfolio, of an amount equal to: (i) prior to the delivery of an Enforcement Notice, in respect of each Interest Payment Date, the sum of the amount (if any) by which Available Revenue Receipts exceeds the amounts required to satisfy items (a) to (w) of the Pre-Enforcement Revenue Priority of Payments on that Interest Payment Date; and (ii) following the delivery of an Enforcement Notice, in respect of each date on which amounts are to be applied in accordance with the Post-Enforcement Priority of Payments, the amount by which amounts available for payment in accordance with the Post-Enforcement Priority of Payments exceeds the amounts required to satisfy items (a) to (l) of the Post-Enforcement Priority of Payments on that date.
"**Residual Payment Amount**"	means, in respect of the RC1 Certificates, the RC1 Payment Amount and/or in respect of the RC2 Certificates, the RC2 Payment Amount.
"**Retention**"	means the retention of a material net economic interest of not less than 5 per cent. in the securitisation in accordance with SECN 5, Article 6 of Chapter 2 of the PRA Securitisation Rules and Article 6 of the EU Securitisation Regulation (as in force on the Closing Date).
"**Revenue Deficit**"	means, on any Interest Payment Date, an amount equal to any shortfall in Available Revenue Receipts and any Class A and Class B Liquidity Reserve Fund Release Amounts to pay items (a) to (p) (inclusive) of the Pre-Enforcement Revenue Priority of Payments on such Interest Payment

	Date as determined by the Cash Manager on the immediately preceding Calculation Date.
"**Revenue Ledger**"	means the Ledger which will record all Revenue Receipts and any Swap Collateral Account Surplus, and the distribution of the Revenue Receipts and the distribution of any other relevant amounts recorded on the Revenue Ledger in accordance with the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments (as applicable) or by way of Third Party Amounts.
"**Revenue Receipts**"	means (a) payments of interest and other fees due from time to time under the Loans (including any Early Repayment Charges) and other amounts received by the Issuer in respect of the Loans and their Related Security other than Redemption Receipts, (b) recoveries of interest from defaulting Borrowers under Loans being enforced, (c) recoveries of all amounts from defaulting Borrowers under Loans following enforcement and sale of the relevant property, and (d) the proceeds of repurchase attributable to Accrued Interest and Arrears of Interest only of any Loan repurchased by the Seller from the Issuer pursuant to the Mortgage Sale Agreement.
"**Right-to-Buy Loan**"	means a Loan in respect of a Property made in whole or in part to a Borrower for the purpose of enabling that Borrower to exercise his right to buy the relevant Property under the Housing Act 1985 and the Housing Act 1996 (each as amended and updated from time to time) (in the case of English Mortgages) and the Housing (Scotland) Act 1987 (as amended by the Housing (Scotland) Act 2001, the Housing Act 1996 and the Housing (Scotland) Act 2010) (in the case of Scottish Mortgages).
"**Risk Retention U.S. Persons**"	means U.S. persons (as defined in the U.S. Risk Retention Rules).
"**S&P**"	means S&P Global Ratings, a division of Standard and Poor's Credit Market Services Europe Limited.
"**Scottish Declaration of Trust**"	means, together, certain Scots law declarations of trust over the right, title, benefit and interest in each of the Scottish Loans and their Related Security granted by the Legal Title Holder in favour of the Seller, the Seller's interest in which will be assigned by it to the Issuer pursuant to a Scottish Trust Transfer.
"**Scottish Loan**"	means a Loan secured by a Scottish Mortgage.
"**Scottish Mortgage**"	means a first ranking standard security over Scottish Property which is security for a Scottish Loan.
"**Scottish Property**"	means heritable or long leasehold residential property situated in Scotland upon which the obligations of the Borrower are secured.
"**Scottish Related Security**"	means the Related Security in relation to a Scottish Loan.
"**Scottish Sub-Security**"	means a Standard Security granted by the Issuer in favour of the Trustee, substantially in the form set out in schedule 4 (Form of Scottish Sub- Security) to the Deed of Charge and/or an assignation in security in such form as the Trustee shall require, each in accordance with the terms of clause 5.4 (Execution of Scottish Sub-Security) of the Deed of Charge.
"**Scottish Supplemental Charge**"	means an assignation in security of the Issuer's interest in the Scottish Loans and their Related Security (comprising the Issuer's beneficial interest under the trust declared by the Legal Title Holder over such Scottish Loans and their Related Security for the benefit of the Seller

	pursuant to the Existing Scottish Trust as transferred to the Issuer pursuant to the Scottish Transfer) and other related rights comprised in the Portfolio (other than in respect of the English Loans), substantially in the form set out in schedule 5 (*Form of Scottish Supplemental Charge*) to the Deed of Charge.
"**Scottish Transfer**"	means, an assignation by the Legal Title Holder or the Issuer of Scottish Mortgages substantially in the form of part 4 (*Scottish Transfer – Issuer Transfer*) of Schedule 2 (*Form of Scottish Trust Transfers*) of the Mortgage Sale Agreement.
"**Scottish Trust**"	means a trust declared and created by the pursuant to each Scottish Declaration of Trust, to be assigned by the Seller to the Issuer.
"**Scottish Trust Transfer**"	means a Scots law assignation by the Seller of its interest as beneficiary under the Scottish Declaration of Trust to the Issuer granted pursuant to the Mortgage Sale Agreement, substantially in the form set out in schedule 4 (Form of Scottish Trust Transfer) of the Mortgage Sale Agreement.
"**SECN**"	means the securitisation sourcebook of the FCA Handbook.
"**Secured Creditors**"	means the Trustee, any Receiver appointed by the Trustee pursuant to the Deed of Charge, any Appointee, the Noteholders, the Certificateholders, the Seller, the Legal Title Holder (and the Replacement Legal Title Holder or any Successor Legal Title Holder), the Servicer (and the Replacement Servicer or any Successor Servicer), the Back-Up Servicer Facilitator, the Cash Manager (and any replacement Cash Manager), the Swap Provider, the Issuer Account Bank, the Corporate Services Provider, the Paying Agents, the Registrar, the Agent Bank, the Custodian and any other person who is expressed in any deed supplemental to the Deed of Charge to be a secured creditor.
"**Secured Obligations**"	means any and all of the monies and liabilities which the Issuer covenants and undertakes to pay or discharge to the Secured Creditors.
"**Securities Act**"	means the United States Securities Act of 1933.
"**Securitisation Repository**"	means SecRep BV, being a "**securitisation repository**" under Article 2(23) of the EU Securitisation Regulation that is registered pursuant to Article 10 of the EU Securitisation Regulation.
"**Securitisation Tax Regulations**"	means the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296) (as amended).
"**Security**"	means a mortgage, standard security, pledge, lien, charge, assignment or assignation by way of security, hypothecation or other security interest or any other agreement or arrangement having the effect of creating a security interest granted by the Issuer to the Trustee in favour of the Secured Creditors under the terms of the Deed of Charge and Scottish Supplemental Charge.
"**Security Documents**"	means the Deed of Charge, the Scottish Supplemental Charge and any other security document that may at any time be given as security for any of the Secured Obligations pursuant to or in connection with any Transaction Document.
"**Seller**"	means Shawbrook Bank Limited (company number 00388466), a private limited company incorporated under the laws of England and Wales, with its registered office at Lutea House, The Drive, Warley Hill Business Park, Great Warley, Brentwood, Essex, United Kingdom, CM13 3BE.

"**Seller Certificate**"	means a written certificate of the Seller to the Trustee.
"**Seller Covenants**"	means the covenants of the Seller set out in Schedule 5 (*Seller Covenants*) to the Incorporated Terms Memorandum.
"**Seller Power of Attorney**"	means the power of attorney granted by the Seller in favour of the Issuer and the Trustee on the Closing Date, substantially in the form set out in Schedule 4 (*Seller Power of Attorney*) of the Mortgage Sale Agreement.
"**Seller Warranties**"	means the representations and warranties of the Seller set out in Schedule 6 (*Seller's Representations and Warranties*) to the Incorporated Terms Memorandum and "**Seller Warranty**" means any of them.
"**Senior Expenses Deficit**"	means, on any Interest Payment Date, an amount equal to any shortfall in Available Revenue Receipts, any General Reserve Fund Release Amounts and any Class A and Class B Liquidity Reserve Fund Release Amounts to pay: (a) items (a) to (f) of the Pre-Enforcement Revenue Priority of Payments; (b) if the Class B Notes are the Most Senior Class of Notes outstanding, item (h) of the Pre-Enforcement Revenue Priority of Payments; (c) if the Class C Notes are the Most Senior Class of Notes outstanding, item (k) of the Pre-Enforcement Revenue Priority of Payments; (d) if the Class D Notes are the Most Senior Class of Notes outstanding, item (m) of the Pre-Enforcement Revenue Priority of Payments; (e) if the Class E Notes are the Most Senior Class of Notes outstanding, item (o) of the Pre-Enforcement Revenue Priority of Payments, on such Interest Payment Date, as determined by the Cash Manager on the immediately preceding Calculation Date.
"**Servicer**"	means Bluestone Mortgages Limited, acting as servicer of the Loans.
"**Servicer Covenants**"	means the covenants of the Servicer set out in Schedule 7 (*Servicer and Legal Title Holder's Covenants*) to the Incorporated Terms Memorandum.
"**Servicer Power of Attorney**"	means the power of attorney contained in clause 3.2 (*Servicer's authority*) of the Servicing Agreement.
"**Servicer Report**"	means each servicer report in the form set out in the Servicing Agreement, relating to the immediately preceding Collection Period.
"**Servicer Termination Event**"	means any of the events listed in clause 24.3 (*Servicer Events of Default*) of the Servicing Agreement.
"**Servicer Warranties**"	means the warranties of the Servicer set out in Schedule 8 (*Servicer's and Legal Title Holder's Representations and Warranties*) to the Incorporated Terms Memorandum and "**Servicer Warranty**" means any one of them.
"**Services**"	has the meaning given to it in clause 5.1(a) (*General*) of the Servicing Agreement.

"**Servicing Agreement**"	means the agreement pursuant to which the Servicer agrees to service the Loans and their Related Security entered into by, among others, the Issuer, the Trustee, the Seller and the Servicer on or around the Closing Date.
"**Servicing Fee**"	means the Base Fee, the Special Services Fee and Third Party Fees.
"**Share Trust Deed**"	means the share trust deed dated 9 September 2025 entered into by the Share Trustee.
"**Share Trustee**"	means CSC Corporate Services (UK) Limited, a private limited company incorporated under the laws of England and Wales with company number 10831084, having its registered office at 10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU.
"**Significant Deposit Loan**"	being a Loan in respect of which the borrower or borrowers who is or are named and defined as such in the relevant Loan have a deposit account with the Legal Title Holder (or any Successor Legal Title Holder) for an amount in excess of £85,000 (or such other amount as set by the FSCS from time to time) or to the extent such borrower or borrowers are unable to benefit from the FSCS (as determined by the Seller) have a deposit account with the Legal Title Holder (or any Successor Legal Title Holder) for any amount greater than zero.
"**Solvency II**"	means Directive 2009/138/EC of the European Parliament and the Council of 25 November 2009 on the taking-up and pursuit of the business of insurance and reinsurance.
"**SONIA**"	has the meaning given to it in Condition 6.3(b) (*Rate of Interest*).
"**SONIA Reference Rate**"	has the meaning given to it in Condition 6.3(b) (*Rate of Interest*).
"**Special Services Fee**"	means, on any Calculation Date, a fee of an amount equal to 0.24 per cent. per annum of the average of (i) the aggregate of the Mortgage Account Principal Debt of all Loans in relation to which one or more than one Monthly Payment is in arrears as at the first day of the immediately preceding Collection Period (or in respect of the first Interest Payment Date only, the Closing Date) and (ii) the aggregate of the Mortgage Account Principal Debt of all Loans in relation to which one or more than one Monthly Payment is in arrears as at the last day of the immediately preceding Collection Period.
"**Specified Office**"	means, in relation to any Agent: (a) the office specified against its name in the notice details; or (b) such other office as such Agent may specify in accordance with clause 13.7 (Changes in Specified Offices) of the Agency Agreement.
"**SR 2024**"	means Securitisation Regulation 2024 (SI 2024/102) as amended.
"**SR Website**"	means the website of the Securitisation Repository, being www.secrep.eu (or such other website as may be notified by the Seller to the Issuer, the Servicer, the Cash Manager, the Trustee, the Noteholders and the Certificateholders) which complies with the requirements set out in Article 7(2) of the EU Securitisation Regulation.
"**SSPE**"	means securitisation special purpose entity.

"**Standard Documentation**"	means the standard documentation of the Legal Title Holder, a list of which is set out in Exhibit 2 (*Standard Documentation*) to the Mortgage Sale Agreement, or any update or replacement therefor as permitted by the terms of the Mortgage Sale Agreement.
"**Standard Security**" or "**standard security**"	means a standard security over any interest in land in Scotland in terms of the Conveyancing and Feudal Reform (Scotland) Act 1970.
"**Standard Variable Rate**" or "**SVR**"	means the Bluestone's standard variable rate, or such other rate as may otherwise be set from time to time in accordance with the Mortgage Conditions.
"**Stock Exchange**"	means the Irish Stock Exchange plc, trading as Euronext Dublin.
"**Subscription Agreement**"	means the subscription agreement dated on or around 3 December 2025 between the Seller, the Arranger, the Lead Manager and the Issuer.
"**Subsidiary**"	means any subsidiary as defined in section 1159 of the Companies Act 2006.
"**Successor Legal Title Holder**"	means an entity identified and appointed in accordance with clause 25.2 (*Appointment of Successor Servicer and Successor Legal Title Holder*) of the Servicing Agreement.
"**Successor Servicer**"	means an entity identified and appointed in accordance with clause 25.2 (*Appointment of Successor Servicer and Successor Legal Title Holder*) of the Servicing Agreement.
"**Swap Agreement**"	means an ISDA Master Agreement, the Schedule thereto and any credit support annexes or other credit support documents related thereto entered into between the Issuer and the Swap Provider on or prior to the Closing Date and the swap transactions effected thereunder (or such replacement swap agreement as the Issuer may enter into in accordance with the Transaction Documents).
"**Swap Collateral**"	means any collateral, including any interest and distributions, which may be provided by the Swap Provider to the Issuer in accordance with the terms of the Swap Agreement.
"**Swap Collateral Account**"	means each account or accounts opened by the Issuer and maintained with the Issuer Account Bank or the Custodian (as applicable) in accordance with the provisions of the Bank Account Agreement, the Custody Agreement, the Cash Management Agreement, the Deed of Charge and the Swap Agreement, into which (i) any Swap Collateral will be posted by the Swap Provider; (ii) any Replacement Swap Premium shall be paid by a replacement swap provider; (iii) any termination payment owed to the Issuer from an outgoing Swap Provider shall be paid; and (iv) any Swap Tax Credits shall be paid, pursuant to the Swap Agreement which, for the avoidance of doubt, shall include, if applicable, any custody account in respect of any Swap Collateral in the form of securities posted as collateral under the Swap Agreement.
"**Swap Collateral Account Priority of Payments**"	means the priority of payments pursuant to which any amounts and securities standing to the credit of each Swap Collateral Account including interest distributions and redemption or sale proceeds thereon or thereof are applied, as set out on in the section entitled "*Swap Collateral*".

"**Swap Collateral Account Surplus**"	means in respect of a Swap Collateral Account the amounts to be transferred to the Deposit Account to be applied as Available Revenue Receipts pursuant to the Swap Collateral Account Priority of Payments
"**Swap Collateral Ledger**"	means the ledger which shall record as a credit (A) any Swap Collateral received from the Swap Provider, (B) any Replacement Swap Premium received by the Issuer from a replacement swap provider, (C) any termination payment received by the Issuer from an outgoing Swap Provider, and (D) Swap Tax Credits, and record as a debit any sums paid in accordance with the Swap Collateral Account Priority of Payments, such amounts and securities (including interest, distributions and redemption or sale proceeds thereon and thereof) to be applied by the Cash Manager in accordance with the Swap Collateral Account Priority of Payments.
"**Swap Credit Support Annex**"	means the ISDA Credit Support Annex of the Swap Agreement.
"**Swap Payment Date**"	means any Interest Payment Date on which a payment is made by either the Issuer or the Swap Provider in accordance with the Swap Agreement.
"**Swap Provider**"	means, as at the Closing Date, NatWest Markets Plc with its registered office at 250 Bishopsgate, London, England, EC2M 4AA (or such other replacement parties as may be appointed by the Issuer in accordance with the Transaction Documents).
"**Swap Provider Default**"	means the occurrence of an Event of Default (as defined in the Swap Agreement) where the Swap Provider is the Defaulting Party (as defined in the Swap Agreement).
"**Swap Provider Downgrade Event**"	means the occurrence of an Additional Termination Event (as defined in the Swap Agreement) following the failure by the Swap Provider to comply with the requirements of the ratings downgrade provisions set out in the Swap Agreement.
"**Swap Provider Swap Amount**"	means, on each Interest Payment Date (subject to being paid net of the Issuer Swap Amount), the amount the Swap Provider shall pay to the Issuer pursuant to the Swap Agreement, which shall be equal to the product of: (a) the notional amount of the Swap Transaction for the related calculation period; (b) Compounded Daily SONIA for the related calculation period; and (c) the Day Count Fraction, **provided that**, in the event Compounded Daily SONIA as calculated under the Swap Agreement is negative for any related calculation period such that the amount due and payable by the Swap Provider to the Issuer on such Interest Payment Date would be a negative sum, the Issuer shall instead pay to the Swap Provider the absolute value of such amount as part of the Issuer Swap Amount.
"**Swap Rate Modification**"	has the meaning given to it in clause 17.2 (*Additional Right of Modification*) of the Trust Deed.
"**Swap Subordinated Amounts**"	means, in relation to the Swap Agreement, the amount of any termination payment due and payable to the Swap Provider as a result of a Swap Provider Default or a Swap Provider Downgrade Event except to the

extent such amount has already been paid pursuant to the Swap Collateral Account Priority of Payments.

"**Swap Tax Credits**" means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Swap Provider to the Issuer under the terms of the Swap Agreement.

"**Swap Transaction**" means a swap transaction between the Issuer and the Swap Provider pursuant to the Swap Agreement.

"**Tariff of Charges**" means the document provided to the Borrower along with the Mortgage Offer that describes the fees that the Legal Title Holder can charge the Borrower

"**Tax**" shall be construed so as to include any present or future tax, levy, impost, duty, charge, fee, deduction or withholding of any nature whatsoever (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) and wheresoever imposed, including income tax, corporation tax, value added tax or other tax in respect of added value and any franchise, transfer, sales, gross receipts, use, business, occupation, excise, personal property, real property or other tax imposed by any national, local or supranational taxing or fiscal authority or agency together with any penalties, fines or interest thereon, and "**Taxation**" shall be construed accordingly.

"**Tax Authority**" means any government, state or municipality or any local, state, federal or other authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function (including, without limitation, His Majesty's Revenue and Customs).

"**TCF**" means the principle of treating customers fairly as set out at Principle 6 of the Principles for Businesses sourcebook of the FCA Handbook.

"**Third Party Amounts**" means any amounts applied from time to time in accordance with the Servicing Agreement and Cash Management Agreement in making payment of certain monies which properly belong to third parties (including the Seller) and to the extent that such amounts are not provided for separately in the relevant Priority of Payments, such third party amounts including (but not limited to):

(a) certain costs and expenses charged by the Servicer to Borrowers in respect of its servicing and enforcement of the Loans, other than the Servicing Fee and not otherwise covered by the items below;

(b) payments of certain insurance premiums in respect of any Legal Title Holder Insurance Policies (to the extent referable to the Loans);

(c) amounts under a Direct Debit which are repaid to the bank making the payment if such bank is unable to recoup or recall such amount itself from its customer's account or is required to refund an amount previously debited; and

(d) any amount received from a Borrower for the express purpose of payment being made to a third party for the provision of a service to that Borrower.

"**Third Party Buildings Policy**" means in relation to each Property

(a) any buildings insurance policy taken out by a Borrower; or

(b) (in the case of leasehold Property) any buildings insurance policy taken out by a Borrower, the landlord of a Borrower, a superior landlord or a management company under the lease of such Property,

and, in each case, any other insurance contracts in replacement, addition or substitution therefor from time to time (including in each case any endorsements or extensions thereto as issued from time to time) (but which, for the avoidance of doubt, in each such case excludes any buildings insurance policy maintained by or on behalf of the Legal Title Holder).

"**Third Party Fees**"	means any reasonably and properly incurred third party fees in respect of the servicing, administration, arrears handling and enforcement of the Loans and their Related Security and any costs in connection with the taking into possession and selling of any Property (including estate agent fees, legal conveyancing costs, maintenance costs, valuation and security costs) for the periods from and including the first Business Day of each quarter to, but excluding the first Business Day of the following quarter until the termination of the Servicing Agreement, in each case incurred by or on behalf of the Seller.
"**Title Deeds**"	means, in relation to each Loan, and its Related Security and the Property relating thereto, all physical conveyancing deeds, certificates and all other documents which relate to the title to the Property and the security for the Loan and all physical searches and enquiries undertaken in connection with the grant by the relevant Borrower of the related Mortgage.
"**Title Insurance Policy**"	means any insurance policy in respect of any loss arising from the existence of any adverse matter which would have been revealed had the Legal Title Holder instructed a solicitor to conduct a search or other procedure against the title to the relevant Property, which may be in place in respect of the Loans from time to time.
"**Transaction**"	means: (a) the purchase by the Issuer of the Loans; and (b) the issuance of the Notes and/or Certificates by the Issuer, in accordance with the Transaction Documents and the Prospectus.
"**Transaction Documents**"	means the Servicing Agreement, the Agency Agreement, the Bank Account Agreement, the Collection Account Declaration of Trust, the Cash Management Agreement, the Corporate Services Agreement, the Deed of Charge, the Scottish Supplemental Charge, the Swap Agreement, the Deed Poll, the Share Trust Deed, the Issuer Security Power of Attorney, this Incorporated Terms Memorandum, the Mortgage Sale Agreement, the Custody Agreement, each Scottish Declaration of Trust, each Scottish Trust Transfer, the Trust Deed, the Seller Power of Attorney, the Legal Title Holder Power of Attorney, the Servicer Power of Attorney and such other related documents which are referred to in the terms of the above documents or which relate to the issue of the Notes and Certificates, and "**Transaction Document**" means any of the above.
"**Transaction Party**"	means any person who is a Party to a Transaction Document and "**Transaction Parties**" means some or all of them.
"**Transfer**"	means any of the transfers substantially in the form of transfers set out in schedule 3 (*Form of Transfers*) to the Mortgage Sale Agreement.

"**Transfer Costs**"	means the Issuer's costs and expenses associated with the transfer of servicing to a substitute servicer.
"**Trust Corporation**"	means a corporation entitled by the rules made under the Public Trustee Act 1906 to act as a custodian trustee in office or entitled pursuant to any other comparable legislation applicable to a trustee in any jurisdiction other than England and Wales to act as trustee and carry on trust business under the laws of the country of its incorporation.
"**Trust Deed**"	means the deed so named dated on or about the Closing Date between the Issuer and the Trustee.
"**Trust Property**"	means the Issuer Covenants, the Seller Covenants, the Issuer Warranties, the Seller Warranties, the Servicer Covenants, the Servicer Warranties, the Security and all proceeds of the Security.
"**Trustee**"	means Citicorp Trustee Company Limited, a private limited company incorporated under the laws of England and Wales with company number 00235914, having its registered office at Citigroup Centre, Canada Square, London, E14 5LB, United Kingdom (or any other person appointed as the trustee for the purposes of the Transaction Documents in accordance with the terms of the Trust Deed).
"**U.S. Risk Retention Rules**"	means Section 15G of the Securities Exchange Act of 1934, as amended.
"**UK**" or "**United Kingdom**"	means the United Kingdom of Great Britain and Northern Ireland.
"**UK CRA Regulation**"	means the EU CRA Regulation (as amended) as it forms part of the domestic law of the United Kingdom by virtue of the EUWA.
"**UK CRA3 Requirements**"	means the requirements of the UK CRA Regulation after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the UK CRA Regulation and the Commission Delegated Regulation 2015/3 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA (including, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators), as amended from time to time.
"**UK CRR**"	means Regulation (EU) No. 575/2013 as amended by the EU CRR Amending Regulation as it forms part of domestic law of the United Kingdom by virtue of the EUWA.
"**UK Disclosure Templates**"	means the relevant regulatory and implementing technical standards, including the standardised templates adopted by the FCA which set out the form in which the relevant reporting entity is required to comply with certain of the periodic reporting requirements.
"**UK EMIR**"	means the European Market Infrastructure Regulation (EU) No. 648/2012, as it forms part of the domestic law of the United Kingdom by virtue of the EUWA.
"**UK GDPR**"	means the General Data Protection Regulation (EU) 2016/679, as it forms part of the domestic law of the United Kingdom by virtue of the EUWA.
UK MiFIR"	means Regulation (EU) No 600/2014 as it forms part of domestic law of the United Kingdom by virtue of the EUWA as amended.
"**UK MiFIR Product Governance Rules**"	means FCA Handbook Product Intervention and Product Governance Sourcebook.

"**UK PRIIPs Regulation**"	means Regulation (EU) No 1286/2014 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA as amended.
"**UK Prospectus Regulation**"	Regulation (EU) 2017/1129, as it forms part of the domestic law of the United Kingdom by virtue of the EUWA, on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC, as it forms part of domestic law of the United Kingdom by virtue of the EUWA.
"**UK Securitisation Framework**"	means the SR 2024, SECN, and PRASR, together with the relevant provisions of FSMA.
"**UTCCR**"	means the Unfair Terms in Consumer Contracts Regulations 1999 (SI 1999/2083).
"**Valuation Report**"	means the valuation report or reports for mortgage purposes, in the form of one of the *pro forma* contained in the Standard Documentation, obtained by the Legal Title Holder from a Valuer in respect of each Property or a valuation report in respect of a valuation made using a methodology which would be acceptable to a Reasonable, Prudent Mortgage Servicer and which has been approved by the relevant officers of the Legal Title Holder.
"**Valuer**"	means an independent valuer (being a fellow or associate of the Royal Institution of Chartered Surveyors).
"**Variation Procedure**"	means the procedure permitting any party to the Servicing Agreement to propose by notice in writing, a variation to or addition of a Service.
"**VAT** " or "**Value Added Tax**"	means: (a) value added tax imposed by the Value Added Tax Act 1994; (b) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and (c) any other tax of a similar nature, whether imposed in the United Kingdom or a member state of the European Union in substitution for, or levied in addition to, such tax referred to in a paragraph (a) or (b) above, or imposed elsewhere.
"**Volcker Rule**"	means Section 13 of the Bank Holding Company Act of 1956, as amended.
"**Voluntary Termination**"	has the meaning given to it on page 151.
"**Voting Certificate**"	means an English language certificate issued by a Paying Agent in which it is stated: (a) that on the date thereof the Notes and/or Certificates (not being the Notes and/or Certificates (as applicable) in respect of which a Block Voting Instruction has been issued and is outstanding in respect of the meeting specified in such Voting Certificate) are blocked in an account with a clearing system and that no such Notes and/or Certificates will cease to be so blocked until the first to occur of: (i) the conclusion of the meeting specified in such Voting Certificate; and

(ii) the surrender of the Voting Certificate to the Paying Agent who issued the same; and

(b) that the bearer thereof is entitled to attend and vote at such meeting in respect of the Notes and/or Certificates represented by such Voting Certificate.

"**weighted average life**" in relation to an issue of Notes refers to the average amount of time that will elapse from the date of issuance of a security to the date of distribution to the relevant investor of amounts sufficient to fully repay principal of such security (assuming no losses on the Loans and weighted by the principal amortisation of the Notes on each Interest Payment Date).

INDEX OF DEFINED TERMS

£ xi, 255
1960 Act 125
1970 Act 124
2012 Act 255
2019 Consultation 18
ABS interests 52
Account Bank Minimum Rating 90
Accrued Interest 255
Act 243
Additional Interest 218, 255
Agency Agreement 255
Agent 255
Agent Bank 60, 255
Agents 255
Agreed Form 255
Alternative Base Rate 211, 235, 255
Applicable Laws 255
Appointee 255
Arranger ..... ii, 61, 255
Arrears 255
Arrears of Interest 256
assign 138
assigned 138
AST 36
AT 36
Authorisation 256
Authorised Denomination 180, 256
Authorised Investments 256
Authority 257
Available Redemption Receipts 257
Available Revenue Receipts 258
Back-Up Servicer Facilitator 60, 259
Bank Account Agreement 259
Bank of England's Bank Rate 259
Banking Act 259
Base Fee 98, 149, 259
Base Rate Modification 211, 235, 259
Base Rate Modification Certificate 211, 235, 259
Basel Committee 259
Basel III 49
Basic Terms Modification 208, 231, 259
Benchmarks Regulation 260
beneficial title 138
Benefit Plan Investor 250
Block Voting Instruction 260
Bluestone 261
Bluestone Cap Amount 261
BoE Loan Level Report 261
Book-Entry Interests 180, 261
Borrower Fees 261
Borrowers 261
Brexit 46
Business Day 262
Business Days 262
Buy-to-Let Loan 27, 262
Calculated Redemption Receipts 195, 262
Calculated Revenue Receipts 195, 262
Calculation Date 262
capital market arrangement 40, 44
capital market investment 40, 44
Capitalisation 262
Capitalisation Policy 262
Capitalised Amounts 262
Cash Management Agreement 262
Cash Manager 59, 262
Cash Manager Services 262
Cash Manager Termination Event 262
Cash Manager Termination Events 159
CBTL 28
CCA 263
CCJ 121
Central Bank 263
Certificate Book-Entry Interests 184
Certificate Conditions 188, 263
Certificate of Title 263
Certificateholders 69, 263
Certificates ..... ii, 69, 221, 263
Charged Assets 204, 227, 263
chargee 40
CIGA 263
Class 188, 220, 266
Class A and Class B Liquidity Deficit 263
Class A and Class B Liquidity Reserve Fund 263
Class A and Class B Liquidity Reserve Fund Excess Amount 263
Class A and Class B Liquidity Reserve Fund Ledger 156, 264
Class A and Class B Liquidity Reserve Fund Release Amount 264
Class A and Class B Liquidity Reserve Fund Required Amount 264
Class A Noteholders 190, 265
Class A Notes 69, 188, 265
Class A Principal Deficiency Sub-Ledger 265, 290
Class B Noteholders 190, 265
Class B Notes 69, 188, 265
Class B Principal Deficiency Sub-Ledger 265, 291
Class B Redemption Date 265
Class C Noteholders 190, 265
Class C Notes 69, 188, 265
Class C Principal Deficiency Sub-Ledger 265, 291
Class D Noteholders 191, 265
Class D Notes 69, 188, 265
Class D Principal Deficiency Sub-Ledger 265, 291
Class E Noteholders 191, 265
Class E Notes 69, 188, 265
Class E Principal Deficiency Sub-Ledger 265, 291

Class F Notes 188
Class of Certificates 266
Class of Notes 266
Class X Noteholders 266
Class X Notes 69, 188, 266
Classes 266
Clearing System 266
Clearstream 184, 189
Clearstream, Luxembourg 220, 266
Closing Date ..... ii, 266
CLTV Ratios 129
COBS ..... viii, 266
Code 196, 225, 266
CODE 250
Collateralised Notes 69, 188, 266
Collection Account 266
Collection Account Bank 60, 266
Collection Account Bank Rating 93
Collection Account Declaration of Trust 266
Collection Account Sub-Trust 266
Collection Period 266
Collection Period Start Date 266
Collections 266
Commission's Proposal 244
Common Depositary 267
Companies Act 267
Companies House 267
Company News 214
Compounded Daily SONIA 267
Conditions 188, 268
Consideration Rebate Amounts 268
Consumer Buy-to-Let Loan 268
Consumer Duty 268
Consumer Duty Matters 268
Corporate Services Agreement 268
Corporate Services Provider 60, 268
Courts 268
CPR 268
CPUTR 38
CRA 30, 268
Credit Events 121
cross-class cram down 44
Cross-collateral Rights 268
Cumulative Defaults 269
Current Balance 269
Current Loan to Value Ratios 129
Custodian 269
Custody Agreement 269
Cut-Off Date 269
Data Protection Legislation 270
Day Count Fraction 270
Deed of Charge 188, 270
Deed Poll 270
default events 43
Deferred Consideration 270
Deferred Interest 218, 270
Definitive Certificates 221, 270
Definitive Notes 270
Deposit Account 270
Determination Period 195, 270
Direct Debit 271
Direct Debiting Scheme 271
Dispute 271
Distribution Compliance Period 247
Distributor ..... viii, 271
DM Regulations 28, 271
DPA 271
Ealbrook 2022-1 Collection Account Declaration of Trust 271
Early Repayment Charge 271
Early Termination Date 177, 271
Early Termination Event 168
EEA ..... ix, 271
Eligible Person 271
EMIR Amendment 209, 232
Energy Efficiency Regulations 2015 271
Enforced Loan 271
Enforcement Notice 201, 226, 271
Enforcement Procedures 272
English Loans 272
English Mortgage 272
English Property 272
Enhanced Amortisation Amounts 272
equitable assignment 138
ERISA 250, 272
ESMA 272
EU 272
EU CRA Regulation 272
EU CRD 272
EU CRD IV 272
EU CRD V 272
EU CRR 272
EU CRR Amending Regulation 272
EU EMIR 272
EU MIFD II 272
EU MiFID II viii
EU PRIIPs Regulation ..... ix, 272
EU Securitisation Regulation 273
Euroclear 184, 189, 220, 273
Euronext Dublin 273
Eurosystem 273
EUWA 273
Event of Default 202, 226, 273
Exchange Event 273
Exercise Notice 273
Existing Scottish Trust 273
Extraordinary Resolution 77, 273
FATCA 196, 225
FATF 274
FCA ..... xi, 274
FCA Handbook 274
Final Collateralised Notes Redemption Date 274
Final Maturity Date 71, 197, 274
Fitch 274
Fixed Rate Loan 274
Fixed Rate Notes 188
Flexible Loan 275
flip clauses 42
Floating Rate Notes 188

foreign passthru payments 243
FOS 30
FSA xii
FSB 50
FSCS 275
FSMA ..... ix, 275
FSMA 2023 29
FTT 244
Further Advance 275
GBP ..... xi, 255
General Register of Sasines 275
General Reserve Fund 275
General Reserve Fund Excess Amount 275
General Reserve Fund Ledger 156
General Reserve Fund Ledger 275
General Reserve Fund Release Amount 275
General Reserve Fund Required Amount 276
Global Certificate ..... vii, 220, 276
Global Note ..... vii, 189, 276
HA 1988 ..... 36, 276
Help to Buy Loans 276
Help to Buy Scheme 276
HMO 276
HMRC 276
Holding Company 24, 205, 229, 276
Holdings 59, 276
Home Owner and Debtor Protection Act 32
ICR 120
IGAs 243, 277
Incorporated Terms Memorandum 188, 220, 277
Indirect Participants 180, 277
industry CPR 132
Initial Advance 277
Initial Consideration 277
Initial Principal Amount 277
Insolvency Act 277
Insolvency Event 139, 277
Insolvency Official 278
Insurance Distribution Directive ..... ix, 278
Interest Amount 278
Interest Amounts 194
Interest Commencement Date 278
Interest Determination Date 278
Interest Determination Ratio 278
Interest Payment Date 278
Interest Period 193, 278
Interest-only Loan 118, 278
Investment Company Act 279
Investor Report 279
ipso facto termination provisions 44
ISDA Master Agreement 279
Issuer ..... ii, 59, 188, 220, 279
Issuer Account Bank 60, 279
Issuer Accounts 88, 279
Issuer Certificate 9, 219, 242, 279
Issuer Covenants 279
Issuer Profit Amount 279
Issuer Profit Ledger 157, 279
Issuer Security Power of Attorney 279
Issuer Share 280
Issuer Swap Amount 167, 280
IVA 121
Land Register of Scotland 280
Land Registry 280
Lead Manager ..... ii, 61, 280
Ledger 156, 280
Legal Title Holder 59, 280
Legal Title Holder Insurance Policies 280
Legal Title Holder Power of Attorney 280
Legal Title Holder's Policies 280
Legal Title Transfer Date 281
Lending Criteria 281
Liabilities 281
Liability 281
Loan 117, 281
Loan Files 281
Loan Level Reports 281
Loan Payment Report 281
Loan Repurchase Notice 144, 281
Loan Warranties 140, 281
Loans 117, 281
Losses 7
LTV 282
Material Adverse Effect 282
MC Extension Agreement 31
MC Interest-only Agreement 31
MCD 28, 282
MCDO 28, 282
MCOB 29
Member State 282
Minimum Denomination 282
MMR 30
Modelling Assumptions 103
Modification Certificate 211, 235, 282
Monthly Payment 282
Monthly Payment Date 282
Moody's 283
Mortgage 283
Mortgage Account Principal Debt 283
Mortgage Conditions 283
Mortgage Deed 283
Mortgage Offer 283
mortgage prisoners 31
Mortgage Sale Agreement 283
Mortgage Servicing and Arrears Management Policy 283
Mortgages 283
Mortgages Tailored Support Guidance 46
Most Senior Class 204, 228, 283
Non-Responsive Rating Agency 9, 218, 241, 284
Note Factor 197, 284
Note Principal Payment 197, 284
Noteholders 69, 284
Notes 69, 188, 189, 284
Obligations 284
Observation Period 284
offer 245, 246
Official List 284
OLTV Ratios 128
Optional Redemption Date 284

Ordinary Resolution 76, 284
Original Loan to Value Ratio 285
Original Loan to Value Ratios..... 128
outstanding 285
Outstanding 204, 228
Overpayment 287
Owner-Occupied Loan 287
Participant..... 287
Participants..... 180
participating Member States..... 244
Paying Agent..... 287
Paying Agents 287
PD 55C 33
Perfection Event 139, 287
Port 287
Portfolio..... 287
Portfolio Purchase Option 161, 287
Portfolio Purchase Option Completion Date 288
Portfolio Purchase Option Holder 288
Portfolio Purchase Option Loans..... 288
Portfolio Purchase Option Purchase Price.... 288
Portfolio Reference Date 288
Post-Enforcement Priority of Payments 175, 288
Potential Event of Default 289
Pounds xi
Power of Attorney 289
PRA ..... xii, 289
PRA Risk Retention Rules 289
PRA Rulebook..... 289
PRA Securitisation Rules 289
PRA Transparency Rules 289
PRASR 289
Pre Action Protocol 33
Pre-Enforcement Priority of Payments..... 289
Pre-Enforcement Redemption Priority of Payments 174, 289
Pre-Enforcement Revenue Priority of Payments 172, 289
Presentation Date.....197, 225, 289
Principal Addition Amounts..... 6, 165, 289
Principal Amount Outstanding..... 200, 289
Principal Balance..... 290
Principal Deficiency Ledger.....156, 166, 290
Principal Deficiency Sub-Ledger 166, 290
Principal Paying Agent..... 60, 291
Priorities of Payments 291
Priority of Payments..... 175, 291
Product Switch 291
Product Switch Collections 292
Product Switch Cut-Off Date 292
Product Switch Loan 292
Property..... 292
Proposed Amendment 27, 292
Prospectus..... i, iv, 292
Prospectus Regulation 272
Provisional Portfolio..... 292
Provisions for Meetings of Noteholders.... 292
Proxy 261, 292
Qualifying Collateral Trigger Rating 90
Qualifying Transfer Trigger Rating..... 91
Quarterly Servicer Report Date.....292
RAO.....292
Rate of Interest.....193, 292
Rated Notes.....188, 292
Rates of Interest 193
Rating Agencies.....iv, 293
Rating Agency .....iv, 293
Rating Agency Confirmation.....218, 241, 293
RC1 Certificateholders.....293
RC1 Certificates.....293
RC1 Payment 293
RC1 Payment Amount 293
RC2 Certificateholders.....293
RC2 Certificates.....293
RC2 Payment 293
RC2 Payment Amount 293
Reasonable, Prudent Mortgage Lender.....293
Reasonable, Prudent Mortgage Servicer....293
Receipts 293
Receiver 294
Reconciliation Amount 294
Record Date 181, 185, 294
Redemption Fee 294
Redemption Ledger.....156, 294
Redemption Receipts 294
Register 190, 221, 294
Registered Definitive Notes 182, 189
Registers of Scotland.....294
Registrar.....60, 294
Regulated Credit Agreement 294
Regulated Market.....294
Regulated Mortgage Activities 295
Regulated Mortgage Contract 295
Regulation S.....vii, 295
Related Security 295
Relevant Class.....24, 205, 229, 286
Relevant Date.....201, 225, 295
Relevant Information 25
Relevant Margin 295
Relevant Parties .....vii, 295
Relevant Party.....210, 234
Relevant Person 24, 205, 229, 296
Relevant Screen 80, 217, 240, 296
Relevant Step-Up Margin 296
Renting Homes Act.....296
Repayment Loan 118, 296
Replacement Cash Manager.....296
Replacement Certificate.....296
Replacement Certificates 296
Replacement Legal Title Holder 296
Replacement Note.....296
Replacement Notes 296
Replacement Servicer 296
Replacement Swap Agreement 296
Replacement Swap Premium 297
Repurchase Loans.....144
Repurchase Price 297
Required Swap Rating 168
Reserve Fund Amortising Trigger Event 297
Residual Payment.....297

Residual Payment Amount 297
retail investor 245, 246
Retention 297
Revenue Deficit 297
Revenue Ledger 156, 298
Revenue Receipts 298
RICS 122
RICS qualified valuers 122
Right-to-Buy Loan 298
Risk Factors ..... vi, 59
Risk Retention U.S. Person 52
Risk Retention U.S. Persons ..... i, viii, 298
S&P 298
Scottish Declaration of Trust 298
Scottish Loan 298
Scottish Mortgage 298
Scottish Property 298
Scottish Related Security 298
Scottish Sasine Sub-Security 39
Scottish Sub-Security 298
Scottish Supplemental Charge 298
Scottish Transfer 299
Scottish Transfers 118
Scottish Trust 144, 299
Scottish Trust Transfer 299
Secured Creditors 299
Secured Obligations 299
Securities Act ..... i, vii, 299
Securitisation Repository 299
Securitisation Tax Regulations 299
Security 70, 152, 299
Security Documents 299
Seller 59, 299
Seller Certificate 9, 219, 242, 300
Seller Covenants 300
Seller Power of Attorney 300
Seller Warranties 300
Seller Warranty 300
Senior Class 206, 230
Senior Expenses Deficit 300
Servicer 59, 300
Servicer Covenants 300
Servicer Power of Attorney 300
Servicer Report 300
Servicer Termination Event 96, 149, 300
Servicer Warranties 300
Servicer Warranty 300
Services 144, 145, 300
Servicing Agreement 144, 301
Servicing Fee 98, 149, 301
Share Trustee 60, 301
Shawbrook ii
Significant Deposit Loan 301
Similar Law vi
small companies 40
small company 40
Solvency II 301
SONIA 301
SONIA Reference Rate 301
Special Services Fee 98, 149, 301
Specified Office 301
SR Website 301
SSPE 301
Standard Documentation 302
standard security 302
Standard Security 302
Standard Variable Rate 302
Sterling ..... xi, 255
Stock Exchange 302
Subscription Agreement 302
Subsidiary 24, 205, 229, 302
Successor Legal Title Holder 302
Successor Servicer 302
SVR 302
Swap Agreement 302
Swap Collateral 177, 302
Swap Collateral Account 302
Swap Collateral Account Priority of Payments 177, 302
Swap Collateral Account Surplus 303
Swap Collateral Ledger 157, 303
Swap Credit Support Annex 177, 303
Swap Payment Date 303
Swap Provider 59, 303
Swap Provider Default 303
Swap Provider Downgrade Event 303
Swap Provider Swap Amount 303
Swap Rate Modification 213, 236, 303
Swap Rate Modification Certificate 213, 237
Swap Subordinated Amounts 303
Swap Tax Credits 304
Swap Transaction 304
Tariff of Charges 304
Tax 304
Tax Authority 304
Taxation 304
Taxes 201, 225
TCF 304
Third Party Amounts 304
Third Party Buildings Policy 304
Third Party Fees 305
Title Deeds 305
Title Insurance Policy 305
Topslicing 120
Trade and Cooperation Agreement 47
Transaction 305
Transaction Document 305
Transaction Documents 305
Transaction Parties 59, 305
Transaction Party 59, 305
Transfer 305
Transfer Costs 306
Trust Corporation 306
Trust Deed 306
Trust Property 306
Trustee 60, 306
U.S. person 52
U.S. Person ..... i, viii
U.S. persons 52
U.S. Persons vii

U.S. Risk Retention Consent ..... i, viii, 247
U.S. Risk Retention Rules ..... i, viii, 306
UK ..... xi, 306
UK CRA Regulation 306
UK CRA3 Requirements 211, 235, 306
UK EMIR 306
UK GDPR 306
UK MiFIR ..... viii, 306
UK MiFIR Product Governance Rules 306
UK PRIIPs Regulation ..... ix, 307
UK Prospectus Regulation 307
UK Securitisation Framework 307
Unfair Practices Directive 37
United Kingdom 306
United Kingdom xi
UTCCR 30
UTTCR 307
Valuation Report 307
Value Added Tax 307
Valuer 307
Variation Procedure 307
VAT 307
Volcker Rule 307
Voluntary Termination 151, 307
Voting Certificate 307
weighted average life 103
Weighted Average Life 308

ISSUER

Ealbrook Mortgage Funding 2025-1 PLC
10th Floor, 5 Churchill Place,
London, England, E14 5HU,
United Kingdom

SELLER

Shawbrook Bank Limited
Lutea House, The Drive
Warley Hill Business Park
Great Warley
Brentwood
Essex
CM13 3BE

CASH MANAGER, AGENT BANK
PRINCIPAL PAYING AGENT, CUSTODIAN AND ISSUER ACCOUNT BANK

Citibank, N.A., London Branch
Citigroup Centre, Canada Square,
Canary Wharf,
London E14 5LB

LEGAL TITLE HOLDER AND SERVICER

Bluestone Mortgages Limited
Floor 10,
40 Leadenhall Street,
London,
England, EC3A 2BJ

ARRANGER AND LEAD MANAGER

Lloyds Bank Corporate Markets plc
25 Gresham Street
London, EC2V 7HN

TRUSTEE

Citicorp Trustee Company Limited
Citigroup Centre, Canada Square,
Canary Wharf,
London E14 5LB

REGISTRAR

Citibank, N.A., London Branch
Citigroup Centre, Canada Square,
Canary Wharf,
London E14 5LB

LEGAL ADVISERS TO THE SELLER, THE ISSUER AND THE SERVICER

(as to English law)

Clifford Chance LLP
10 Upper Bank Street
Canary Wharf
London E14 5JJ

(as to Scots law)

CMS Cameron McKenna Nabarro Olswang LLP
Saltire Court
20 Castle Terrace
Edinburgh EH1 2EN
United Kingdom

LEGAL ADVISERS TO THE ARRANGER AND THE LEAD MANAGER

Ashurst LLP
London Fruit & Wool Exchange
1 Duval Square
London E1 6PW

LEGAL ADVISERS TO THE TRUSTEE

Ashurst LLP
London Fruit & Wool Exchange
1 Duval Square
London E1 6PW

LISTING AGENT

Walkers Listing Services Limited
5th Floor, The Exchange
George's Dock, IFSC
Dublin 1, D01 W3P9
Ireland